



Nonprofit Employment Series
Report #2

INDIANA NONPROFIT EMPLOYMENT 2005

A JOINT PRODUCT OF

THE CENTER ON PHILANTHROPY
AT INDIANA UNIVERSITY

THE SCHOOL OF PUBLIC AND ENVIRONMENTAL AFFAIRS
AT INDIANA UNIVERSITY

AND

THE JOHNS HOPKINS
NONPROFIT EMPLOYMENT DATA PROJECT

MAY 2005

KIRSTEN A. GRØNBJERG, PROJECT DIRECTOR
AND
ERICHT. ESCHMANN

Copyright © 2005 Kirsten A. Grønbjerg
All rights reserved
Printed in the United States of America

Acknowledgments

This report was prepared as part of an ongoing project on the **Indiana Nonprofit Sector: Scope and Community Dimensions** made possible by the support for the Efroymson Chair in Philanthropy by the Indianapolis Foundation at the Central Indiana Community Foundation and the Indiana University Center on Philanthropy's Indiana Research Fund, supported in part by Lilly Endowment Inc. We are grateful to Carol O. Rogers, Victoria Nelson, Jerry Conover at the Indiana Business Research Center for making the data on which this report is based available to us and for very helpful comments on the draft. We also acknowledge the technical support provided by S. Wojciech Sokolowski, and Stephanie Lessans Geller at the Center for Civil Society Studies, Institute for Policy Studies, Johns Hopkins University. Finally, we thank members of the Advisory Board for the Indiana Nonprofit Sector: Scope and Community Dimensions project for helpful comments and suggestions.

Copies of this report are available on the Indiana Nonprofit Sector Web site (www.indiana.edu/~nonprof) and the Center for Civil Society Web site (www.jhu.edu/~csss).

Suggested Citation

Indiana Nonprofit Employment: 2005 Report, by Kirsten A. Grønbjerg and Erich T. Eschmann (Bloomington, IN: Indiana University School of Public and Environmental Affairs, May, 2005).

INDIANA NONPROFIT EMPLOYMENT: 2005 REPORT

INDIANA NONPROFITS: SCOPE & COMMUNITY DIMENSIONS

NONPROFIT EMPLOYMENT SERIES: REPORT #2

A JOINT PRODUCT OF

THE CENTER ON PHILANTHROPY
AT INDIANA UNIVERSITY

THE SCHOOL OF PUBLIC &
ENVIRONMENTAL AFFAIRS
AT INDIANA UNIVERSITY

AND

THE JOHNS HOPKINS
NONPROFIT EMPLOYMENT
DATA PROJECT

KIRSTEN A. GRØNBJERG
AND
ERICH T. ESCHMANN

MAY 2005

TABLE OF CONTENTS

Key Findings	1
Project Advisory Board.....	2
Introduction.....	3
Detailed Findings	5
I. Update from 2001 Analysis	5
Employment.....	5
Payroll.....	5
New Classification System	5
II. A Major Economic Force.....	6
Employment.....	6
Payroll.....	8
III. A Statewide Presence.....	9
IV. Health Dominance.....	11
V. Mainly Charitable Employment.....	12
VI. Nonprofit Wages Vary by Industry and Region.....	13
Industry	13
Region.....	18
VII. A Growing Sector	19
Employment.....	19
Payroll.....	20
Industry	21
Region.....	23
VIII. Detailed Trends in Nonprofit Employment.....	24
IX. Conclusion	26
Appendix A	
<i>The ES-202 Employment Insurance Labor Market Program</i>	<i>27</i>
Appendix B	
<i>Nonprofit Employment in Indiana, by Region, 2003</i>	<i>31</i>
Appendix C	
<i>Nonprofit Employment in Indiana, by County, 2003</i>	<i>32</i>
Appendix D	
<i>Distribution of Nonprofit Employment by Industry in Indiana, 2003</i>	<i>35</i>
Appendix E	
<i>Nonprofit Employment and Wages for Select Industries in Indiana, 2003</i>	<i>36</i>
Appendix F	
<i>For-Profit Employment and Wages for Select Industries in Indiana, 2003</i>	<i>37</i>
Appendix G	
<i>Government Employment and Wages for Select Industries in Indiana, 2003</i>	<i>38</i>
Appendix H	
<i>Distribution of Indiana Nonprofit Employment by IRS Reporting Status, 2000-2003</i>	<i>39</i>
Project Publications and Reports	40

KEY FINDINGS

Major Updates from 2001 Analysis

1. Nonprofit employment increased by over 5 percent between 2000 and 2003, while for-profit employment decreased by almost 6 percent and government employment increased by nearly 3 percent during the same period (see pages 19-20).
2. The gap between nonprofit and for-profit payrolls narrowed between 2000 and 2003, as did the gap between nonprofit and government payrolls. Total nonprofit payrolls increased 17 percent, while for-profit payrolls increased 1 percent and government payrolls increased 10 percent (see page 5).
3. The gap between nonprofit and for-profit average weekly wages decreased by \$11 over the 2000-2003 period and the gap between nonprofit and government weekly wages decreased by \$13 (see page 5).

Other Key Findings

4. The nonprofit sector continues to be a major economic force in Indiana, accounting for nearly 1 out of every 12 paid workers—more than are employed in the state's construction industry (see pages 6-7).
5. The 228,000 nonprofit employees in Indiana earned about \$6.6 billion in wages in 2003 (see page 8).
6. Nonprofit employment is not restricted to any one region of Indiana, but is distributed broadly throughout the state (see pages 9-11).
7. About half (52 percent) of nonprofit employment in the state is in health services, another 13 percent is in education, and 12 percent is in social assistance (see page 11).
8. Most (88 percent) nonprofit employees work for charities, although only 58 percent of nonprofit employers are charities (see page 12).
9. On average, weekly wages for nonprofit employees are 14 percent lower than those of for-profit workers and 13 percent lower than those of government workers (see page 14). However, nonprofit weekly wages are similar to for-profit wages in industries where nonprofit employment is concentrated (see pages 14-18).
10. The Indiana nonprofit sector grew notably faster than the for-profit sector between 2000 and 2003 and faster than the government sector between 2000 and 2002 (see page 19).
11. Overall wages for nonprofit employees in Indiana also increased faster than those of employees in for-profit or government organizations, although average weekly wages increased at a slower rate (see pages 20-21).
12. The growth share and rate of growth in nonprofit employment were concentrated in social assistance and educational services (see pages 21-22).
13. Rates of growth in nonprofit employment varied significantly among Indiana metropolitan regions (see pages 23-24).
14. Nonprofit employment grew steadily each quarter between 2000 and 2003, while there are notable seasonal fluctuations in for-profit and government employment (see pages 24-26).

PROJECT ADVISORY BOARD

Ellen K. Annala

President and Chief Executive Officer, United Way of Central Indiana

Barbara Burt

President, The Foellinger Foundation, Inc.

Greg Charleston

Executive Director, Arts Council of Indianapolis

Sandy Daniels

Executive Director, Johnson Co. Community Foundation

Roland Dorson

Executive Vice President, Indianapolis Chamber of Commerce

Brent C. Embrey

Deputy Attorney General, State of Indiana

Rev. Nancy Ferriani

Board Member, Indiana Partners for Christian Unity and Mission

Christie Gillespie

Executive Director, Indiana Association for Community Economic Development

John Hamilton

Former Secretary, Indiana Family and Social Services Administration

Jane Henegar

Deputy Mayor for Public Policy, City of Indianapolis

Stan C. Hurt

President, Rotary Foundation

Dorothy Ilgen

Executive Director, Indiana Arts Commission

Harriet Ivey

President and CEO, Nina Mason Pulliam Charitable Trust

Sheila Kennedy

Professor, School of Public & Environmental Affairs

Scott Massey

President & CEO, Indiana Humanities Council

Thomas P. Miller

President, Thomas P. Miller and Associates

Fran Quigley

Executive Director, Indiana Civil Liberties Union

Todd Rokita

Indiana Secretary of State

Thomas Rugh, Ph.D.

Executive Vice President, Indiana Association of United Way

Paula Parker Sawyers

Director, Indiana Office of Faith-Based & Community Initiatives

Msgr. Joseph Schaedel

Vicar General, Archdiocese of Indianapolis

Rev. Timothy Shapiro

President, Indianapolis Center for Congregations

Carol Simonetti

President and CEO, Indiana Grant-Makers Alliance

Eugene Tempel

Executive Director, Center on Philanthropy at Indiana University

William Stanczykiewicz

Executive Director, Indiana Youth Institute

Gloria Lewis Vaughn

Program Consultant, Indianapolis Ten Point Coalition

Pamela Velo

Program Officer, Central Indiana Community Foundation

Dr. Rev. Angelique Walker-Smith

Executive Director, Church Federation of Greater Indianapolis

Megan Wiles

President, Legacy Fund of Hamilton County

Susan Williams

President, Indiana Sports Corporation

INTRODUCTION

Nonprofit organizations make significant contributions to the quality of life for Indiana citizens by offering healthcare, education, job training, access to arts and culture, and opportunities for democratic participation. They are also a major force in the state's economy and in the economic health of all the state's regions.

This 2005 report presents new information on the size, composition, and distribution of paid employment in the private nonprofit sector in Indiana for the 2000-2003 period,¹ and updates Report #1, which presented similar data for 1995, 2000, and 2001. It is part of a larger project on **Indiana Nonprofits: Scope and Community Dimensions**, currently underway at Indiana University, designed to provide solid, baseline information about the Indiana nonprofit sector, its composition and structure, its contributions to Indiana, the challenges it is facing, and how these features vary across Indiana communities. For more information about the project, see <http://www.indiana.edu/~nonprof>.

The report draws on data generated by the Indiana Department of Workforce Development through surveys of Indiana workplaces carried out under the national ES-202 labor market information program administered by the U.S. Bureau of Labor Statistics as part of the unemployment insurance program. These data, compiled from quarterly reports submitted by employers in compliance with U.S. and Indiana law, were prepared for us by the Indiana Business Research Center at Indiana University under a confidentiality agreement with the state.

Under federal law, all places of employment are required to complete these quarterly surveys and either be covered by the federal unemployment insurance system or make other arrangements to provide unemployment coverage to laid-off workers. However, religious congrega-

¹ Because of changes in how industries are classified (from the Standard Industrial Classification (SIC) system to the North American Industrial Classification System (NAICS) as mandated by the North American Free Trade Agreement (NAFTA)), we were able to obtain consistent industry classifications dating back only to 2001. As a result, most of our detailed trend analysis is limited to the 2001-2003 period. However, we are able to report on overall nonprofit employment and payroll data back to 2000. Our methodology for estimating nonprofit employment in 1995 used in our previous report carries some uncertainty (it most likely underestimates nonprofit employment in 1995), we therefore limit our analysis to the more recent periods.

tions and 501(c)(3) charitable organizations employing less than 4 workers are not required to take part in the unemployment insurance system. The significance of this exclusion is unknown as some (few) religious organizations nevertheless elect to be covered by unemployment insurance. Because of these exclusions, however, we are confident that our analysis underestimates nonprofit employment in Indiana, perhaps even by a substantial amount (see Appendix A).

For the purpose of this report, we focus on nonprofits registered as tax-exempt entities with the U.S. Internal Revenue Service under Section 501(c) of the Internal Revenue Code. This includes private, not-for-profit hospitals, clinics, colleges, universities, elementary schools, social service agencies, day care centers, orchestras, museums, theaters, homeless shelters, soup kitchens, and many more. It also includes a wide variety of civic organizations, trade associations, unions, and other membership groups.

For portions of our analysis, we are able to separate out nonprofits eligible to receive tax-deductible contributions under Section 501(c)(3) of the Internal Revenue Code. These so-called "charities" account for the bulk of nonprofit employment in Indiana. By reporting separately on this portion of the Indiana nonprofit sector, we are able to make direct comparisons between Indiana and national analysis completed by the Center for Civil Society Studies at The Johns Hopkins University.

We caution that our estimate of the size of the Indiana nonprofit sector underestimates the sector's role in the Indiana economy because some nonprofits (e.g., congregations and charities with less than four workers) are not required to participate in the ES-202 reporting systems. Still others cannot be identified as nonprofits,² most notably those that are not required to register as tax-exempt entities with the IRS because they have less than \$5,000 in total revenues or are among the types of nonprofits that are exempt from registering altogether (e.g., certain types of membership associations and churches), or don't do so for a variety of other reasons.

² Unfortunately, Indiana is not one of the handful of states, such as Maryland, that require private ES-202 establishments to indicate whether they operate under for-profit or nonprofit ownership. As a result, we have to rely on the IRS Business Master File of tax-exempt entities to identify nonprofit organizations, even though we know these records have significant gaps and may fail to capture as many as 40-50 percent of nonprofits in the state. Most likely, however, a majority of the larger ones are included.

Some or all of these non-registered nonprofits may actually be included in ES-202 data system, but we can identify as nonprofit only those employers that are registered as tax-exempt entities with the IRS. We have had to assume that all other non-government employers are for-profit, even though we know this overestimates the for-profit share of the state's employment.

In addition, for each year we used the IRS tax-exempt status for nonprofits as of February of the previous year because we know that the process of obtaining IRS status as a tax-exempt entity takes time. Even so, it is possible that nonprofits may have employees and therefore participate in ES-202 reporting systems while waiting for their IRS ruling letter. As a result, our data will most likely underestimate nonprofit employment each year. We explore an alternative methodology in Appendix A.

For further information on the ES-202 data source, our particular definition of the nonprofit sector, and the method used here to extract data on nonprofit organizations from the Indiana ES-202 records, see Appendix A (see also footnote 4).

DETAILED FINDINGS

I. UPDATE FROM 2001 ANALYSIS

This report continues the analysis of our first report on Indiana's nonprofit employment that covered the 1995-2001 period. Many trends remain the same through 2003, while some new features emerged.

Employment in the nonprofit sector continued to grow steadily from 2000 through 2003, while the state overall lost jobs, reflecting the underlying recession and losses in for-profit employment. Over the same period, the gap between nonprofit and for-profit weekly wage declined as did the gap between nonprofit and government weekly wages. Unfortunately, the implementation of a new classification system limits our ability to draw conclusions on an industry level to the last three years.

Employment: Our previous report showed that nonprofit employment outpaced both for-profit and public employment over the 1995-2000 period. Over the 2000-2003 period, the state lost jobs, all in the for-profit sector, while nonprofit employment continued to increase. Government employment grew, but less quickly than nonprofit employment.

- Total paid employment in Indiana declined from 2.94 million in 2000 to 2.82 million, or by almost 4 percent.
- During the same period, nonprofit employment increased from 217,000 in 2000 to 228,000 in 2003, or by more than 5 percent overall.
- For-profit employment declined from 2.33 million in 2000, to 2.20 million in 2003, or by over 4 percent.
- Government employment increased from 384,000 in 2000 to 395,000 in 2003, or by almost 3 percent.
- See pp. 18-19 below for more detail.

Payroll: Our previous report showed that nonprofit payroll average weekly wages trailed those in the for-profit and government sector. Our analysis for the 2000-2003 period shows that the gap between nonprofit and for-profit payrolls and weekly wages decreased notably, as

did the gap between nonprofit and government payrolls and weekly wages.

- For-profit payrolls declined by almost 1 percent between 2000 and 2001, grew by less than 1 percent between 2001 and 2002 and by only 1.6 percent between 2002 and 2003. Overall, for-profit payrolls increased 1 percent between 2000 and 2003.
- Total nonprofit payrolls grew by at least 5 percent per year between 2000 and 2003 (17 percent overall), while total government payrolls grew only modestly, reaching only 2 percent in 2002-2003, and 10 percent overall from 2000-2003.
- Nonprofit weekly wages were, on average, \$102 below for-profit wages in 2000. By 2003 they were \$91 below for-profit weekly wages, on average. However, nonprofit wages remained similar to for-profit wages in industries where nonprofits are concentrated.
- In 2000, average nonprofit weekly wages were \$93 below average government wages; by 2003, average nonprofit weekly wages were \$80 below average government wages on average.
- See pp. 19-21 below for more detail.

New Classification System: In the mid-1990s, the changing U.S. economy – and the adoption of the North American Free Trade Agreement (NAFTA) – made it necessary to update the industry classification system used by the government to track the U.S. economy.³ This change from the Standard Industrial Classification (SIC) system to the North American Industrial Classification System (NAICS) was adopted in 2002, but applied to 2001 data for comparison purposes. As a result, we present historical details for nonprofit industries only back to 2001. However, we have data on total nonprofit employment, establishments and payrolls for earlier periods and include 2000 data in this report. We do not include 1995 data here (see Report #1), because of methodological concerns that may have resulted in underestimating nonprofit employment for 1995.

³ For more information, see: <http://www.naics.com/info.htm>

- The new classification change allows for a more in-depth analysis of Indiana’s prominent nonprofit health care system (see Figures 17-20).
- There were significant changes in classification of arts, entertainment, and recreation organizations (see Figure 21).
- There were also major shifts in growth shares among nonprofit industries from the trends observed for the 2000-2001 period in Report #1, possibly reflecting shifts in how detailed industries were grouped together (see Figure 31).

