

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 charities, private and public foundations and other types of organizations such as civic leagues, chambers of commerce and veterans' organizations.
- The vast 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 in local communities.
- Nonprofit social assistance organizations provide child care, job training and placement, individual and family services, emergency relief, and more. Social assistance was the second fastest growing nonprofit industry in Indiana, second to healthcare.
- This change represented a 110 percent increase for nonprofit payroll. For-profits experienced a 4 percent increase in payroll through 2009, adjusted for inflation.
- Average wages in the nonprofit sector grew from about \$28,100 in 1995 to almost \$35,300 in 2009, a 25 percent increase. For-profit wages saw a 10 percent increase from \$27,300 to \$30,300 (in constant 2009 dollars).

Establishments in Morgan County

- Between 1995 and 2009, the number of nonprofit establishments increased 137 percent from 27 to 64. For-profit establishments grew by 3 percent to 976 by the end of 2009.
- Nonprofit organizations employed an average of around 23 workers in 1995 and 16 in 2009. The average for-profit employed about 10 workers in 2009, down from around 11 in 1995.

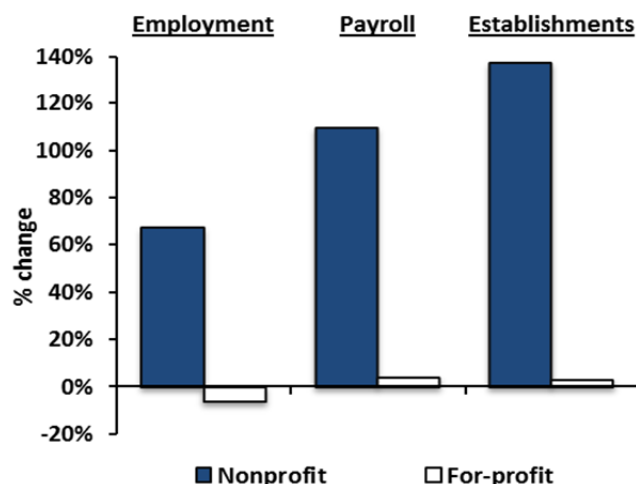
Employment in Morgan County

- In 2009, 1 out of every 14 workers in Morgan County was employed by a nonprofit organization, compared to about 1 out of 22 in 1995.
- Nonprofit establishments employed over 1,000 workers in 2009. This compares to just over 600 workers employed in 1995.
- Nonprofit employment grew 67 percent from 1995 to 2009, while for-profit employment shrank 6 percent.
- Close to 60 percent of nonprofit employees in Morgan County worked in health care.

Payroll in Morgan County

- Nonprofit payroll grew in Morgan County from more than \$17 million in 1995 to nearly \$37 million in 2009 (in constant 2009 dollars).

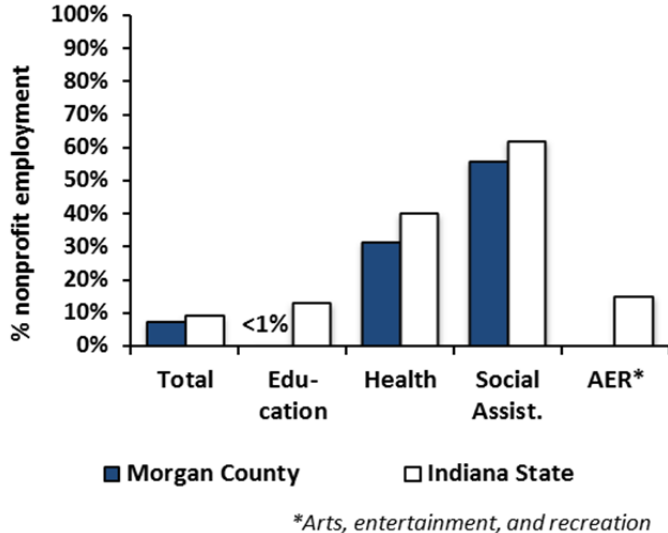
Figure 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Morgan County, 1995-2009



