

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 Howard County

- Nonprofit establishments employed greater than 5 percent of Howard County workers in 2009.
- Nonprofit employment decreased by about 10 percent from 1995 to 2009, while for-profit employment shrank by nearly 40 percent.
- Nearly 50 percent of nonprofit employees worked in health care and another 30 percent in social assistance establishments.

Payroll in Howard County

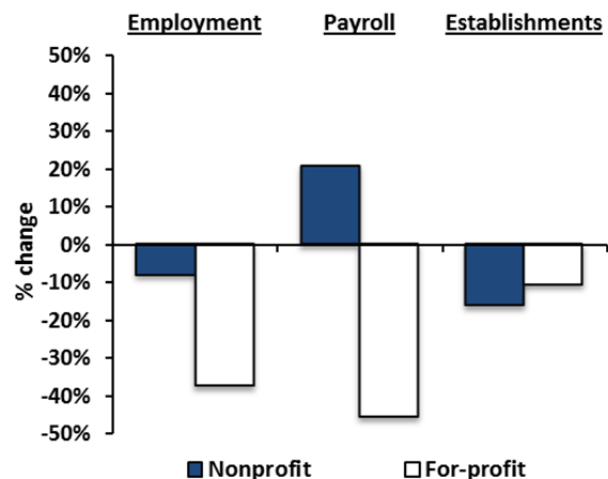
- Nonprofit payroll grew in Howard County from over \$49 million in 1995 to over \$59 million by 2009 (in constant 2009 dollars).

- This change represented an increase of more than 20 percent for nonprofits, while for-profit payroll decreased by over 40 percent between 1995 and 2009, adjusted for inflation.
- Average annual nonprofit wages grew from around \$24,000 in 1995 to over \$31,500 in 2009, an over 20 percent increase, adjusted for inflation. For-profit wages decreased over 40 percent, from more than \$52,000 to over \$45,500.

Establishments in Howard County

- Between 1995 and 2009, the number of nonprofit establishments decreased 4 percent from 68 to 57. For-profit establishments decreased by 11 percent, losing about 175 establishments.
- Nonprofit organizations tended to have staff sizes of around 33 workers in 2009, up from about 30 in 1995. The average for-profit employed 17 workers in 2009, down from 24 in 1995.

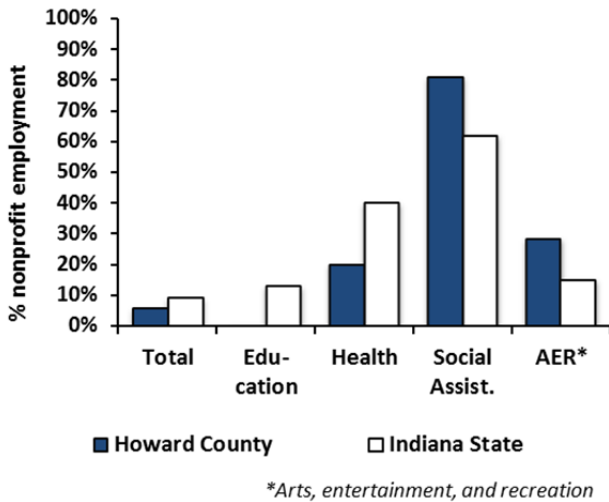
Figure 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Howard County, 1995-2009



County Industry Data

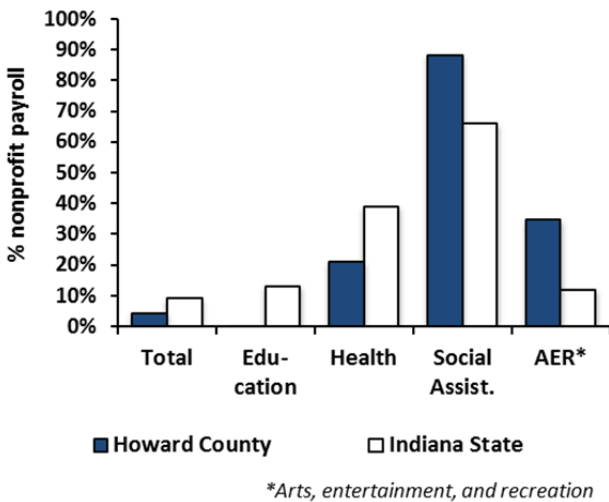
The nonprofit sector is important to the economic well-being of Howard County. As shown in Figures 2-4, nonprofits account for a substantial percentage of employment, payroll, and establishments.

Figure 2: Percentage of nonprofit workers, 2009



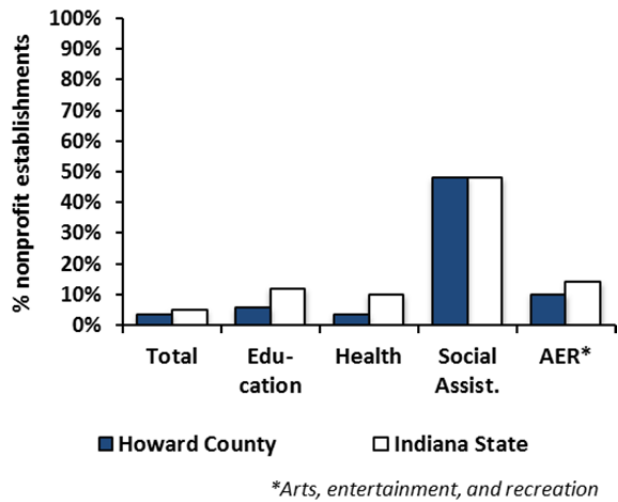
- The percentage of workers employed by nonprofits in Howard County was lower than in the state as a whole in 2009 (Figure 2).
- In the social assistance and arts, entertainment, and recreation (AER) industries, nonprofits accounted for a higher percentage of employees than was the case for these industries in the state overall. (Figure 2).

Figure 3: Percentage of payroll from nonprofits, 2009



- Nonprofit establishments accounted for nearly 90 percent of social assistance payroll in 2009, well above the state average of 66 percent (Figure 3).
- In 2009, nonprofit health care and AER in Howard County accounted for between one fifth and just over one third of total payroll in those industries, respectively.

Figure 4: Percentage of nonprofit establishments



- Howard County had a slightly smaller share of establishments operated by nonprofits in 2009 (Figure 4) than did Indiana overall.

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, some 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.