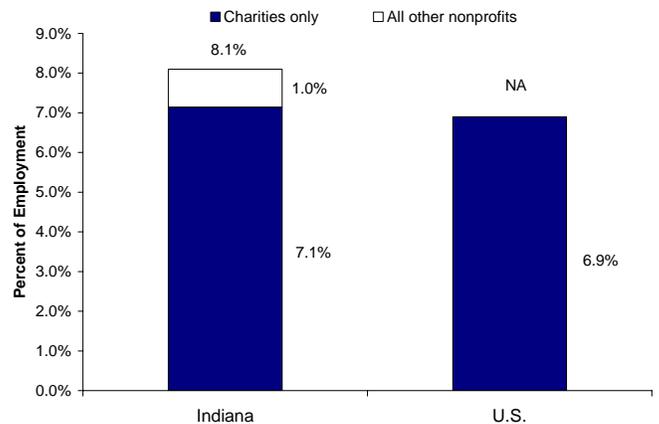
II. A MAJOR ECONOMIC FORCE

The private nonprofit sector – comprised of private hospitals, clinics, colleges, universities, elementary schools, day care centers, social service providers, museums, theaters, soup kitchens, civic and fraternal organizations, trade groups, labor unions, and many more – is a major economic force in the state of Indiana.

Employment: Nonprofit organizations employed a minimum of 228,000 paid workers in Indiana in 2003, including 200,000 that worked for registered charities. This is up from 222,000 paid workers in 2000, of which 195,000 worked for charities.

- Overall, 8.1 percent of Indiana employees worked for a nonprofit organization, or about 1 out of every 12 workers, and 7.1 percent worked for a charity, or nearly 1 out of every 14 workers. Indiana is slightly above the U.S. average (6.9 percent) in terms of the charitable share of total employment. See Figure 1.

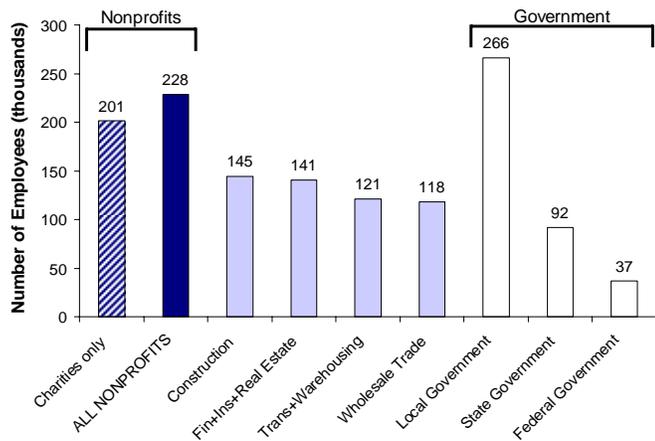
Figure 1: Nonprofit share of total employment, Indiana vs. the national average



Data sources: Indiana ES-202 system and Johns Hopkins Employment Data Project based on ES-202 data (2003).

- As shown in Figure 2, the Indiana nonprofit sector employed:
 - More people than the state’s entire construction industry.
 - More people than the state’s entire finance, insurance, and real estate industries.

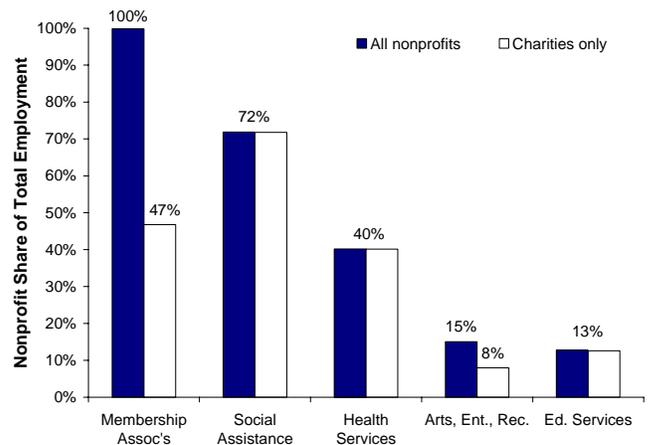
Figure 2: Employment in Indiana's nonprofit sector in comparison to selected industries, 2003 (in thousands)



- More people than the state's entire transportation and warehousing industry.
- More people than the state's wholesale trade industry.
- Nearly twice as many people as are employed by the state and federal government combined, but less than local government (including public schools).
- The Indiana nonprofit sector employed significantly fewer people than the state's manufacturing (573,000) and retail trade (335,000) industries, the state's two largest industries.
- Nonprofits account for the bulk of employment in many fields (see Figure 3 and Appendices E, F, G). This includes:

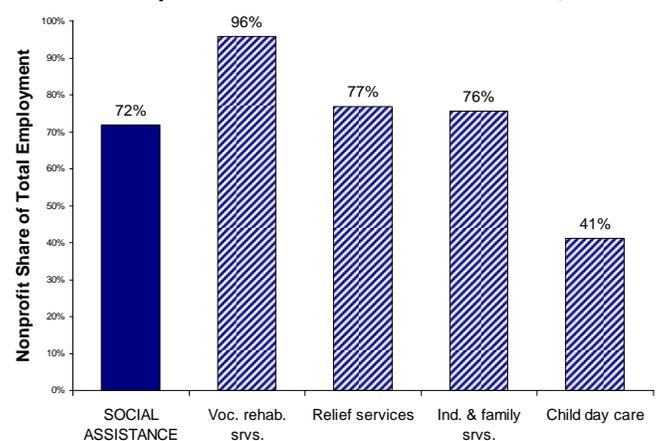
- Virtually all (almost 100 percent) of the employment in membership associations, although only 47 percent of the total are employed by charities.⁴ Government employs the remaining 0.1 percent.

Figure 3: Employment in Indiana's nonprofit sector as a share of total employment for selected industries, 2003



- Almost three-fourths (72 percent) of all employment in social assistance organizations (see Figure 4), including:

Figure 4: Employment in Indiana's social assistance nonprofit sector as a share of total employment in specific social assistance industries, 2003

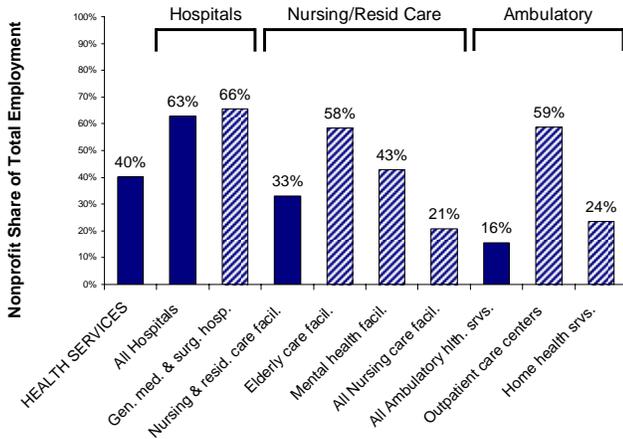


- Almost all (96 percent) of those employed in vocational rehabilitation services.
- Over three-quarters (77 percent) of workers in emergency and other relief services, as well as community food and housing.
- About three-quarters (76 percent) of those employed in individual and family service organizations.

⁴ Religious congregations are not required to register with the IRS and will not be defined as charities under our methodology, although some are included in the employment reporting system. Many membership associations (e.g., business, labor, political, social groups and the like) are not charities, but registered as tax-exempt entities under other sub-sections of the IRS code.

- Over two-fifths (41 percent) of those employed in child day care services.
- Two-fifths (40 percent) of total employment in health services (see Figure 5), including:

Figure 5: Employment in Indiana's health services nonprofit sector as a share of total employment in specific health services industries, 2003



- Nearly two-thirds (63 percent) of those employed in hospital services.
 - Two-thirds (66 percent) of general medical and surgical employment.⁵
- One third (33 percent) of those employed in nursing or residential care facilities.
 - Almost three-fifths of those employed in elderly care facilities (58 percent).
 - More than two-fifths (43 percent) of those employed in mental health facilities.
 - About a fifth (21 percent) of those employed in nursing care facilities.
- Almost one-fifth (16 percent) of those employed by ambulatory health care services.
 - Almost three-fifths (59 percent) of those employed in outpatient centers.

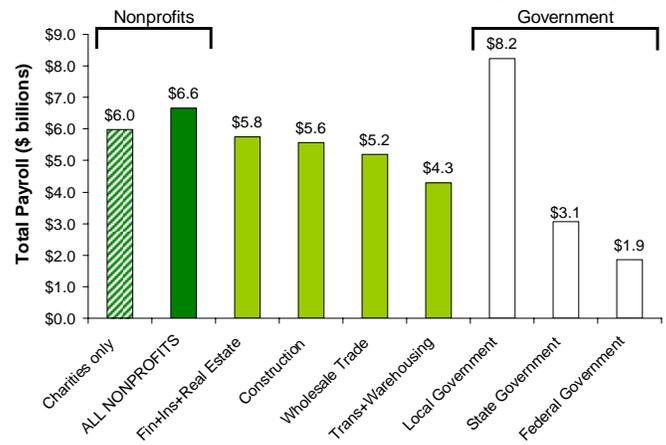
⁵ This is the largest subcategory of hospital employment in Indiana (92 percent). The rest include psychiatric and substance abuse hospitals and specialty (except psychiatric and substance abuse) hospitals.

- About a quarter (24 percent) of those employed in home health services.
- Nearly one-tenth (9 percent) of those employed in other ambulatory services.⁶

- Over one-seventh (15 percent) of total employment in arts, entertainment, and recreation (see Figure 3).
- Almost one-eighth (13 percent) of all employment in educational services (see Figure 3).

Payroll: The 228,000 nonprofit employees in Indiana earned an estimated \$6.6 billion in wages in 2003, with \$5.9 billion of that accounted for by those working for charities (see Figure 6).

Figure 6: Wages in Indiana's nonprofit sector in comparison to selected industries, 2003 (in billions)



- Nonprofit employees accounted for 7.1 percent of the state's total payroll (\$94.2 billion).
- The nonprofit payroll of \$6.6 billion exceeded those for:
 - All jobs in finance, insurance, and real estate (\$5.7 billion).
 - All construction jobs (\$5.6 billion).

⁶ Other ambulatory services account for 80 percent of the ambulatory health services industry. This explains the relatively low (16 percent) overall percentage of nonprofit employment in ambulatory health services as compared to outpatient centers and home health care.

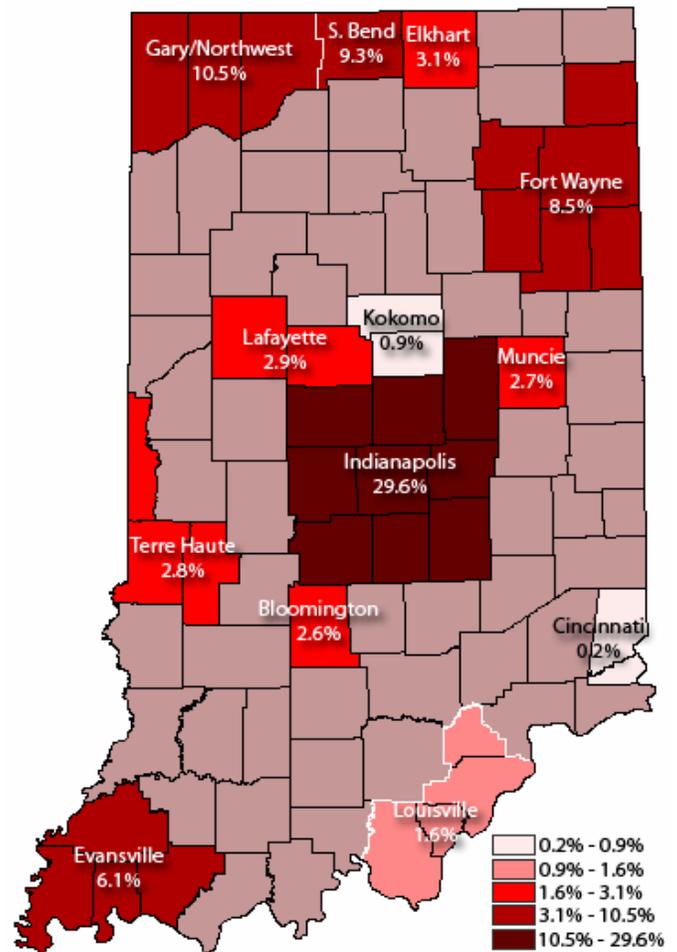
- All jobs in state and federal government combined (\$5 billion).
- Nonprofit payrolls, however, were significantly less than the payrolls for jobs in manufacturing (\$26 billion), and were also below those of local government (\$8.2 billion), and retail trade (\$7 billion).

III. A STATEWIDE PRESENCE

Nonprofit employment is found in every region of the state, although the economic impact of the sector varies notably significantly among Indiana metropolitan regions and counties.

Like Indiana’s population, most of the state’s nonprofit employment is located in the state’s metropolitan regions⁷ (see Figure 7 and Appendix B).

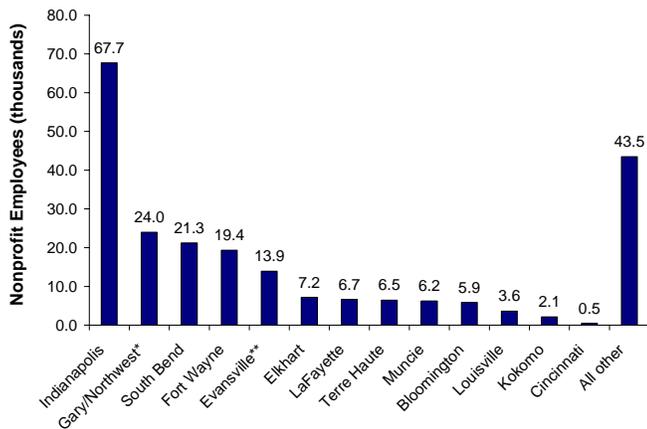
Figure 7: Distribution of Indiana’s nonprofit sector by metropolitan region, 2003



⁷ For the purpose of this report, we focus on the state’s metropolitan areas in comparison to the rest of the state. We include La Porte County in the Northwest region and Gibson County in the Evansville region for consistency with other work underway for the project on the **Indiana Nonprofit Sector: Scope and Community Dimensions** (see <http://www.indiana.edu/~nonprof>). Subsequent reports will provide more details on the geographic distribution of nonprofit employment by industry and sector for regions established by the Indiana Department of Commerce.

- The state’s metropolitan regions jointly account for 81 percent of all nonprofit employment in the state, up from 80 percent in 2000.
 - Figures 7 and 8 show that the nine-county Indianapolis metropolitan area had almost 68,000 nonprofit employees or nearly 30 percent of state’s nonprofit employment in 2003 (see also Appendix B).

Figure 8: Employment in Indiana’s nonprofit sector by metropolitan region, 2003 (in thousands)



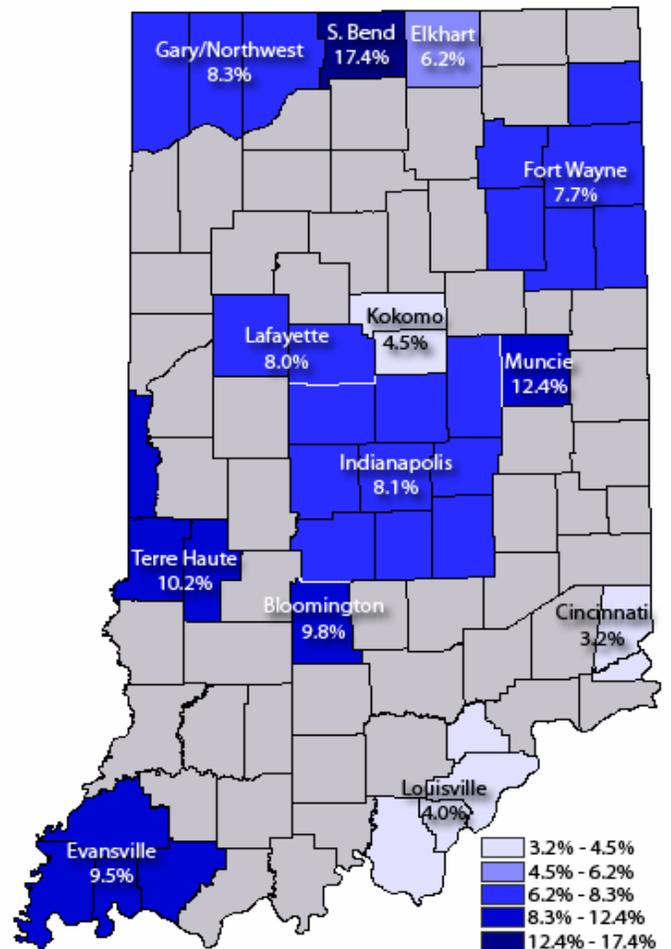
- The Northwest region, including here La Porte County, had almost 24,000 nonprofit employees, or more than 10 percent of the state’s nonprofit employment.
- The South Bend metropolitan area had 21,000 nonprofit employees or more than 9 percent of total nonprofit employment in the state.
- The Fort Wayne metropolitan area had more than 19,000 nonprofit employees or over 8 percent of the state’s nonprofit employment.
- The Evansville metropolitan region, including here Gibson County, employed nearly 14,000 people in the nonprofit sector, or about 6 percent of the statewide total.
- The Muncie, Lafayette, Bloomington, Terre Haute, and Elkhart metropolitan regions each employed between 6,000 and 7,000 nonprofit employees, or about 3 percent of the state total.
- The state’s three smaller metropolitan areas – Kokomo and the Indiana portions of the Louis-

ville and Cincinnati regions – each had less than 4,000 nonprofit employees, with the Indiana portion of the Cincinnati region trailing far behind at about 500.