County Industry Data

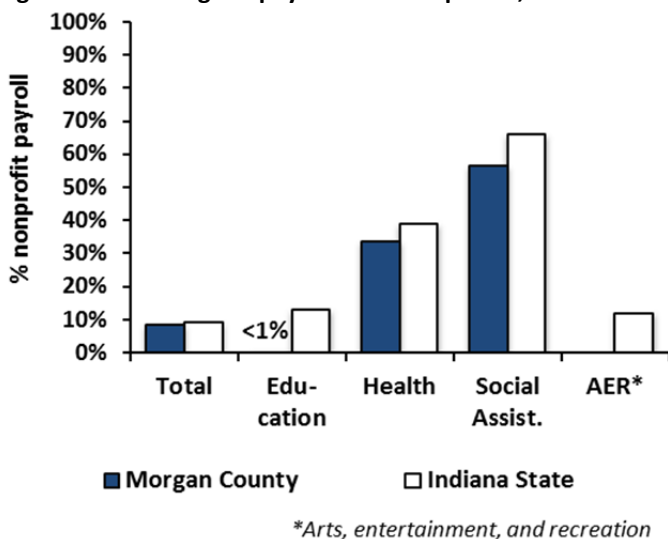
The nonprofit sector has a significant role in the economic well-being of Morgan County. However, as shown in Figures 2-4, nonprofits here accounted for slightly smaller percentages of employment and payroll versus the state as a whole.

Figure 2: Percentage of nonprofit workers, 2009



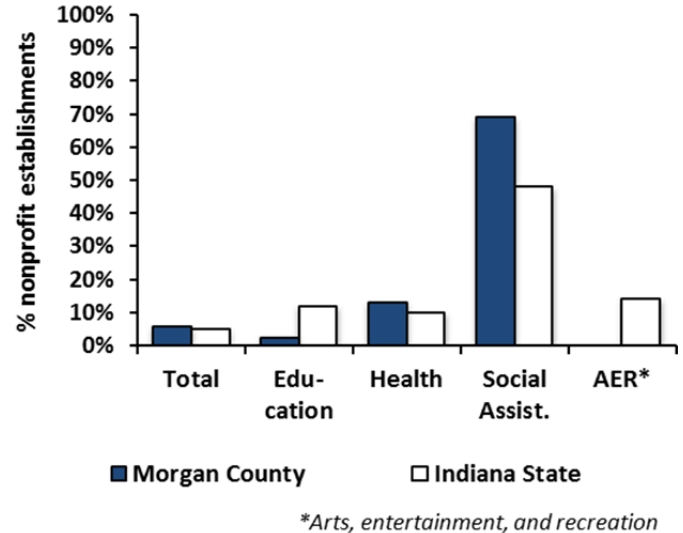
- The percentage of total workers employed by nonprofits in Morgan County was slightly less than that of the state as a whole in 2009 (Figure 2).
- There were no nonprofit arts, entertainment, and recreation (AER) establishments in Morgan County, and therefore no employment or payroll.

Figure 3: Percentage of payroll from nonprofits, 2009



- Nonprofit payroll constituted a slightly smaller percentage of total payroll in Morgan County in 2009 than in Indiana overall (Figure 3), consistent with employment percentages.
- Nonprofit establishments provided almost 60 percent of the social assistance industry's payroll and over 30 percent of health care payroll (Figure 3).

Figure 4: Percentage of nonprofit establishments, 2009



- Morgan County had a slightly larger share of establishments operated by nonprofits in 2009 (Figure 4) than did Indiana overall.
- Morgan County had a larger share of nonprofit establishments in the health and social assistance industries than did the state 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, religious congregations as well as 501(c)(3) organizations employing fewer than four workers are exempt from QCEW filings. Because of these exclusions we are confident that our analysis underestimates nonprofit employment in Indiana. For a full explanation of methodology, please visit our website.