

Our ongoing analysis of Indiana nonprofit employment is a joint effort by the Center on Philanthropy, the School of Public and Environmental Affairs, and the Indiana Business Research Center at Indiana University to document the significant impact of nonprofits on Indiana's economy by providing detailed information on the size, composition, and distribution of paid employment in the private nonprofit sector in Indiana.

Key Facts about Nonprofits in Indiana

- Nonprofits employ 1 in 11 workers in Indiana (nearly 250,000 employees).
- Nonprofits include public charities, private foundations and other types of tax-exempt groups such as civic leagues, chambers of commerce, social clubs, lodges, and veterans' organizations.
- The majority of nonprofit organizations are public charities with 501(c)(3) designation from the IRS. Public charities provide social assistance, health care, education, arts and recreation, and religious services in local communities.
- Nonprofit social assistance organizations provide child care, job training and placement, individual and family services, emergency relief, and more. This was the second fastest growing nonprofit industry in Indiana, second only to health care.

Employment in Dearborn County

- In 2009, about 1 out of 20 workers in Dearborn County was employed by a nonprofit organization, compared to only 1 out of 27 workers in 1995.
- Nonprofit employment grew nearly 70 percent from 1995 to 2009, while for-profit employment grew by 30 percent.
- Over 40 percent of nonprofit employees work in social assistance, while another 25 percent work in health care establishments. There is no nonprofit education employment in Dearborn County.

Payroll in Dearborn County

- Nonprofit payroll grew in Dearborn County from about \$10 million in 1995 to just over \$18 million in 2009 (in constant 2009 dollars).

- This change represented an increase of about 80 percent in nonprofit payroll, while for-profit payroll increased over 33 percent from 1995 to 2009.
- Average annual nonprofit wages grew from about \$25,500 in 1995 to nearly \$27,000 in 2009, just above a 6 percent increase, adjusted for inflation. Average for-profit wages increased about 3 percent, from \$32,000 in 1995 to \$33,000 in 2009.

Establishments in Dearborn County

- Between 1995 and 2009, the number of nonprofit establishments increased nearly 30 percent to 58 establishments. Though for-profit establishments increased by only 10 percent, they began from a much higher base and reached nearly 795 establishments by 2009.
- Nonprofit establishments tended to employ around 12 workers on average in 2009, versus about 14 at for-profit establishments.

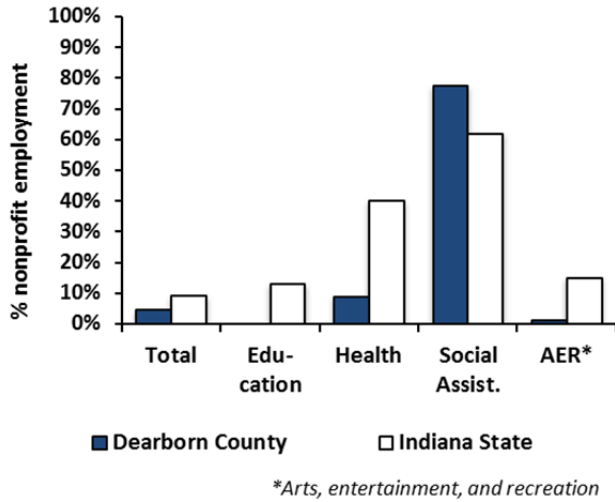
Fig. 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Dearborn County, 1995-2009



County Industry Data

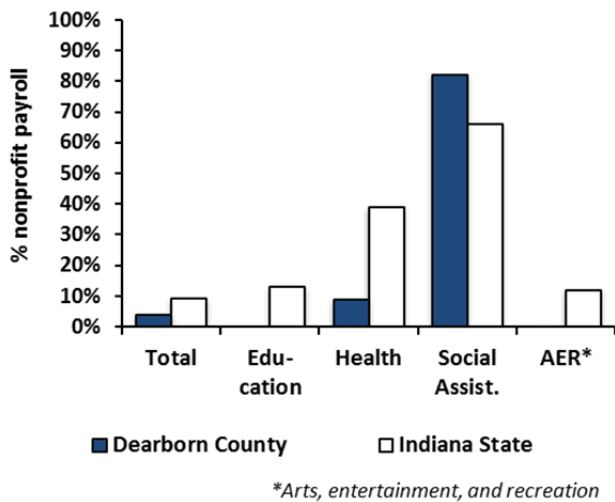
The nonprofit sector has a substantial role in the economic well-being of Dearborn County, though perhaps this sector is not as developed as in other counties, as we can see through the state comparisons in figures 2 through 4.

Fig. 2: Percentage of nonprofit workers, 2009



- The percentage of workers employed by nonprofits in Dearborn County was about half of the percent employed in Indiana as a whole in 2009 (Figure 2).
- Only social assistance accounted for a higher percentage of employees than is the case for these industries in the state overall (Figure 2).

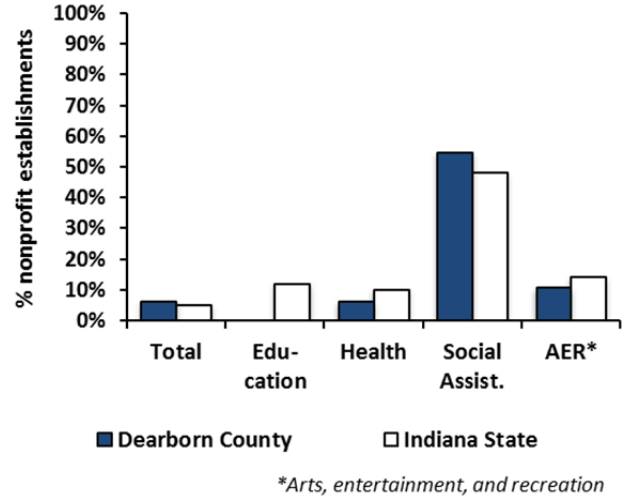
Fig. 3: Percentage of payroll from nonprofits, 2009



- Dearborn County nonprofit payroll also constituted about half that of the proportion of nonprofit payroll in Indiana overall (Figure 3).

- Nonprofits accounted for over 80 percent of total payroll in nonprofit social assistance and about 10 percent in health care (Figure 3).

Fig. 4: Percentage of NP Establishments, 2009



- Dearborn County had a slightly larger share of establishments operated by nonprofits in 2009 (Figure 4) than held for Indiana overall.
- Dearborn County had a larger percentage of social assistance establishments than at the state level, but had no nonprofit education establishments as of 2009.

Note on Methodology

The report draws data from the national Quarterly Census Employment and Wages (QCEW) filings. However, because of the unique position of nonprofits under federal law, many nonprofits are not required to complete these filings. For example, religious congregations as well as 501(c)(3) organizations employing fewer than four workers are exempt from QCEW filings. We can also only identify nonprofit employers that are registered with the IRS as exempt entities. Because of these exclusions we are confident that our analysis underestimates nonprofit employment in Indiana. For a full explanation of our methodology, please visit www.indiana.edu/~nonprof.