- The rest of the state accounted for 19 percent of the state’s nonprofit employment, or about 43,500 employees.

The nonprofit share of total regional employment varies considerably across the state’s metropolitan areas (see Figure 9).

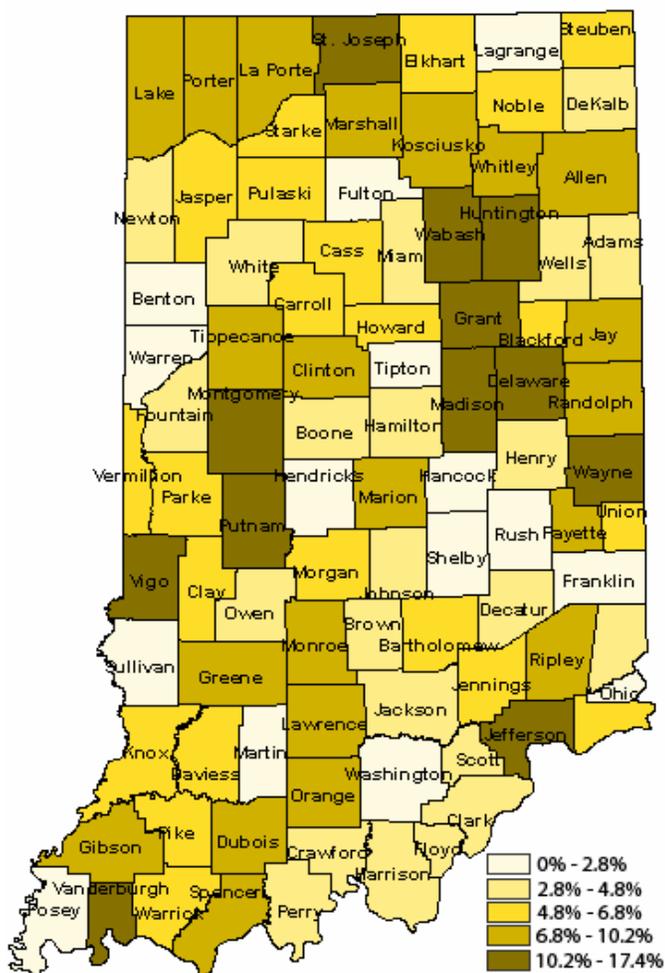
Figure 9: Indiana nonprofit share of total employment by metropolitan region, 2003



- The nonprofit sector is particularly important in the South Bend metropolitan region, accounting for more than 17 percent of total employment, or about one in six employees. This most likely reflects the presence of several large nonprofit health and educational institutions in that community.

- For the remaining major metropolitan regions (and adjoining areas), nonprofit employment accounts for about 9 percent of total employment, ranging from a low of about 6 percent in Elkhart to a high of more than 12 percent in the Muncie metropolitan area.
- Nonprofit employment accounts for less than 8 percent of local employment in the remaining areas of the state.
 - However, even among some of the state’s non-metropolitan counties, nonprofit employment exceeds 12 percent of total county employment. This is the case for Grant (15 percent), Jefferson, Montgomery and Putnam (14 percent each), and Wabash (12 percent) counties (see Figure 10 and Appendix C).

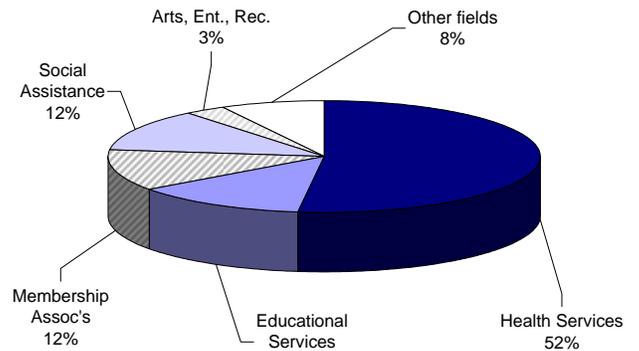
Figure 10: Indiana nonprofit share of total employment by county, 2003



IV. HEALTH DOMINANCE

Health organizations account for over half of Indiana’s nonprofit employment, but education services, membership associations, and social assistance organizations are also prominent (see Figure 11 and Appendices D and E).

Figure 11: Distribution of Indiana nonprofit employment by field, 2003



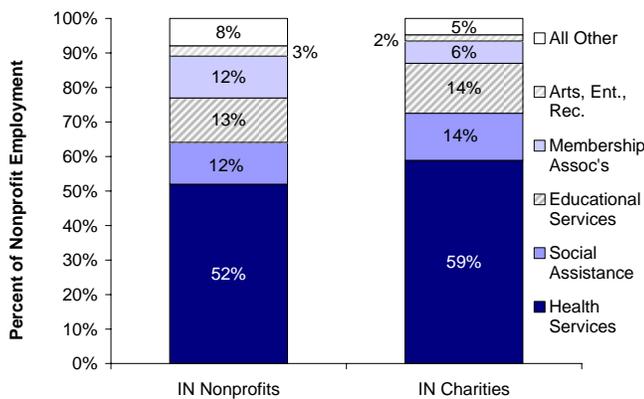
- The health services sector accounts for 52 percent of all nonprofit employment in Indiana, down from 53 percent in 2001. This includes jobs in hospitals, nursing and personal care facilities, clinics, and home health care.
- Educational services account for 13 percent of all nonprofit jobs in Indiana, up slightly from 2001. This includes jobs in private nonprofit colleges, universities, elementary and secondary schools.
- About 12 percent of all employment in the nonprofit sector is in membership associations, down slightly from 2001. This includes jobs in business, professional, labor, political, religious, and other civic and social membership associations such as neighborhood associations, hiking clubs, and environmental organizations.⁸
- Social assistance accounts for 12 percent of all em-

⁸ Some membership associations, most notably religious congregations, are not required to register with the IRS as tax-exempt organizations. For 2003, we reclassified 378 private associations with 1,905 employees and total payroll of \$4.3 million as nonprofit, although they were not registered with the IRS as tax-exempt organizations, on the assumption that all are indeed nonprofit.

ployment in the Indiana nonprofit sector, up from 11 percent in 2001. This includes employment in individual and family services, job training and related services, and child daycare services.

- Nonprofit jobs in arts, entertainment, and recreation organizations, such as theaters, orchestras, and amateur sports clubs have held steady at three percent of total nonprofit employment. This category also includes museums, botanical gardens, and zoos.
- As in 2001, eight percent of all nonprofit jobs are in other types of nonprofit organizations spread across a range of industries, involving financial or credit services; management; printing and publishing firms; housing; and various types of trusts, e.g., charitable, religious, and educational trusts.⁹
- As shown in Figure 12 and Appendix D, charitable employment is disproportionately concentrated in health (less so in education and social assistance), compared to total nonprofit employment, but is under-represented in membership associations and other establishments (less so in arts, entertainment, and recreation).

Figure 12: Distribution of nonprofit and charitable employment, Indiana vs. the nation



⁹ These include Utilities (NAICS 22) with 2,100 nonprofit employees; Information (NAICS 51), which includes Publishing (NAICS 511) with 500 nonprofit employees; Finance and Insurance (NAICS 52), which includes Credit Intermediation and Related Activities (NAICS 522) with 2,300 nonprofit employees and Funds, Trusts, and Other Financial Vehicles (NAICS 525) with 200 nonprofit employees; Real Estate and Rental and Leasing (NAICS 53) with 900 nonprofit employees; Management of Companies and Enterprises (NAICS 55) with 3,200 nonprofit employees; and Accommodation (NAICS 721) with 1,000 nonprofit employees.

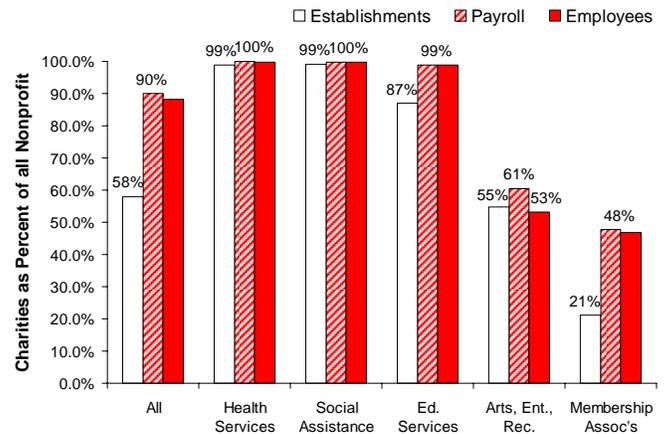
V. MAINLY CHARITABLE EMPLOYMENT

Most of Indiana's nonprofit employees work for charities rather than for nonprofits registered with the IRS as general social welfare or mutual-benefit nonprofits.

Charities include private, not-for-profit hospitals, clinics, colleges, universities, schools, social service agencies, orchestras, museums, theaters, homeless shelters, soup kitchens, etc., registered with the IRS under section 501(c)(3) of the Internal Revenue Code, and eligible to receive tax-deductible donations.

- Charities dominate Indiana nonprofits as shown above in Figures 1-3, Figure 6, and Figure 12.
- As shown in Figure 13, about 58 percent of all Indiana nonprofit establishments are charities. They employ about 88 percent of all nonprofit employees, suggesting that on average they are significantly larger than nonprofits registered under other sub-sections of the IRS codes (see also Appendices A and H).

Figure 13: Charities as a percent of total Indiana nonprofit establishments, employment, and payroll, by industry, 2003



- Charities account for about 90 percent of total nonprofit payroll, suggesting that wages are slightly higher than those of non-charitable nonprofits.
- Virtually all nonprofits in health, social assistance, and educational services, are charities rather than nonprofits with other types of tax-exempt status. As

noted above, these fields account for about 77 percent of total nonprofit employment (see Figure 11 above).

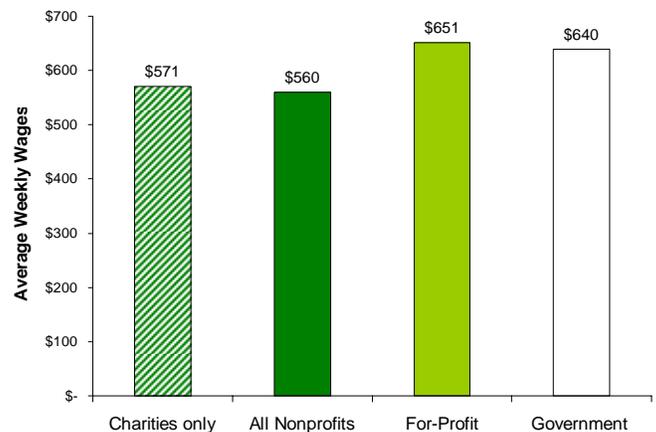
- Only 55 percent of arts, entertainment, and recreation nonprofits are charities. They account for 53 percent of nonprofit employment and 61 percent of the payroll in that industry, suggesting they are slightly smaller on average than non-charities in this field, but pay notably higher wages.
- Charities constitute only 21 percent of membership associations in Indiana, but have 47 percent of the total nonprofit employment, suggesting that they are larger than associations registered under other subsections of the IRS codes.

VI. NONPROFIT WAGES VARY BY INDUSTRY AND REGION

The overall average weekly wage for nonprofit employees is lower than that in the for-profit and government sectors, but the gap has diminished since 2001. In many service fields, however, nonprofit workers actually earn higher wages than their counterparts in for-profit firms, although usually less than government workers. Nonprofit wages vary considerably among the state's metropolitan regions.

Industry: Overall, the average weekly wage for nonprofit employees in Indiana is 14 percent lower than that for for-profit workers and less than 13 percent lower than for government workers, as shown in Figure 14.¹⁰

Figure 14: Nonprofit, for-profit, and government average weekly wages in Indiana, 2003



- This wage gap has declined since 2000, when nonprofit employees earned on average 17 percent less than for-profit employees and 16 percent less than government employees.¹¹
- The average weekly wages do not include fringe benefits and make no adjustment for full-time or part-time work (these details are not included in the ES-202 reporting system). Industries or sectors with more reliance on part-time workers could show up as

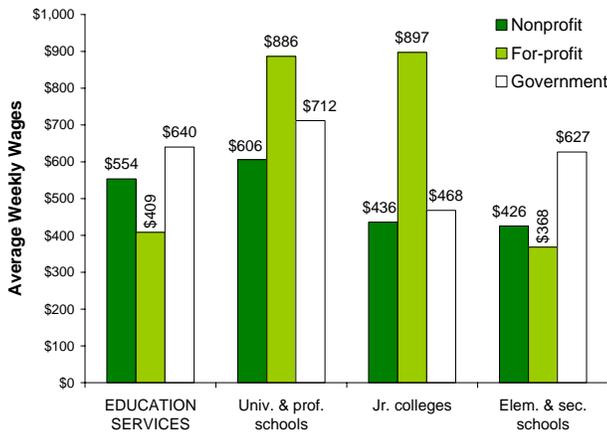
¹⁰ These figures do not reflect differences in fringe benefits or in the reliance on full-time or part-time workers.

¹¹ These percentages are different than those reported in Report #1 because they are calculated using respectively for-profit and government employment, rather than nonprofit employment, as reference values.

having lower average weekly wages than those with fewer part-time workers, even if the actual hourly pay rates are higher.

- However, once we focus on industries where nonprofits are concentrated, such as education, social assistance and health, we see that nonprofits offer higher wages than for-profit providers in several service fields, although both are generally lower than average weekly wages for government employees. The exception is health, where for-profit wages are higher than both nonprofit and government wages.
- As shown in Figure 15, workers in nonprofit educational services earn, on average, 36 percent more than workers in for-profit organizations, but 14 percent less than workers in government education.

Figure 15: Comparative average weekly wages in Indiana education organizations, 2003



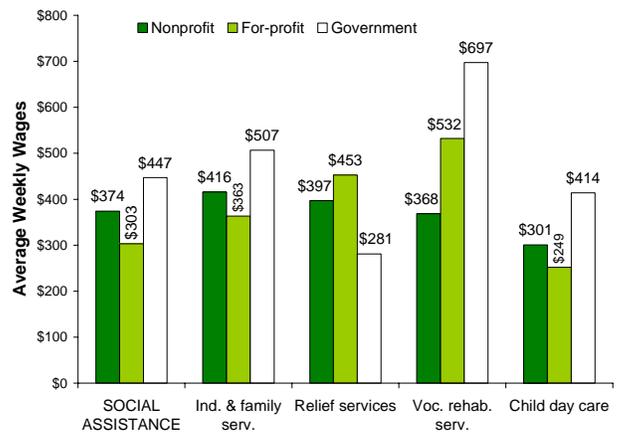
- The three education sub-fields shown separately jointly account for 99 percent of total employment in the education services field. Government employment accounts for most of the elementary and secondary schools and junior college employment, as well as two-thirds of employment in colleges, universities, and professional schools. The nonprofit sector employs the vast majority of the remainder.¹²

¹² For-profit employees make up less than 6 percent of employees in each of these sub-fields, and nonprofits account for about 5 percent of employment in Junior Colleges and Elementary and Secondary Education. While we report average wages for these relatively few employees, the results should be interpreted with caution. Nonprofits account for about 33 percent of total employment in universities and

- Employees in nonprofit institutions of higher education earn 32 percent less, on average, than their very few counterparts in for-profit institutions and 15 percent less than those in government institutions.
- The relatively few employees in nonprofit Jr. Colleges earn 51 percent less, on average, than their equally few counterparts in for-profit institutions and 7 percent less than those in government institutions, which employ the vast majority of this field.
- The relatively few nonprofit employees in elementary and secondary schools earn 16 percent more than the even fewer workers in similar for-profit organizations, but 32 percent less than the vast majority employed in government-owned institutions.

- A similar pattern holds for the social assistance field (see Figure 16). Nonprofit social assistance employees, on average, earn 23 percent more than workers in for-profit social assistance institutions, but 16 percent less than those in government social assistance organizations.

Figure 16: Comparative average weekly wages in Indiana social assistance organizations, 2003



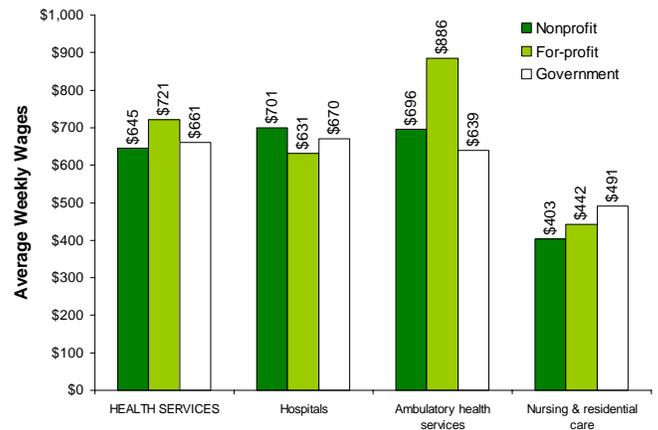
- The four sub-fields shown separately make up close to 100 percent of all employment in the social assis-

colleges. While we report average wages for these relatively few employees, the results should be interpreted with caution.

tance field.¹³

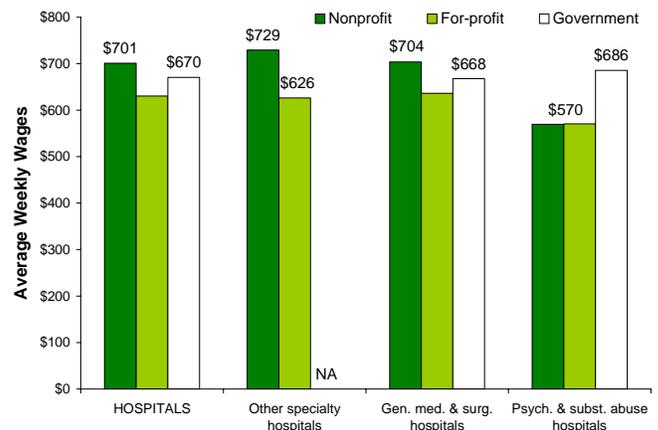
- Workers in nonprofit individual and family service organizations earn 14 percent more, on average, than for-profit workers and 18 percent less than the few government workers in the same field.
- Nonprofit employees in relief services (community food and housing, and emergency and other relief services) earn 12 percent less than for-profit employees and 41 percent more than the very few government workers in the same industry.
- Employees in nonprofit vocational rehabilitation organizations earn 31 percent less, on average, than the few for-profit workers in the same field and 47 percent less than the even fewer government workers in that field.
- Nonprofit employees in child daycare services earn 19 percent higher weekly wages than their for-profit counterparts, but earn 27 percent less than the very few government child daycare employees.
- A somewhat different pattern holds for the health field in Indiana (see Figure 17). Nonprofit health care workers earn 11 percent less, on average, than workers in similar for-profit institutions, and 3 percent less than government workers in that industry.
- The NAICS subcategories for the Health Services industry include Hospitals, Ambulatory Health Services, and Nursing and Residential Care (see Figure 17). Together, these three sub-fields account for all of health services employment. Each of these fields is further sub-divided into more detailed industries below.

Figure 17: Comparative average weekly wages in Indiana health organizations, 2003



- Workers in nonprofit hospitals earn 11 percent more, on average, than the relatively few workers in for-profit institutions¹⁴ and 5 percent more than government workers (see Figures 17, 18).

Figure 18: Comparative average weekly wages in Indiana hospitals, 2003



- Nonprofit employees in specialty hospitals (other than psychiatric and substance abuse hospitals) earn, on average, 17 percent more in weekly wages than for-profit employees in this field. There are no government employees in this industry.
- Nonprofit workers in general medical and surgical hospitals earn, on average, 11 percent more

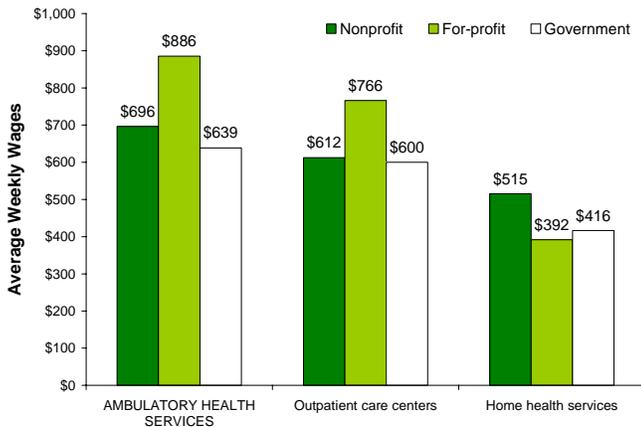
¹³ Government employees generally constitute 1 percent or less of total employment in these sub-fields. For-profit employees are about 4 percent of total employees in vocational rehabilitation field. While we report average wages for these relatively few employees, the results should be interpreted with caution. For-profit employees account for about 40 percent of total employment in the remaining three social assistance industries.

¹⁴ For-profit employees generally constitute 11 percent of total employment in hospitals, 10 percent of employment in general medical and surgical hospitals, and 14 percent of employment in psychiatric and substance abuse hospitals. While we report average wages for these relatively few employees, the results should be interpreted with caution.

in weekly wages than the relatively few workers in similar for-profit organizations and 5 percent more than government workers in this field.

- Employees in both nonprofit and for-profit psychiatric and substance abuse hospitals earn roughly equal weekly wages, while government employees earn, on average, 17 percent more.
- The ambulatory services category includes health practitioners who provide outpatient services. Nonprofit employees earn 21 percent less, on average, than the workers in for-profit organizations and 9 percent more than the relatively few government workers¹⁵ in this industry (see figures 17, 19).
- Workers in nonprofit outpatient care earn 20 percent less, on average, than for-profit workers in similar organizations and 2 percent more than the very few government workers in that field.

Figure 19: Comparative average weekly wages in Indiana ambulatory health services, 2003

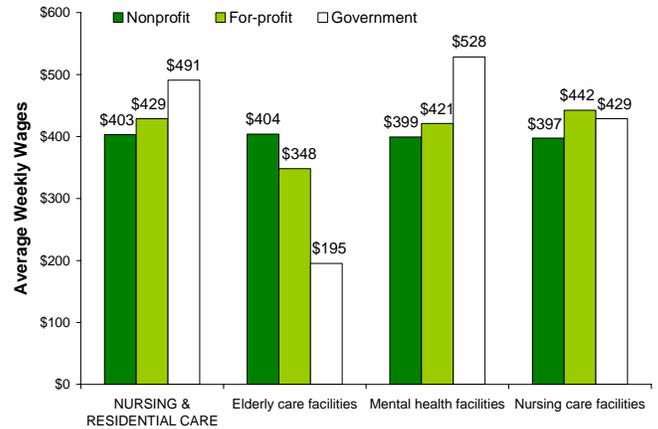


- Nonprofit home care workers earn 32 percent more, on average, than for-profit workers in similar organizations and 24 percent more than the very few government workers in that field.
- Employees in nonprofit nursing and residential care organizations earn an average of 6 percent less than workers in similar for-profit organizations and 18

¹⁵ Government employees generally constitute less than 1 percent of total employment in ambulatory health services, 2 percent of outpatient care centers, and less than 1 percent of employment in home health care services. While we report average wages for these relatively few employees, the results should be interpreted with caution.

percent less than their very few counterparts working for government¹⁶ (see Figures 17, 20).

Figure 20: Comparative average weekly wages in Indiana nursing and residential care facilities, 2003

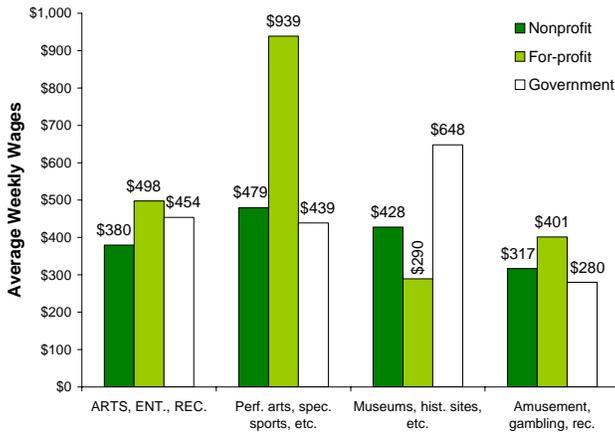


- Nonprofit workers at community care facilities for the elderly earn 16 percent more, on average, than for-profit workers in similar organizations and more than twice as much as the very few government workers in that field.
- Nonprofit employees at residential mental health facilities earn, on average, 5 percent less than for-profit employees and 25 percent less than the few government employees in the field.
- Nonprofit nursing care facility workers earn 10 percent less, on average, than their for-profit counterparts and 7 percent less than the very few government workers in the field.
- Nonprofit employees in amusement, entertainment, and recreation organizations earn, on average, 24 percent less in average weekly wages than their for-profit and 16 percent less than their relatively few government counterparts¹⁷ (see Figure 21).

¹⁶ Government employees constitute 3 percent of total employment nursing and residential care facilities, 9 percent of residential care mental health facility employment, and 2 percent of employment in nursing care facilities. While we report average wages for these relatively few employees, the results should be interpreted with caution

¹⁷ Government employees account for 2 percent of total employment in arts, entertainment, and recreation, 7 percent of performing arts and spectator sports employment, 9 percent of museum and historical site employment, and less than one percent of employment in amusement, gambling, and recreation. For-profit employees account for 4 percent of total employees in museums, historical sites. Nonprofit employment accounts for 16 percent of performing arts and

Figure 21: Comparative average weekly wages in Indiana arts, entertainment, and recreation organizations, 2003



- The sub-fields shown separately in Figure 20 account for 100 percent of employment in amusement, recreation, and entertainment.

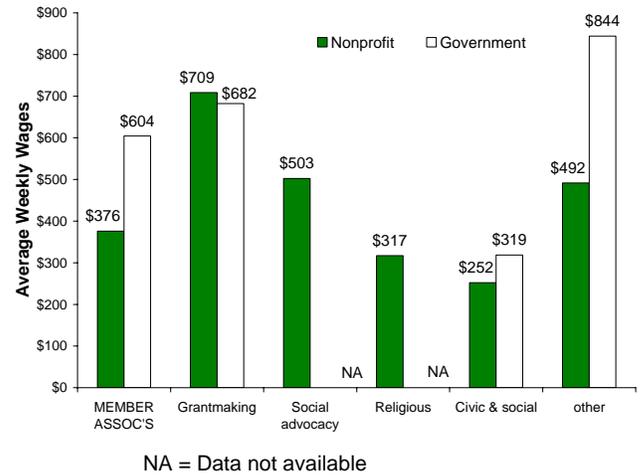
- The relatively few employees in nonprofit performing arts and spectator sports organizations on average earn 49 percent less in weekly wages than workers in similar for-profit organizations, and 9 percent more than the relatively few government workers in these types of organizations.
- Nonprofit employees of museums, historical sites, zoos, botanical gardens and similar organizations earn 48 percent more in average weekly wages than their very few for-profit counterparts and 34 percent less than the few government employees in this field.
- The relatively few employees in nonprofit amusement and gambling establishments on average earn 21 percent less in average weekly wages than their counterparts working in for-profit organizations, and 13 percent more than the very few government workers in the same industry.

- There are wide variations in wages among different membership associations (see Figure 22). The very few (less than 1 percent of total) government work-

spectator sports employment and only 10 percent of amusement, gambling, and recreation employment. While we report average wages for these relatively few employees, the results should be interpreted with caution

ers in this industry earn less than their nonprofit counterparts in grantmaking associations and more than nonprofits in civic and social associations and other organizations.¹⁸ For each of these three sub-fields, however, government workers make up less than 1 percent of total employees.

Figure 22: Comparative average weekly wages in Indiana membership associations, 2003



- Nonprofit membership association employees, on average, earn 38 percent less than government employees in this field (see Figure 22).
 - Nonprofit employees in grantmaking earn notably higher average weekly wages (\$709) than those employed by other membership associations, especially religious (\$317) and civic and social associations (\$252).
- As noted above, our data on average weekly wages do not allow us to determine whether the differences between nonprofit, for-profit, and government employees reflect real differences in wage levels or different rates of using part-time workers.¹⁹
- Our previous report included comparative data from eight other states on average weekly wages for workers in charitable organizations overall and in major nonprofit industries. In general, Indiana was at

¹⁸ “Other” organizations include: business, professional, labor, political, and similar organizations.

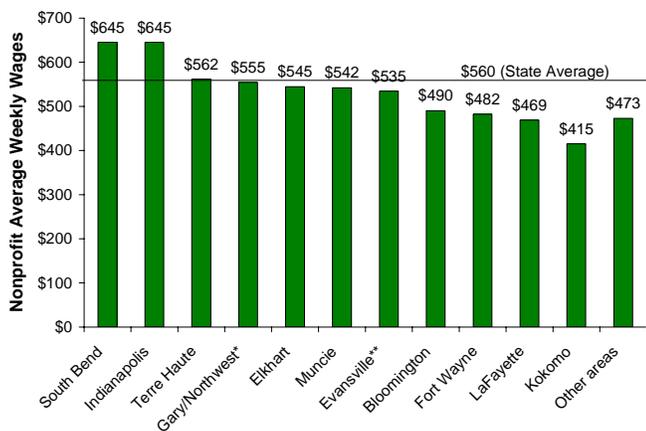
¹⁹ The average weekly wage reported in the ES-202 survey data makes no adjustment for full-time or part-time work. Industries or sectors with a greater number of part-time workers could show up as having lower average weekly wages than those with fewer part-time workers, even if the actual hourly pay rates are higher.

the median for the relatively few states for which these data were available. The implementation of the new industrial classification system (NAICS) has delayed efforts to update this analysis for other states. We plan to include these comparisons in future reports as the data become available.

Region: Nonprofit average weekly wages vary considerably among Indiana’s metropolitan regions (see Figure 23).

- At \$645, the average weekly wages for nonprofit workers were highest in the South Bend and Indianapolis metropolitan regions, or \$85 above average nonprofit weekly wages in the entire state in 2003 (\$560).

Figure 23: Comparative average weekly wages for nonprofit employees by metropolitan regions in Indiana, 2003



- Nonprofit wages were about at the statewide average for Terre Haute (\$562).
- Nonprofit wages were somewhat below the statewide average for the Northwest (\$555), Elkhart (\$545), Muncie (\$542), and Evansville (\$535).²⁰
- Average nonprofit wages were notably below the statewide average for the Bloomington (\$490) and Fort Wayne (\$482) metropolitan areas.
- Average nonprofit weekly wages were significantly below the statewide average in the Lafayette (\$469) and Kokomo (\$415) metropolitan regions – by \$91

²⁰ For purposes of our analysis, we include the La Porte and Gibson counties respectively in the Northwest and Evansville regions.

and \$145, respectively. The wages in these two communities were also below those of the remaining (non-metropolitan) regions of the state (average weekly wages of \$473).

- As noted earlier, our data do not allow us to determine whether the regional differences in average weekly earnings of nonprofit employees reflect real differences in wage levels or different rates of using part-time workers.

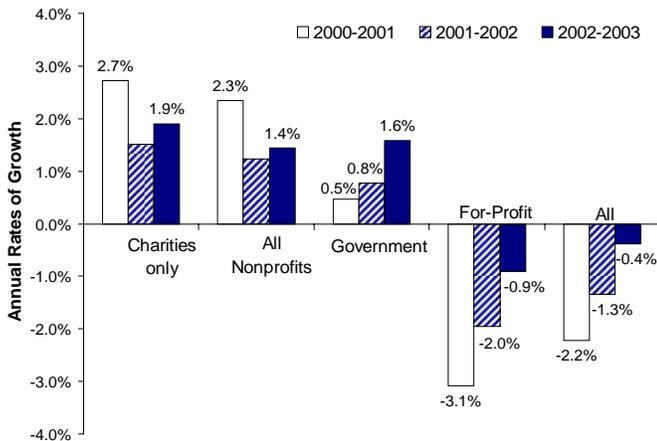
VII. A GROWING SECTOR

The Indiana nonprofit sector grew notably faster than the for-profit and government sectors between 2000 and 2003. Growth in nonprofit employment was concentrated in social assistance and educational services. Growth rates also vary by region in Indiana.

Employment: While total employment declined overall, nonprofit employment in Indiana grew fairly rapidly during the 2000-2001 period, followed by slower growth over the 2001-2003 period.

- Between 2000 and 2001 nonprofit employment grew by 2 percent while government employment grew at only one-fourth that rate (0.5 percent) almost all in local government. In contrast, the for-profit sector shrank at a rate of -3 percent. See Figure 24.

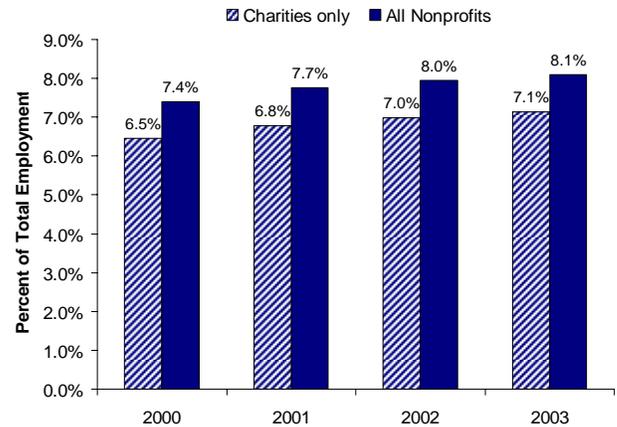
Figure 24: Annual rates of growth in Indiana employment by sector, 2000-2001, 2001-2002, 2002-2003



- Between 2001 and 2002, nonprofit employment grew at a slower rate (1 percent) than during the previous year, while the government sector grew by less than 1 percent. The for-profit sector continued to decline during this period, down by 2 percent.
- Between 2002 and 2003, nonprofit employment grew at a slightly higher rate of more than 1 percent compared to the previous year, but less than the almost 2 percent growth in government employment. The for-profit sector continued to decline, but at a slower rate (-1 percent).
- As a result of the comparatively high rates of growth in nonprofit employment, the nonprofit share of total

Indiana employment grew from 7 percent in 2000 to 8 percent in 2003 (Figure 25).

Figure 25: Nonprofit share of Indiana employment, 2000-2003

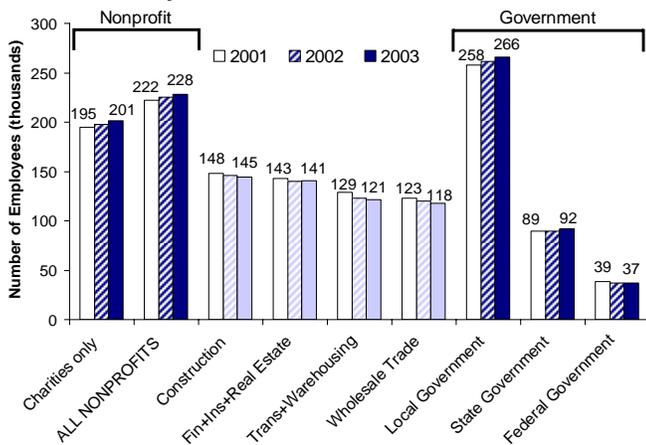


- The growth in charitable employment was slightly greater (11,858 jobs compared to 11,053 in total nonprofit jobs) and the charities' share of total employment increased from less than 7 percent in 2000 to over 7 percent in 2003.

- For the 2001-2003 period, we can also examine growth rates by industry.²¹ During this period, employment in the Indiana nonprofit sector increased by 5,963 employees (from 222,467 to 228,430), or by 3 percent (see Figure 26). The number of employees of charitable organizations increased slightly faster (up by 6,689 or more than 3 percent).
 - The growth in overall nonprofit employment (6,000) more than offset the loss of 3,000 construction jobs during this period.
 - Nonprofit employment growth was slightly larger than the loss of wholesale trade jobs (5,000).
 - Growth in nonprofit employment was equivalent to three-fourths of the loss of 8,000 jobs in the combined transportation and warehousing industries.

²¹ Figure 26 refers only to 2001-2003, because of industry classification changes. Only total nonprofit, charitable, and overall employment across all industries dating back to 2000 is comparable. Therefore, figures presenting industry level detail do not include year 2000 data.

Figure 26: Employment in the nonprofit sector and in key industries, Indiana 2001-2003

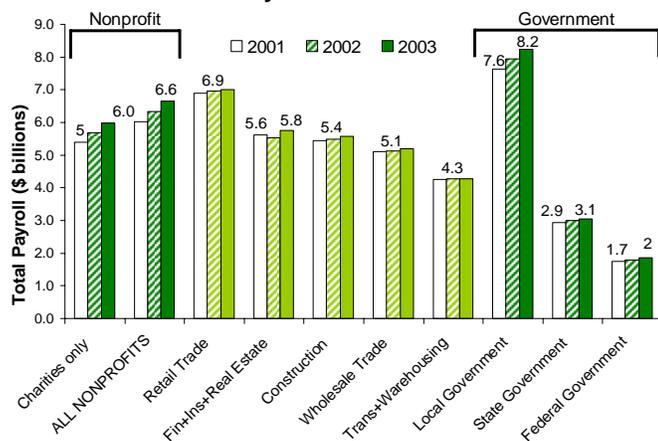


– However, nonprofit employment growth was smaller than the addition of 9,000 government jobs (almost all in local government).

Payroll: Overall wages for nonprofit employees in Indiana also increased faster than those of employees in for-profit or government organizations.

- Total payroll for nonprofit employees increased from \$5.7 billion in 2000 to \$6.6 billion in 2003, or by 17 percent (not adjusted for inflation). See Figure 27.

Figure 27: Total payroll for Indiana nonprofit employees and for key industries 2001-2003

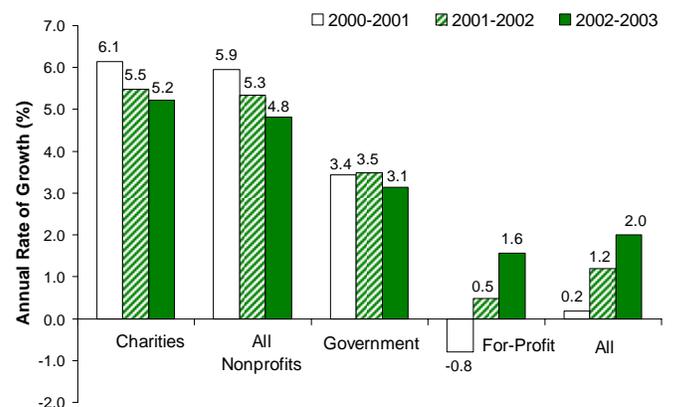


– To place these changes in perspective, for the 2001-2003 period, the gain of \$0.6 billion in nonprofit payroll exceeded the increase in total payroll for finance, insurance and real estate (\$0.2 billion) over same period.

– The nonprofit gain in total payrolls was two times greater than the gain in the combined federal and state payrolls (\$0.3 billion) and roughly equal to the gain in local government payroll (\$0.6 billion).

- Nonprofit payrolls increased at a faster rate than the payrolls of for-profit and government organizations (see Figure 28).

Figure 28: Annual rates of growth (%) in total payroll by sector, Indiana 2000-2001, 2001-2002, 2002-2003



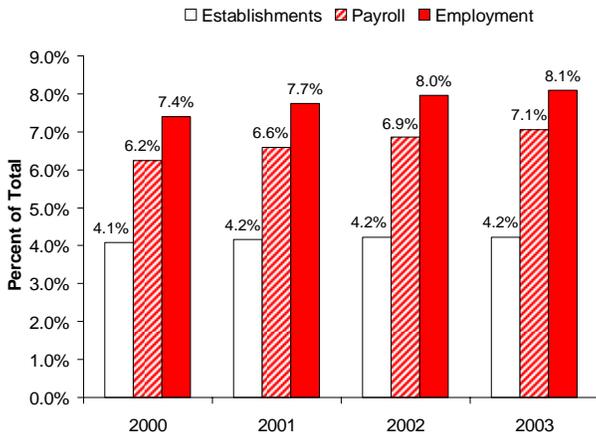
– Between 2000 and 2001, total nonprofit payrolls increased at an average annual rate of 6 percent, more than the annual increase of 3 percent for government workers; the for-profit sector shrank at a rate of 1 percent (not adjusted for inflation).

– Total nonprofit payrolls continued to increase between 2001 and 2002, although at a slower rate (more than 5 percent) than for 2000-2001. However, the increase was still significantly higher than the rate of increase of total government payroll (4 percent) and for-profit payrolls (1 percent).

– Total nonprofit payrolls continued growing in 2002-2003, again at a slower rate (less than 5 percent) than the previous year. This growth was again faster than government payroll growth (3 percent) and the for-profit sector payroll growth (2 percent), even though the number of government employees grew faster than the number of nonprofit employees during this period.

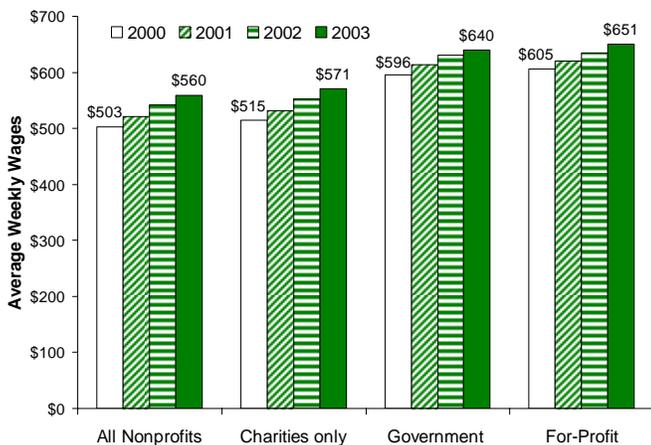
- As a result of these differential growth rates, the nonprofit share of total payroll in Indiana increased from 6 percent to 7 percent (see Figure 29).

Figure 29: Nonprofit share of Indiana employment and total payroll, 2000 - 2003



- The increase in the nonprofit share of payroll was greater than the growth in the sector's share of total employment, suggesting that the average weekly wages of nonprofit employees grew faster than those of workers in the for-profit and government sectors.
- Indeed, average weekly wages for nonprofit employees increased by \$57 between 2000 and 2003 (not adjusted for inflation), faster than the growth of average weekly wages for employees of for-profit (up \$46) or government organizations (up \$44) during the same period. See Figure 30.

Figure 30: Average weekly wages by sector, Indiana 2000-2003



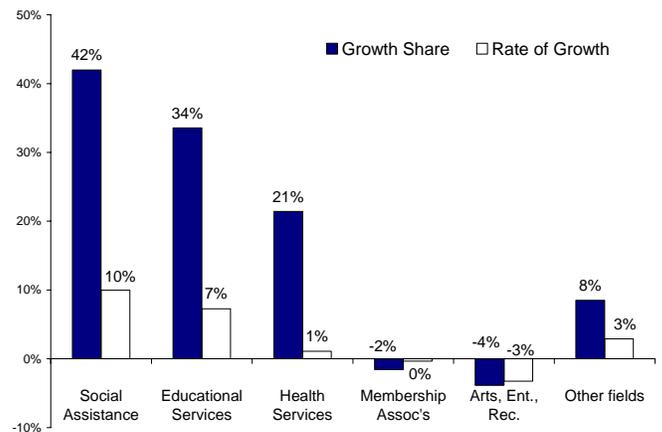
- The \$44 increase in average government wages hides major differences among the various levels of government. The wages of federal employees increased by \$153, those of state employees by \$28 and those of local government employees by \$41, less than for nonprofit employees.

- The faster increase in nonprofit average weekly wages compared to those in government and for-profit establishments confirms our earlier observation that the gap between average nonprofit weekly wages and those in the government and the for-profit sector declined over the 2001-2003 period.

Industry: Most of the growth (42 percent) in nonprofit employment in Indiana between 2001 and 2003 took place in the social assistance field, with two other fields (educational services and health services) accounting for most of the remaining increase. Nonprofit employment declined in membership associations and arts, entertainment, and recreation.

- Most of the overall growth in nonprofit employment was concentrated in just three industries (5,781 jobs, or 97 percent of the total). See solid bars in Figure 31.

Figure 31: Indiana nonprofit employment growth shares and rate of growth by industry, 2001-2003

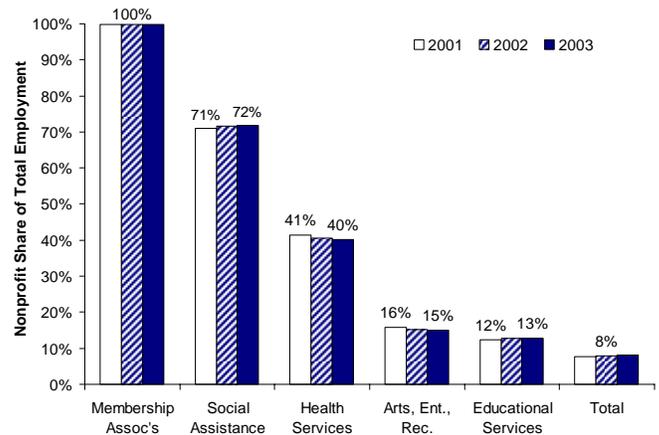


- Social assistance accounted for almost half (42 percent) of the overall growth in the Indiana nonprofit sector between 2001 and 2003, even though this field accounts for only 12 percent of nonprofit employment (see Figure 11 earlier).
- Educational services accounted for over a third

(34 percent) of the overall growth in nonprofit employment during this period.

- Health services absorbed another 21 percent of the overall growth in nonprofit employment.
- Employment in two other fields (membership associations, and arts, entertainment, and recreation) actually decreased, down by an equivalent of 6 percent of the overall growth in nonprofit employment between 2001 and 2003.
- Rates of growth, however, varied considerably among nonprofit industries (see clear bars in Figure 31), compared to the overall nonprofit growth rate of 3 percent between 2001 and 2003.
 - The number of employees working for nonprofit social assistance organizations increased by 10 percent between 2001 and 2003, more than three times the rate of growth in total nonprofit employment for the period (3 percent).
 - Growth was also above average for educational services (7 percent), by roughly 4 percentage points.
 - Growth was slightly below average for health services (1 percent).
 - Employment in membership associations and in arts, entertainment, and recreation declined during this period, by -0.3 percent and -3 percent, respectively. This is in contrast to the overall 3 percent growth.
 - Industries which are too small to report on separately (“other fields”) grew at the statewide average of 3 percent.
- However, in some industries, for-profit employment grew even faster so that the nonprofit share of total non-government employment declined between 2001 and 2003 while in other fields nonprofit employment grew faster and the share increased. Employment in government grew only moderately or declined in most fields, so that the nonprofit employment gained an even greater share of total employment in several fields. Sharp growth or decline was evident only in fields with very few government employees (see Figure 32).

Figure 32: Nonprofit share of total Indiana employment by industry, 2001-2003



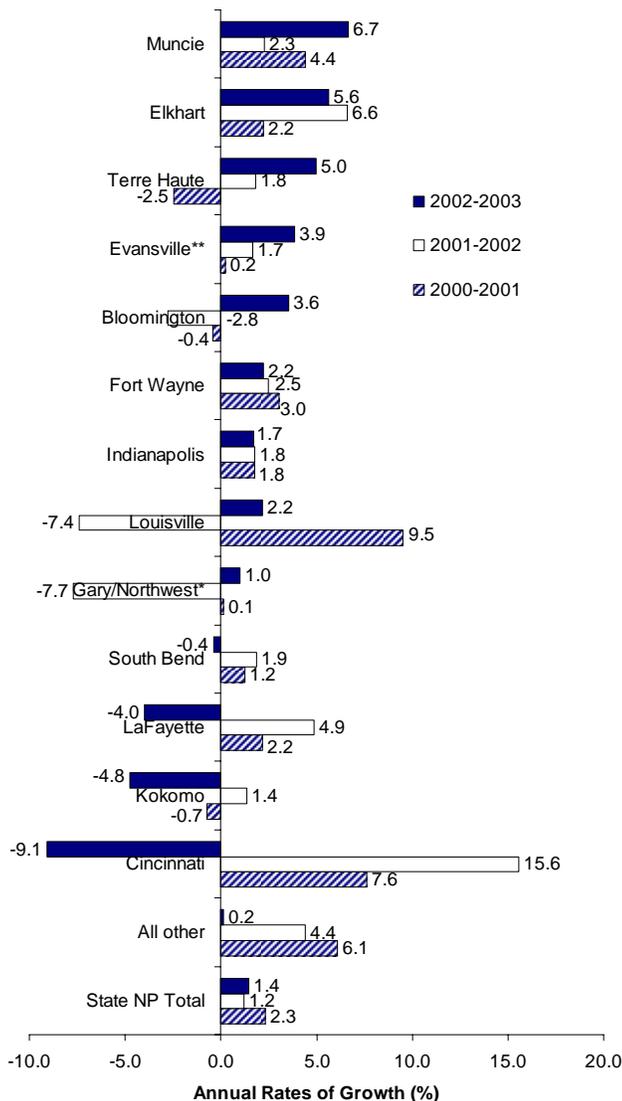
- Nonprofit employment in social assistance grew by 10 percent between 2001 and 2003, while for-profit employment grew at only 5 percent, and the relatively small government employment grew dramatically (33 percent). As a result, the nonprofit share of total social assistance employment increased slightly.
- Nonprofit employment in educational services increased by 7 percent and for-profit employment increased by 5 percent, while government employment increased by only 3 percent. As a result, the nonprofit share of employment in this field increased from 12 to 13 percent.
- The nonprofit share of total employment in membership associations held constant at 100 percent over the 2001 to 2003 period, while the relatively small government employment declined (down 27 percent).
- Nonprofit employment in health services grew overall by 1 percent between 2001 and 2003, slightly less than average for the entire nonprofit sector in Indiana. However, employment in the for-profit sector grew by 7 percent while government employment grew only 3 percent. As a result, the nonprofit share of total health employment declined from 41 to 40 percent.
- While nonprofit employment in arts, entertainment, and recreation shrank by 3 percent between 2001 and 2003, for-profit employment grew by 2 percent as did government employ-

ment, and nonprofit share of total employment decreased by one percentage point.

- Total nonprofit employment grew by nearly 3 percent between 2001 and 2003, while for-profit employment declined by 3 percent. Government employment increased by 2 percent during the same period resulting in a relatively steady share of nonprofit employment.

Region: Indiana's metropolitan regions differed significantly in their annual rate of growth in nonprofit employment between 2000 and 2001, 2001 and 2002, and also between 2002 and 2003 (see Figure 33).

Figure 33: Indiana nonprofit employment: average annual rates of growth for metropolitan regions, 2000-2001, 2001-2002, 2002-2003



- Overall, nonprofit employment in the state grew at a rate of 2 percent between 2000-2001, and 1 percent between 2001-2002 and 2002-2003.
- Nonprofit employment in the Muncie and Elkhart regions grew faster than the state average in all three years.
 - Nonprofit employment in the Muncie region grew at 4 percent in 2000-2001, 2 percent in 2001-2002, and then at 7 percent in 2002-2003.
 - Nonprofit employment in Elkhart grew at 2 percent in 2000-2001, 7 percent in 2001-2002, then at 6 percent between 2002-2003.
- Some regions lagged behind the state average rate of growth between 2000 and 2002, and then surged ahead between 2002-2003.
 - Nonprofit employment in the Terre Haute region declined at 3 percent between 2000-2001, then grew at 2 percent from 2001-2002. Between 2002-2003, nonprofit employment grew at 5 percent.
 - The Evansville region grew at less than 1 percent between 2000-2001, and 2 percent in the following year. Between 2002-2003, the nonprofit rate of growth increased to 4 percent.
 - Nonprofit employment in Bloomington declined at less than 1 and 3 percent respectively between 2000-2001 and 2001-2002, but growth then increased to 4 percent in 2002-2003.
- Nonprofit employment in the Fort Wayne and Indianapolis regions exhibited a modest rate of growth in all three time periods.
 - Nonprofit employment in the Fort Wayne region grew at 3 percent in 2000-2001 and 2001-2002, then at 2 percent in 2002-2003.
 - Nonprofit employment in the Indianapolis area grew at 2 percent in 2000-2001, 2001-2002, and 2002-2003.
- The Louisville and Gary/Northwest regions exhibited noticeable decline in 2001-2002, followed by

modest growth in 2002-2003.

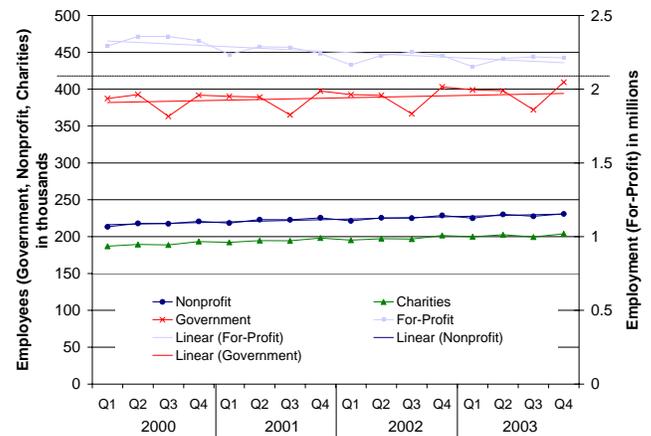
- Nonprofit employment in the Louisville region grew at 10 percent in 2000-2001 and then declined at a rate of 7 percent in 2001-2002. Nonprofit employment grew at a rate of 2 percent between 2002-2003.
- Nonprofit employment in the Gary/Northwest region grew at less than 1 percent in 2000-2001 and declined at a rate of 8 percent in 2001-2002. Regional nonprofit employment grew at 1 percent in 2002-2003.
- The remaining regions exhibited growth in nonprofit employment in the first two years (2000-2002), but a decline between 2002-2003.
 - In the South Bend region, nonprofit employment grew 1 percent between 2000-2001 and 2 percent from 2001-2002 before declining at a rate of less than 1 percent during the 2002-2003 period.
 - Nonprofit employment in the Lafayette region grew at 2 and 5 percent during the 2000-2001 and 2001-2002 periods, respectively. Nonprofit employment declined at a rate of 4 percent between 2002-2003.
 - Nonprofit employment in the Kokomo region declined at 1 percent between 2000-2001, then grew at a rate of 1 percent between 2001-2002. Nonprofit employment declined at a rate of 5 percent between 2002-2003.
 - The Cincinnati region exhibited nonprofit growth at rates of 8 and 16 percent during the 2000-2001 and 2001-2002 periods, respectively. Growth declined at a rate of 9 percent during 2002-2003.
 - Nonprofit employment in the remainder of the state (non-metropolitan regions) grew at 6 and 4 percent during 2000-2001 and 2001-2002. Nonprofit employment grew at a rate of less than 1 percent between 2002-2003.

VII. DETAILED TRENDS IN NONPROFIT EMPLOYMENT

Detailed analysis of trends over time indicates that the growth of nonprofit employment in Indiana has been steady, while the growth of government employment and the decline in for-profit employment has been cyclical. These trends reflect the ongoing recession in the state's economy over the 2000-2003 period.

An analysis of total employment by quarter separately for nonprofit, for-profit and government establishments (see Figure 34) shows that total nonprofit employment (bottom two trend lines, left axis) has increased steadily each quarter, while government employment has fluctuated some, but generally shows a slight upward trend (middle trend line, left axis). Employment in the for-profit sector has also fluctuated from quarter to quarter, but shows a notable downward trend over the 2000-2003 period (top trend line, right axis).

Figure 34: Indiana employment by sector, 2000-2003, quarterly (nonprofit, government, and charities in thousands; for-profit in millions)



- These trends suggest that the nonprofit sector provides more stable, recession-proof, employment than the for-profit sector, most likely because virtually all the nonprofit sector employment is in service industries where demand is likely to remain steady and perhaps even grow during recessions (e.g., health and social assistance). It is still possible, of course, that employment in the nonprofit sector will begin to show the impact of the recession and start to decline, but if so, the impact lags far behind that of for-profit employment. It remains to be seen whether nonprofit

employment will lag expansion of for-profit employment when the latter begins to grow again, or continue to outpace private employment.

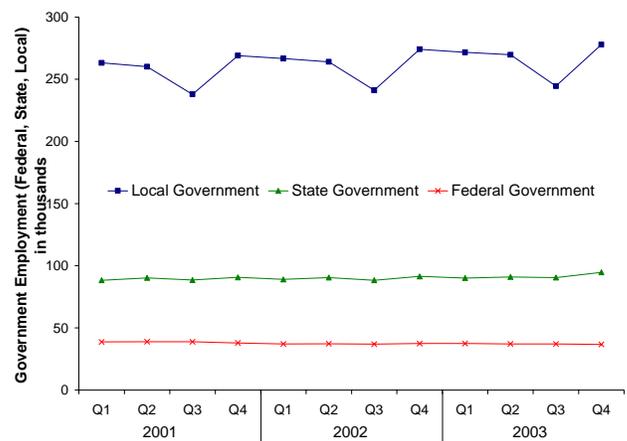
The nonprofit sector exhibits steady growth, while there are notable seasonal fluctuations in for-profit and government sectors.

- The nonprofit sector exhibits steady growth. First quarter employment is, on average, 2 percent below the annual average. Second and third quarter employment, on average, is approximately equal to the annual average. Fourth quarter employment is, on average, 1 percent above the annual average.
- In the for-profit sector, first quarter employment is typically below that year's average (by 2 percent, on average). Second and third quarter employment increases to one percent above average, while fourth quarter employment drops to a level approximately equal to the average employment for that year. For-profit employment decreases by 4 percent, on average, between the fourth quarter and first quarter of the subsequent year.
 - The majority of the drop between fourth quarter employment of one year and the first quarter employment the following year reflects the decline in retail employment, which on average accounts for 22 percent of for-profit employment fluctuation over this period. For-profit construction employment accounts for another 19 percent of this decline.
 - While total for-profit employment declines in the fourth quarter, for-profit retail employment increases dramatically, the magnitude of which represents 179 percent²² of the total decline over this period. To put this in perspective, without retail growth from the third to fourth quarter, for-profit employment would have declined by 16,000 rather than only 6,000. This trend most likely reflects the additional employment required for increased holiday retail sales.

²² These percentages may exceed 100 percent, since the overall increase (or decrease) reflects the net effects of increases and decreases in specific industries. For the same reason, the shares of two or more industries may jointly exceed 100 percent of total increases if other industries declined.

- Construction is responsible for 27 percent of the first to second quarter increase in for-profit employment, and 59 percent of the second to third quarter increase. The decline in construction between the third and fourth quarters accounts for 76 percent of total employment decline during this time frame.
- The accommodations and food services industry declines in the fourth quarter as well (most likely reflecting the decline in vacation travel), and is responsible for 65 percent of the total third to fourth quarter decline in for-profit employment.
- The administrative and support services industry increases in the third quarter, reflecting 34 percent of the second to third quarter employment rise.
- Government employment exhibits a sharp (6 percent below annual average) decline in third quarter each year from 2000-2003 (see Figure 34).
 - Local government employment accounts for almost all of this quarterly decline. On average, third quarter local government employment is more than 8 percent below annual average employment (see Figure 35).

Figure 35: Quarterly government employment, 2001-2003 (federal, state, and local) in thousands



- The majority of this third quarter decrease in local government employment can be attributed to decline in education employment during the summer recess. It is equivalent to

104 percent of the total decrease in local government employment between the second and third quarters.

- State and Federal government employment for the third quarter, on average, is only 1 percent below the annual average.
- Government employment increases moderately (3 percent, on average) in the fourth quarter each year from 2000-2003.
 - Local government employment accounts for a most of this increase. On average, fourth quarter local government employment is 4 percent above annual average employment.
 - Almost all of the fourth quarter government workforce increase (97 percent) can be accounted for by the return of public elementary and secondary school employees in the fall. The return of college, university, and professional school employees accounts for a much more modest 10 percent of the increase.
 - State and Federal government employment for the fourth quarter, on average, is only 2 percent above the annual average for sector.

CONCLUSION

The nonprofit sector not only contributes to the quality of life for all Indiana citizens through the health care, education, counseling, job training, nursing home care, access to arts and culture, and opportunities for democratic participation it offers, but it is also a major economic force in the state's economy, and in the economies of all the state's regions.

Regrettably, however, this point is not well understood by policymakers, the press, or the public at large. As a result, this sector is often overlooked in economic development and education and training efforts that could prove extremely beneficial to it in the long term. Hopefully, the data presented here will promote greater understanding of the impact of the nonprofit sector and demonstrate the immense stake that Indiana citizens have in its continued health.

Finally, as our technical discussion in Appendix A suggests, these estimates of Indiana's nonprofit employees – and the payroll they contribute to the state's economy – are conservative. We can only guess at how many Indiana's nonprofits actually employ, but it appears to be a significantly larger number than we document here.

We urge the state of Indiana to enhance its (and our) ability to track the nonprofit sector's contribution to the state in the future. For example, the state might require employers that already participate in the ES-202 reporting system to indicate whether they are operating under for-profit, nonprofit, or government (federal, state, local) ownership. Several other states make these distinctions. Currently, all Indiana for-profit and nonprofit establishments are simply coded as "private." This change would not impose additional reporting requirements on Indiana nonprofits and would insure more accurate and comprehensive data by avoiding the cumbersome and problematic process used here to estimate nonprofit employment. We are more ambivalent about the value of extending the reporting requirements to smaller nonprofits (those with fewer than four employees) to match the requirement for for-profit establishments. The improvement in accuracy may be fairly minor and would impose a significant new reporting requirement on these small nonprofit employers, as would extending the reporting requirement to congregations, although by all accounts they account for a significant share of the actual nonprofit employment in the state of Indiana.

APPENDIX A: THE ES-202 UNEMPLOYMENT INSURANCE LABOR MARKET INFORMATION PROGRAM

SOURCE OF DATA

The major source of data for this report is the Covered Employment and Wages Program, commonly referred to as the ES-202 program, a cooperative initiative involving State Employment Security Agencies and the Bureau of Labor Statistics. The ES-202 program produces a comprehensive tabulation of employment and wage information for workers covered by state Unemployment Insurance (UI) laws and Federal workers covered by the Unemployment Compensation for Federal Employees Program. Data contained in this report represent all employees covered by the Unemployment Insurance (UI) Law of Indiana as well as federal workers covered by the Unemployment Compensation of Federal Employees Program. The data on state-insured workers are compiled from quarterly contribution reports submitted by employers subject to Indiana law. Employment data pertaining to the federal government are obtained from similarly required reports submitted by the various government installations in Indiana.

SCOPE OF COVERAGE

The ES-202 program accounts for approximately 98 percent of all wage and salary civilian employment nationally (the program does not cover self-employed and family workers). The principal exclusions from the ES-202 data set are railroad workers, small-scale agriculture, domestic service, crew members on small vessels, state and local government elected officials, insurance and real estate agents who receive payment solely by commission, part-time employees of charitable organizations,²³ charitable establishments employing less than 4 workers in 20 weeks during the year, and religious organizations. The latter two exclusions mean that our analysis necessarily underestimates Indiana nonprofit employment.

Of the two, the exclusion of religious organizations is the most significant; however, religious organizations may elect to be covered by the UI program and those

that do are covered in the data and most are classified as membership associations. At this time the total level of non-coverage is unknown, although it appears to be extensive for religious organizations, probably at least 30,200 paid employees.²⁴ We also estimate that 67 percent of the state's 13,600 charitable establishments that are not congregations²⁵ employ less than 4 workers (perhaps some 5,600 workers in total), and therefore are not covered by the ES-202 program.²⁶

The number of employees is measured by the number of filled jobs for the pay period that includes the 12th day of each month as reported by the employer. Both part-time and full-time employees are included in the data set, without distinction between the two groups. If a person holds two jobs, that person would be counted twice in the data set. Wages include bonuses, stock options, the cash value of meals and lodging, and tips and other gratuities, but not the value of fringe benefits, such as employer contributions to health insurance or pensions.

The employment data for nonprofit organizations were identified by matching the Federal Employer Identifica-

²⁴Thus only 138 religious associations with some 1,496 employees were included in the ES-202 data for 2003. Statewide, some 9,000 congregations are listed in the yellow pages and while some of these do not have any paid employees, it seems likely that the number included in the ES-202 record system constitute only a small fraction of the total. This is confirmed by analysis of our large survey of Indiana nonprofits (2,206 respondents), which shows that 88 percent of religious nonprofits (almost all congregations) have paid staff and that those with staff on average employ 9.8 workers (full-time or part-time), although only half have 4 or more employees. If we assume, conservatively, that 88 percent of the state's 9,000 congregations on average employ 4 people (the median), the total number of people employed by congregations would be 31,700, rather than the 1,496 we estimate here, and the state's overall nonprofit employment would be correspondingly higher by 30,200 employees. Were we to use the actual average number of employees for congregations with employees (9.8) based on the Indiana nonprofit survey, the total number of employees by congregations might be as high as 77,500 employees.

²⁵ Analysis of our comprehensive database of Indiana nonprofits from 2001 suggests that about 25 percent of Indiana congregations (or 2,300) are registered as public charities with the IRS.

²⁶ Using data from our analysis of the IRS list of registered nonprofits in 2001 with Indiana reporting addresses and our survey of Indiana nonprofits from 2002, we estimate that there might be some 3,000 IRS-registered charities in Indiana that have 1-3 paid employees and that these employ a median of 2 employees and a mean of 1.9. Using the smaller of these two, we estimate that these smaller charities may account for another 5,600 nonprofit employees that are not included in the analysis presented here. If small non-charities also do not have to participate in the ES-202 system (which we have been unable to determine), this component might add another 5,500 employees under similar assumptions.

²³ "Part-Time" is defined as remuneration less than \$50 in any calendar quarter.

tion Numbers (FEINs) of firms in the Indiana ES-202 system with the FEINs of entities that have registered with the IRS for tax-exempt status. This work was performed by the Indiana Business Research Center, Kelley School of Business, Indiana University, under a confidentiality agreement with the State of Indiana. Only aggregated data, filtered using federal and state disclosure rules to preserve confidentiality, were used for this study.

Indiana tax-exempt firms were identified using the Exempt Organization Master File (EOMF), which is a listing of all organizations exempt from taxation under section 501(c) of the Internal Revenue Code. The file is cumulative; information on new organizations is added to the file on an ongoing basis and an effort is made to delete defunct organizations. By matching the FEINs in the EOMF with those on the ES-202 data set, it is possible to identify all nonprofit entities that are registered with the IRS if they have employees working at an establishment in the state covered by the ES-202 record system. This is the case even if they are not using an Indiana address for purposes of reporting to the IRS since we matched the entire IRS EOMF listing for the U.S. against the Indiana ES-202 data set.

The EOMF includes the name, address, and zip code of the organization, the Federal Employer Identification Number, and the exact Internal Revenue Code subsection under which the organization has claimed tax exemption. This includes most notably the so-called “charitable” portion of the tax-exempt universe, those registered with the U.S. Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code – private, not-for-profit hospitals, clinics, colleges, universities, elementary schools, social service agencies, day care centers, orchestras, museums, theaters, homeless shelters, soup kitchens, and many more.

In addition to Section 501(c)(3), the Internal Revenue Code contains twenty-five other subsections under which organizations can claim exemption from federal income taxation as nonprofit organizations, such as social clubs, labor unions, business associations, and civic organizations.

For the purpose of this report, we have included all organizations exempt from federal income tax under section 501(c). Section 501(c)(3) is by far the most important sub-section of these. It covers the bulk of nonprofit

organizations and includes the organizations most commonly associated with the nonprofit sector.

Appendix H reports on Indiana nonprofit employment for several key IRS reporting characteristics (some details were suppressed to protect confidentiality):

- Exemption status (3 types): charities exempt under Section 501(c)(3), social welfare nonprofits exempt under Section 501(c)(4), and all other types of nonprofits exempt under remaining sections of 501(c). For 2003, more than half (58 percent) of all nonprofit establishments were charities and these accounted for 88 percent of all nonprofit employment and 90 percent of total nonprofit payroll. Social welfare nonprofits accounted for less than 3 percent of all nonprofit establishments and less than 1 percent of nonprofit employment and payroll. Other types of nonprofits constituted 39 percent of nonprofit establishments, but only about 9 and 7 percent respectively of nonprofit employment and payrolls.
- Location status (2 types): IRS-registered nonprofits using an Indiana address for purposes of reporting with the IRS and all other IRS-registered nonprofits. Nonprofit reporting addresses may be that of an accountant, board president, or headquarter organization and therefore is not necessarily where the organization carries out all, or even some, of its activities. In 2003, about 93 percent of all IRS registered nonprofits that participate in the Indiana ES-202 system used an Indiana address for purposes of reporting to the IRS. These nonprofits accounted for 95 percent of total Indiana nonprofit employment and nonprofit payroll.
- Filing status (2 types): IRS registered nonprofits filing financial information on Form 990 or Form 990 PF (private foundations) with the IRS and all other IRS registered nonprofits. Nonprofits with \$25,000 in annual revenues are required to file financial information with the IRS on Form 990/990 PF, unless the organization’s finances are included as part of a group exemption report (e.g., a headquarter organization and local affiliates) or the organization uses another nonprofit as a fiscal agent. Some nonprofits with revenues of less than \$25,000 also file Form 990. In 2003, 94 percent of Indiana nonprofit entities filed financial information with the IRS. They accounted for 95 percent of total nonprofit employment and 96 percent of total nonprofit payroll in the

state. The rest – some 336 non-filers – employed a total of 8,113 employees (or an average of about 24) and had combined payrolls of \$117.4 million dollars (or about \$528,000 per establishment).

Some nonprofit establishments are not captured in this report. These include entities that have not registered with the IRS for tax exempt status and therefore do not have a record in the national EOMF. Were they included, they might add another 31,300 to the count of nonprofit employees analyzed in this report.²⁷ Some (perhaps even most) of these may well be included in the ES-202 reporting system, but because they are not captured in the national EOMF list, they would under our methodology be classified as for-profit rather than nonprofit establishments. This is in addition to employees in Indiana congregations and in small charities that are also missing from the analysis because they are not required to participate in the ES-202 reporting system.²⁸

²⁷ We estimate that there are some 18,600 nonprofits that are not registered with the IRS, at least with Indiana reporting addresses (other than congregations, an estimated 75 percent of which are also not IRS-registered). These include nonprofits not required to register with the IRS (very small nonprofits and some non-charities) and those that are in the process of becoming registered or not registered for other reasons. Our survey of Indiana nonprofits suggests that about 35 percent of these (or 6,500) nonprofits have at least one paid employee and that they employ a median of 6 staff members, for a total of 39,100 employees. However, some of these nonprofits may be registered with the IRS, but not use Indiana as a reporting address and therefore not included in our Indiana nonprofit database. This latter sub-group would be captured by the ES-202 reporting system and included in our analysis here. As Appendix H shows, some 400 nonprofits with 7,800 employees met that criterion in 2003, producing the estimate of 31,300 in the text above.

²⁸ We believe these estimates of undercounts in nonprofit employment are reasonable, perhaps even conservative. To test this assumption, we have used a similar methodology to estimate from our survey of Indiana nonprofits the total employees that would meet the ES-202 reporting requirements. In 2001 we identified 15,882 IRS-registered public charities in Indiana, of which we estimate that 2,321 were congregations (25 percent of 9,000 congregations), leaving 13,561 non-congregational charities. Our survey data suggest that 33 percent of these had four or more paid employees in 2002. They employed a median of 21 employees, or an estimated 94,000 employees in total. There were another 15,100 non-charitable nonprofits registered with the IRS, of which 15 percent reported at least four employees, with a median of 22, or about 50,000 employees. If non-charities with less than four employees are included in the ES-202 system, we would need to add another 5,400 nonprofit employees. These three estimates add to 149,200 employees for 2002, notably less than our estimate in this report of 222,500 nonprofit employees in 2002, obtained by linking the ES-202 reporting system to the IRS list of exempt entities (the EOMF). Were we to use the average (mean) number of employees per IRS registered nonprofit to develop these approximations, we would obtain much higher estimates of nonprofit employees. However, averages are notably more sensitive to sampling errors than me-

Also, there may be a significant number of multiple establishment commercial firms that have nonprofit subsidiaries; these nonprofit subsidiaries would not be identified as nonprofit firms in the state ES-202 records. On the other hand, there may be some multiple establishment nonprofit firms that have commercial subsidiaries, but which would be classified as nonprofits under our methodology. The precise number of uncaptured nonprofit establishments is unknown.

Finally, we used the IRS status on the EOMF as of February 2002, March 2003, and March 2004 to capture IRS exempt status at the end of the immediately preceding calendar year in order to allow for newly registered exempt entities to be included on the EOMF (a process that may take several months).²⁹ That means we are able to identify correctly the nonprofit status of employers that were registered as tax-exempt at the end of the calendar year in 2001, 2002, or 2003. We are unable, however, to account for establishments that were deleted from the IRS tax-exempt list by February/March of the following year because they had ceased to operate or converted to for-profit or government status, although they may have operated as nonprofit organizations for some or all of the calendar year. Because these organizations did not appear in the EOMF files from their respective years, they were not identified as nonprofits in the ES-202 dataset. If they had employees and payroll during this time, they would by default be considered for-profit establishments. Consequently, our estimates in this report most likely underestimate the nonprofit share of the Indiana economy for 2001-2003.

To examine some of these problems of omission in greater detail we experimented with a more inclusive way to define Indiana nonprofit establishments. To do so, we merged the IRS listings for each of the four years and asked the Indiana Business Research Center to match the ES-202 reports against this cumulative listing of IRS exempt organizations.

This alternative approach results in higher estimates of total nonprofit employment for the state by roughly one

dians for the type of skewed distributions we have here (e.g., a small number of nonprofits have very high number of employees, but most have relatively few staff members). We therefore use the median number of staff, rather than the average or mean, to keep our estimates conservative.

²⁹ Another method is to aggregate these EOMFs over three years, as discussed below.

to two percent than the analysis reported in the main body of our report. Closer analysis shows that approximately 80 percent of total IRS-registered entities remain in the merged file over the entire three years (2001-2003). Some 13 percent of the registered entities in the merged listings were not contained in the 2001, but entered later (2002-2003). Roughly 7 percent of 2001-2003 cumulative listings were included in 2001, but dropped out by 2003. One percent of the listed entities were only listed during 2002, and not during 2001 or 2003, while less than 1 percent were listed in 2001 and 2003, but not in 2002.

However, we don't know the extent to which these higher estimates of nonprofit employment using the cumulative listing reflects delays in recording the addition

of newly established nonprofits to the EOMF or conversions of existing establishments from for-profit or government ownership to nonprofit status. Because of these uncertainties, we use the more conservative approach of matching the EOMF to the ES-202 records on a year-by-year basis.

The Johns Hopkins Center for Civil Society Studies' Nonprofit Employment Data Project is now working with State Employment Security Agencies throughout the country drawing on this ES-202 data source to generate similar data on nonprofit employment in other states. For more information, visit the CCSS Web site (<http://www.jhu.edu/~ccss>). For more information on the project on **Indiana Nonprofits: Scope and Community Dimensions**, see <http://www.indiana.edu/~nonprof>.

APPENDIX B: NONPROFIT EMPLOYMENT IN INDIANA, BY METROPOLITAN REGION, 2003

Metropolitan region [†]	Total nonprofit employment in region	Total employment in region	Nonprofit employment as percent of total nonprofit employment in state	Nonprofit employment as percent of total employment in region	Construction as percent of total	Manufacturing as percent of total	Total nonprofit payroll
Indianapolis	67,710	840,103	29.6%	8.1%	5.7%	12.7%	\$2,271,238,806
Gary/Northwest*	23,973	288,679	10.5%	8.3%	6.2%	16.3%	\$691,242,379
South Bend	21,267	122,213	9.3%	17.4%	4.9%	14.9%	\$713,707,523
Fort Wayne	19,355	250,094	8.5%	7.7%	5.1%	23.2%	\$485,522,582
Evansville**	13,904	145,892	6.1%	9.5%	6.5%	19.5%	\$386,535,788
LaFayette	6,662	83,403	2.9%	8.0%	4.3%	22.7%	\$162,405,405
Elkhart	7,195	115,926	3.1%	6.2%	3.7%	50.1%	\$203,785,145
Terre Haute	6,473	63,557	2.8%	10.2%	5.2%	17.2%	\$189,178,959
Bloomington	5,892	59,863	2.6%	9.8%	4.6%	12.5%	\$150,187,279
Muncie	6,245	50,388	2.7%	12.4%	4.1%	15.3%	\$176,074,078
Louisville	3,609	90,106	1.6%	4.0%	5.4%	20.4%	\$81,461,322
Kokomo	2,131	46,846	0.9%	4.5%	3.1%	35.1%	\$46,015,121
Cincinnati	518	16,266	0.2%	3.2%	5.7%	12.3%	\$14,138,012
Rest of state	42,846	574,309	18.8%	7.5%	3.7%	30.2%	\$1,053,264,118
Nondistributable (statewide)	651	73,970	0.3%	0.9%	7.7%	1.3%	\$21,983,453
Grand Total for State	228,430	2,821,614	100.0%	8.1%	5.1%	20.3%	\$6,646,739,970

[†]Standard Metropolitan Area (SMA) unless otherwise noted.

* Includes LaPorte County

** Includes Gibson County

APPENDIX C: NONPROFIT EMPLOYMENT IN INDIANA, BY COUNTY, 2003

County	Total Nonprofit employment in county	Total employment in county	Nonprofit employment as percent of total nonprofit employment in state	Nonprofit employment as percent of total employment in county	Total nonprofit payroll
Adams	581	14,217	0.3%	4.1%	\$9,391,551
Allen	14,610	177,008	6.4%	8.3%	\$383,403,409
Bartholomew	2,039	39,290	0.9%	5.2%	\$51,209,427
Benton	NA	2,501	NA	NA	NA
Blackford	205	4,095	0.1%	5.0%	\$4,954,013
Boone	661	15,813	0.3%	4.2%	\$15,974,441
Brown	114	2,954	0.0%	3.9%	\$2,169,823
Carroll	289	5,366	0.1%	5.4%	\$4,756,097
Cass	808	16,312	0.4%	5.0%	\$13,889,396
Clark	1,562	43,823	0.7%	3.6%	\$38,049,706
Clay	403	7,184	0.2%	5.6%	\$7,430,898
Clinton	892	11,176	0.4%	8.0%	\$18,675,432
Crawford	86	2,221	0.0%	3.8%	\$1,636,992
Daviess	662	10,147	0.3%	6.5%	\$11,452,705
Dearborn	492	14,485	0.2%	3.4%	\$13,564,198
Decatur	492	12,456	0.2%	3.9%	\$8,000,217
De Kalb	891	21,245	0.4%	4.2%	\$21,281,213
Delaware	6,245	50,388	2.7%	12.4%	\$176,074,078
Dubois	2,053	27,751	0.9%	7.4%	\$58,634,249
Elkhart	7,195	115,926	3.1%	6.2%	\$203,785,145
Fayette	930	9,089	0.4%	10.2%	\$23,467,157
Floyd	1,264	27,132	0.6%	4.7%	\$27,961,287
Fountain	168	5,237	0.1%	3.2%	\$3,318,156
Franklin	52	4,019	0.0%	1.3%	\$935,942
Fulton	176	6,684	0.1%	2.6%	\$3,754,260
Gibson	1,113	15,072	0.5%	7.4%	\$23,675,392
Grant	4,337	28,236	1.9%	15.4%	\$107,738,222
Greene	631	7,279	0.3%	8.7%	\$11,132,950
Hamilton	3,435	84,538	1.5%	4.1%	\$116,747,496
Hancock	425	17,238	0.2%	2.5%	\$9,230,961
Harrison	457	12,170	0.2%	3.8%	\$9,728,248
Hendricks	764	35,488	0.3%	2.2%	\$17,834,611
Henry	643	14,012	0.3%	4.6%	\$9,552,542
Howard	2,097	42,366	0.9%	4.9%	\$45,592,281
Huntington	1,856	15,239	0.8%	12.2%	\$43,242,295
Jackson	697	20,181	0.3%	3.5%	\$14,346,803

County	Total Nonprofit employment in county	Total employment in county	Nonprofit employment as percent of total nonprofit employment in state	Nonprofit employment as percent of total employment in county	Total nonprofit payroll
Jasper	704	10,622	0.3%	6.6%	\$15,355,110
Jay	526	6,695	0.2%	7.8%	\$15,976,042
Jefferson	1,802	12,830	0.8%	14.0%	\$59,684,392
Jennings	455	8,176	0.2%	5.6%	\$11,220,368
Johnson	1,917	40,298	0.8%	4.8%	\$43,040,609
Knox	995	16,791	0.4%	5.9%	\$19,713,360
Kosciusko	3,384	33,385	1.5%	10.1%	\$84,760,827
Lagrange	271	12,148	0.1%	2.2%	\$5,240,526
Lake	16,587	191,017	7.3%	8.7%	\$509,322,979
La Porte	3,431	45,410	1.5%	7.6%	\$98,119,825
Lawrence	1,257	14,240	0.6%	8.8%	\$32,413,127
Madison	4,742	43,335	2.1%	10.9%	\$141,364,936
Marion	54,595	572,156	23.9%	9.5%	\$1,897,161,566
Marshall	1,537	17,930	0.7%	8.6%	\$41,376,015
Martin	77	7,339	0.0%	1.0%	\$1,091,488
Miami	371	10,337	0.2%	3.6%	\$6,128,191
Monroe	5,892	59,863	2.6%	9.8%	\$150,187,279
Montgomery	2,249	16,566	1.0%	13.6%	\$82,547,683
Morgan	739	14,516	0.3%	5.1%	\$20,403,599
Newton	158	4,047	0.1%	3.9%	\$3,061,191
Noble	1,111	19,512	0.5%	5.7%	\$22,938,515
Ohio	27	1,781	0.0%	1.5%	\$573,814
Orange	543	6,098	0.2%	8.9%	\$11,502,431
Owen	155	4,422	0.1%	3.5%	\$2,788,994
Parke	190	3,390	0.1%	5.6%	\$4,097,431
Perry	273	6,131	0.1%	4.5%	\$6,080,013
Pike	157	3,073	0.1%	5.1%	\$2,512,403
Porter	3,955	52,252	1.7%	7.6%	\$83,799,575
Posey	238	8,427	0.1%	2.8%	\$3,398,337
Pulaski	282	4,508	0.1%	6.3%	\$4,538,753
Putnam	1,721	12,469	0.8%	13.8%	\$43,856,144
Randolph	565	7,647	0.2%	7.4%	\$14,088,405
Ripley	1,092	13,932	0.5%	7.8%	\$26,705,517
Rush	148	5,177	0.1%	2.8%	\$2,571,545
St. Joseph	21,267	122,213	9.3%	17.4%	\$713,707,523
Scott	327	6,981	0.1%	4.7%	\$5,722,081

County	Total Nonprofit employment in county	Total employment in county	Nonprofit employment as percent of total nonprofit employment in state	Nonprofit employment as percent of total employment in county	Total nonprofit payroll
Shelby	432	16,724	0.2%	2.6%	\$9,480,587
Spencer	648	7,282	0.3%	8.9%	\$15,558,182
Starke	265	4,192	0.1%	6.3%	\$5,065,446
Steuben	950	14,870	0.4%	6.4%	\$22,220,124
Sullivan	150	5,443	0.1%	2.7%	\$1,803,072
Switzerland	145	2,387	0.1%	6.1%	\$2,980,195
Tippecanoe	5,770	72,227	2.5%	8.0%	\$143,729,973
Tipton	34	4,480	0.0%	0.8%	\$422,840
Union	105	1,539	0.0%	6.8%	\$2,369,007
Vanderburgh	11,861	108,579	5.2%	10.9%	\$344,805,003
Vermillion	231	4,724	0.1%	4.9%	\$5,847,310
Vigo	5,849	51,649	2.6%	11.3%	\$175,990,937
Wabash	1,683	13,661	0.7%	12.3%	\$35,704,113
Warren	NA	1,717	NA	NA	NA
Warrick	692	13,815	0.3%	5.0%	\$14,657,056
Washington	173	6,400	0.1%	2.7%	\$3,136,265
Wayne	3,830	33,157	1.7%	11.5%	\$101,711,706
Wells	527	11,169	0.2%	4.7%	\$7,821,258
White	271	8,372	0.1%	3.2%	\$4,993,977
Whitley	890	11,216	0.4%	7.9%	\$20,382,856
Nondistributable (statewide)	651	73,970	0.3%	0.9%	\$21,983,453
Grand Total for State	228,430	2,821,614	100.0%	8.1%	\$6,646,739,970

Note: data on nonprofit employment for some counties were not available for reasons of confidentiality.

The Indiana Business Research Center publishes total employment data by county, available at: <http://www.stats.indiana.edu/cew/>

APPENDIX D: DISTRIBUTIONS OF NONPROFIT AND CHARITABLE EMPLOYMENT BY INDUSTRY IN INDIANA, 2003

NAICS Codes	Industry	Type of organizations	Nonprofit employment		Charity employment	
			Number of employees	Percent of total nonprofit employment	Number of employees	Percent of total charity employment
61	Educational Services	Private colleges and universities, elementary and secondary schools	29,490	13%	29,128	14%
62*	Health Services <i>(exclusive of Social Assistance)</i>	Hospitals, nursing and personal care facilities, home health care organizations	118,774	52%	118,602	59%
624	Social Assistance	Child day care services, job training and related services, individual and family services	27,571	12%	27,529	14%
71	Amusement and Recreation Services	Performing arts, spectator sports, museums, historical sites, zoos and botanical gardens	6,848	3%	3,645	2%
813	Membership Organizations	Business associations, professional associations, neighborhood associations, social clubs, hiking clubs, environmental organizations	27,707	12%	12,971	6%
All other	Other	Utilities, Information, Publishing, Finance and Insurance, Credit Intermediation and Related Activities, Funds, Trusts, and Other Financial Vehicles, Real Estate, Rental and Leasing, Management of Companies and Enterprises, Accommodation, and others	18,040	8%	9,580	5%
Total			228,430	100%	201,454	100%

* The NAICS incorporates Social Assistance (NAICS 624) into Health Services (NAICS 62). For clarity, our analysis separates the two.

APPENDIX E: NONPROFIT EMPLOYMENT AND WAGES FOR SELECT INDUSTRIES IN INDIANA, 2003

NAICS Code	Industry group	Total nonprofit employment	Share of nonprofit employment	Average weekly wage	Estimated Average annual wage
61	EDUCATION SERVICES	29,490	12.9%	\$554	\$28,798
611	Educational Services	29,490	12.9%	\$554	\$28,798
6111	Elementary and Secondary Schools	7,056	3.1%	\$426	\$22,137
6112	Junior Colleges	334	0.1%	\$436	\$22,671
6113	Colleges, Universities, and Professional Schools	20,871	9.1%	\$606	\$31,518
62*	HEALTH SERVICES	118,774	52.0%	\$645	\$33,532
621	Ambulatory Health Care Services	15,669	6.9%	\$696	\$36,217
6214	<i>Outpatient Care Centers</i>	6,026	2.6%	\$612	\$31,838
6216	<i>Home Health Care Services</i>	2,487	1.1%	\$515	\$26,806
622	Hospitals	81,003	35.5%	\$701	\$36,440
6221	<i>General Medical and Surgical Hospitals</i>	78,023	34.2%	\$704	\$36,594
6222	<i>Psychiatric and Substance Abuse Hospitals</i>	1,987	0.9%	\$570	\$29,616
6223	<i>Specialty (except Psychiatric and Substance Abuse) Hospitals</i>	993	0.4%	\$729	\$37,928
623	Nursing and Residential Care Facilities	22,102	9.7%	\$403	\$20,974
6231	<i>Nursing Care Facilities</i>	8,870	3.9%	\$397	\$20,665
6232	<i>Res. Mental Retardation, Mental Hlth. & Sub. Abuse Facilities</i>	4,007	1.8%	\$399	\$20,761
6233	<i>Community Care Facilities for the Elderly</i>	6,504	2.8%	\$404	\$21,000
624	SOCIAL ASSISTANCE	27,571	12.1%	\$374	\$19,452
6241	Individual and Family Services	9,434	4.1%	\$416	\$21,607
6242	Community Food & Housing, Emergency & Other Relief Services	1,237	0.5%	\$397	\$20,646
6243	Vocational Rehabilitation Services	12,093	5.3%	\$368	\$19,162
6244	Child Day Care Services	4,807	2.1%	\$301	\$15,646
71	ARTS, ENTERTAINMENT, RECREATION	6,848	3.0%	\$380	\$19,746
711	Performing Arts, Spectator Sports, and Related Industries	1,362	0.6%	\$479	\$24,924
712	Museums, Historical Sites, and Similar Institutions	1,898	0.8%	\$428	\$22,242
713	Amusement, Gambling, and Recreation Industries	3,589	1.6%	\$317	\$16,462
813**	RELIGIOUS, GRANTMAKING, CIVIC, PROFESSIONAL, AND SIMILAR ORGANIZATIONS	27,707	12.1%	\$376	\$19,547
8131	Religious Organizations	1,496	0.7%	\$317	\$16,494
8132	Grantmaking and Giving Services	1,875	0.8%	\$709	\$36,847
8133	Social Advocacy Organizations	1,540	0.7%	\$503	\$26,131
8134	Civic and Social Organizations	14,080	6.2%	\$252	\$13,118
8139	Business, Professional, Labor, Political, and Similar Organizations	8,717	3.8%	\$492	\$25,571
	Suppressed and other fields	18,040	7.9%	\$641	\$33,348
	Total	228,430	100.0%	\$560	\$29,097

* The NAICS incorporates Social Assistance (NAICS 624) into Health Services (NAICS 62). For clarity, our analysis separates the two.

** We classify all NAICS 813 private employment as nonprofit.

APPENDIX F: FOR-PROFIT EMPLOYMENT AND WAGES FOR SELECT INDUSTRIES IN INDIANA, 2003

NAICS Code	Industry group	Total for-profit employment	Share of For-profit employment	Average weekly wage	Average annual wage
61	EDUCATION SERVICES	7,848	0.4%	\$409	\$21,252
611	Educational Services	7,848	0.4%	\$409	\$21,252
6111	Elementary and Secondary Schools	1,948	0.1%	\$368	\$19,152
6112	Junior Colleges	480	0.0%	\$897	\$46,664
6113	Colleges, Universities, and Professional Schools	10	0.0%	\$886	\$46,080
62*	HEALTH SERVICES	141,367	6.4%	\$721	\$37,477
621	Ambulatory Health Care Services	83,839	3.8%	\$886	\$46,049
6214	<i>Outpatient Care Centers</i>	4,065	0.2%	\$766	\$39,844
6216	<i>Home Health Care Services</i>	8,051	0.4%	\$392	\$20,373
622	Hospitals	14,705	0.7%	\$631	\$32,796
6221	<i>General Medical and Surgical Hospitals</i>	12,310	0.6%	\$636	\$33,086
6222	<i>Psychiatric and Substance Abuse Hospitals</i>	1,037	0.0%	\$570	\$29,662
6223	<i>Specialty (except Psychiatric and Substance Abuse) Hospitals</i>	1,357	0.1%	\$626	\$32,562
623	Nursing and Residential Care Facilities	42,823	1.9%	\$429	\$22,303
6231	<i>Nursing Care Facilities</i>	33,057	1.5%	\$442	\$23,007
6232	<i>Res. Mental Retardation, Mental Hlth. & Sub. Abuse Facilities</i>	4,503	0.2%	\$421	\$21,896
6233	<i>Community Care Facilities for the Elderly</i>	4,630	0.2%	\$348	\$18,102
624	SOCIAL ASSISTANCE	10,696	0.5%	\$303	\$15,773
6241	Individual and Family Services	3,014	0.1%	\$363	\$18,900
6242	Community Food & Housing, Emergency & Other Relief Services	356	0.0%	\$453	\$23,536
6243	Vocational Rehabilitation Services	502	0.0%	\$532	\$27,681
6244	Child Day Care Services	6,825	0.3%	\$252	\$13,112
71	ARTS, ENTERTAINMENT, RECREATION	37,676	1.7%	\$498	\$25,881
711	Performing Arts, Spectator Sports, and Related Industries	6,775	0.3%	\$939	\$48,825
712	Museums, Historical Sites, and Similar Institutions	89	0.0%	\$290	\$15,056
713	Amusement, Gambling, and Recreation Industries	30,812	1.4%	\$401	\$20,867
Suppressed and other fields		2,000,919	91.0%	\$652	\$33,890
Total		2,198,507	100.0%	\$651	\$33,850

* The NAICS incorporates Social Assistance (NAICS 624) into Health Services (NAICS 62). For clarity, our analysis separates the two.

** We classify all NAICS 813 private employment as nonprofit.

APPENDIX G: GOVERNMENT EMPLOYMENT AND WAGES FOR SELECT INDUSTRIES IN INDIANA, 2003

NAICS Code	Industry group	Total government employment	Share of government employment	Average weekly wage	Average annual wage
61	EDUCATION SERVICES	194,352	49.2%	\$640	\$33,298
611	Educational Services	194,352	49.2%	\$640	\$33,298
6111	Elementary and Secondary Schools	144,422	36.6%	\$627	\$32,580
6112	Junior Colleges	6,459	1.6%	\$468	\$24,339
6113	Colleges, Universities, and Professional Schools	43,384	11.0%	\$712	\$37,010
62*	HEALTH SERVICES	35,355	9.0%	\$661	\$34,380
621	Ambulatory Health Care Services	590	0.1%	\$639	\$33,212
6214	<i>Outpatient Care Centers</i>	184	0.0%	\$600	\$31,209
6216	<i>Home Health Care Services</i>	41	0.0%	\$416	\$21,641
622	Hospitals	33,065	8.4%	\$670	\$34,855
6221	<i>General Medical and Surgical Hospitals</i>	28,597	7.2%	\$668	\$34,730
6222	<i>Psychiatric and Substance Abuse Hospitals</i>	4,468	1.1%	\$686	\$35,657
6223	<i>Specialty (except Psychiatric and Substance Abuse) Hospitals</i>	0	0.0%	\$0	\$0
623	Nursing and Residential Care Facilities	1,700	0.4%	\$491	\$25,534
6231	<i>Nursing Care Facilities</i>	653	0.2%	\$429	\$22,301
6232	<i>Res. Mental Retardation, Mental Hlth. & Sub. Abuse Facilities</i>	819	0.2%	\$528	\$27,482
6233	<i>Community Care Facilities for the Elderly</i>	6	0.0%	\$195	\$10,156
624	SOCIAL ASSISTANCE	91	0.0%	\$447	\$23,254
6241	Individual and Family Services	21	0.0%	\$507	\$26,345
6242	Community Food & Housing, Emergency & Other Relief Services	17	0.0%	\$281	\$14,621
6243	Vocational Rehabilitation Services	12	0.0%	\$697	\$36,259
6244	Child Day Care Services	42	0.0%	\$414	\$21,522
71	ARTS, ENTERTAINMENT, RECREATION	1,005	0.3%	\$454	\$23,585
711	Performing Arts, Spectator Sports, and Related Industries	618	0.2%	\$439	\$22,832
712	Museums, Historical Sites, and Similar Institutions	207	0.1%	\$648	\$33,708
713	Amusement, Gambling, and Recreation Industries	181	0.0%	\$280	\$14,565
813	RELIGIOUS, GRANTMAKING, CIVIC, PROFESSIONAL, AND SIMILAR ORGANIZATIONS	37	0.0%	\$604	\$31,416
8131	Religious Organizations		0.0%		
8132	Grantmaking and Giving Services	7	0.0%	\$682	\$35,483
8133	Social Advocacy Organizations	NA	NA	NA	NA
8134	Civic and Social Organizations	15	0.0%	\$319	\$16,569
8139	Business, Professional, Labor, Political, and Similar Organizations	15	0.0%	\$844	\$43,908
	Suppressed and other fields	163,837	41.5%	\$636	\$33,080
Total		394,677	100.0%	\$640	\$33,277

* The NAICS incorporates Social Assistance (NAICS 624) into Health Services (NAICS 62). For clarity, our analysis separates the two.

APPENDIX H: DISTRIBUTION OF INDIANA NONPROFIT EMPLOYMENT BY IRS REPORTING STATUS, 2000-2003

Type of nonprofit	Estab- lishments	Em- ployment	Payroll	Weekly pay	Percent Distribution		
					Estab- lishments	Employ- ment	Payroll
2000							
501c3 - charities	3,065	189,596	\$5,075,485,968	\$515	54.4%	87.2%	89.3%
501c4 - social welfare	162	1,259	\$30,322,178	\$463	2.9%	0.6%	0.5%
All other	2,392	22,966	\$443,126,548	\$371	42.4%	10.6%	7.8%
Indiana address	5,291	206,246	\$5,364,422,790	\$500	93.9%	94.9%	94.4%
Out of state	327	7,575	\$184,511,904	\$468	5.8%	3.5%	3.2%
Files Form 990	5,300	206,315	\$5,397,391,309	\$503	94.0%	94.9%	95.0%
Non-filers	318	7,505	\$151,543,385	\$388	5.6%	3.5%	2.7%
Suppressed	19	3,556	\$133,570,433	\$722	0.3%	1.6%	2.4%
All	5,637	217,377	\$5,682,505,127	\$503	100.0%	100.0%	100.0%
2001							
501c3 - charities	3,150	194,765	\$5,386,896,020	\$532	55.2%	87.5%	89.5%
501c4 - social welfare	161	1,303	\$36,984,674	\$546	2.8%	0.6%	0.6%
All other	2,370	22,983	\$469,575,569	\$393	41.6%	10.3%	7.8%
Indiana address	5,316	211,286	\$5,700,041,521	\$519	93.2%	95.0%	94.7%
Out of state	365	7,764	\$193,414,742	\$479	6.4%	3.5%	3.2%
Files Form 990	5,330	210,949	\$5,728,155,152	\$522	93.5%	94.8%	95.1%
Non-filers	351	8,102	\$165,301,111	\$392	6.1%	3.6%	2.7%
Suppressed	22	3,416	\$127,111,964	\$716	0.4%	1.5%	2.1%
All	5,702	222,467	\$6,020,568,227	\$520	100.0%	100.0%	100.0%
2002							
501c3 - charities	3,280	197,701	\$5,682,271,785	\$553	56.8%	87.8%	89.6%
501c4 - social welfare	169	1,407	\$46,720,691	\$639	2.9%	0.6%	0.7%
All other	2,303	22,621	\$483,089,064	\$411	39.9%	10.0%	7.6%
Indiana address	5,351	213,344	\$6,005,104,951	\$541	92.6%	94.7%	94.7%
Out of state	401	8,385	\$206,976,589	\$475	6.9%	3.7%	3.3%
Files Form 990	5,407	213,633	\$6,041,136,937	\$544	93.6%	94.9%	95.3%
Non-filers	345	8,096	\$170,944,603	\$406	6.0%	3.6%	2.7%
Suppressed	25	3,466	\$129,710,377	\$720	0.4%	1.5%	2.0%
All	5,777	225,195	\$6,341,791,917	\$542	100.0%	100.0%	100.0%
2003							
501c3 - charities	3,377	201,454	\$5,979,166,828	\$571	57.9%	88.2%	90.0%
501c4 - social welfare	168	1,460	\$53,126,010	\$700	2.9%	0.6%	0.8%
All other	2,266	22,236	\$490,561,827	\$424	38.8%	9.7%	7.4%
Indiana address	5,412	217,394	\$6,329,833,545	\$560	92.8%	95.2%	95.2%
Out of state	398	7,755	\$193,021,120	\$479	6.8%	3.4%	2.9%
Files Form 990	5,475	217,036	\$6,345,459,567	\$562	93.8%	95.0%	95.5%
Non-filers	336	8,113	\$177,395,098	\$420	5.8%	3.6%	2.7%
Suppressed	24	3,281	\$123,885,305	\$726	0.4%	1.4%	1.9%
All	5,834	228,430	\$6,646,739,970	\$560	100.0%	100.0%	100.0%

PROJECT PUBLICATIONS AND REPORTS

Over the last several years a number of reports and articles related to the Indiana Nonprofit Sector Project have been published, in addition to papers presented at various colloquiums and conferences. The following citations include project-related reports and papers as of November 2004. Online reports, as well as summaries of all other items are available on the project web site: www.indiana.edu/~nonprof. To obtain a complete version of an unpublished paper please contact Kirsten Grønbjerg (kgronbj@indiana.edu, (812) 855-5971).

Indiana Nonprofit Survey Analysis

This survey of 2,206 Indiana nonprofits, completed in spring and early summer of 2002, covered congregations, other charities, advocacy nonprofits, and mutual benefit associations. It used a stratified random sample drawn from our comprehensive Indiana nonprofit database and structured so as to allow for comparisons among (1) different nonprofit source listings (including those identified through the personal affiliation survey) and (2) twelve selected communities around the state. The survey included questions about basic organizational characteristics, programs and target populations, finances and human resources, management tools and challenges, advocacy activities, affiliations, and involvement in networking and collaboration. An almost identical instrument was used to survey Illinois congregations, charities and advocacy nonprofits for the Donors Forum of Chicago (report available Online at www.donorsforum.org, December, 2003).

Online Reports

- Indiana Nonprofits: Affiliation, Collaboration, and Competition, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #5. November 2004 (www.indiana.edu/~nonprof/results/npsurvey/insaffil.html).
- Indiana Nonprofits: Managing Financial and Human Resources, by Kirsten A. Grønbjerg and Richard M. Clerkin. Online report. Survey Report #4. August 2004 (www.indiana.edu/~nonprof/results/npsurvey/insman.html).
- Indiana Nonprofits: Impact of Community and Policy Changes, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #3. June 2004 (www.indiana.edu/~nonprof/results/npsurvey/inscom.html).
- The Indiana Nonprofit Sector: A Profile, by Kirsten A. Grønbjerg and Linda Allen. Online report. Survey Report #2. January 2004 (www.indiana.edu/~nonprof/results/npsurvey/insprofile.html).
- The Indianapolis Nonprofit Sector: Management Capacities and Challenges, by Kirsten A. Grønbjerg and Richard Clerkin. Online report. Preliminary Survey Report #1. February 2003 (www.indiana.edu/~nonprof/results/npsurvey/indymanag.html).

Journal Articles and Conference Presentations

- “The Capacities and Challenges of Faith-Based Human Service Organizations” Public Administration Review (forthcoming, 2005).
- “Examining the Landscape of Indiana’s Nonprofit Sector: Does What You Know Depend on Where You Look?” by Kirsten A. Grønbjerg and Richard Clerkin. Nonprofit & Voluntary Sector Quarterly 34 (No. 2, June): 232-59. 2005.
- “Infrastructure and Activities: Relating IT to the Work of Nonprofit Organizations” by Richard Clerkin and Kirsten A. Grønbjerg. Paper presented at Symposium on Nonprofit Technology Adoption, University of San Francisco, Institute for Nonprofit Organization Management. October 2004.
- “Nonprofit Advocacy Organizations: Their Characteristics and Activities” by Curtis Child and Kirsten A. Grønbjerg. Paper presented at the Biannual Conference of the International Society for Third-Sector Research, Toronto, Canada, July 11-14, 2004.

Indiana Nonprofit Employment Analysis

An analysis, comparing ES-202 employment reports with IRS registered nonprofits under all sub-sections of 501(c), using a methodology developed by the Center for Civil Society Studies at The Johns Hopkins University, to examine nonprofit employment in the state of Indiana. The analysis includes detailed information by county, region, and type of nonprofit as well as industry and sector comparisons.

Online Reports

- Indiana Nonprofit Employment, 2005 Report. Nonprofit Employment Report No. 2 by Kirsten A. Grønbjerg and Erich T. Eschmann. May 2005 (www.indiana.edu/~nonprof/results/innonprofitemploy2.thm).
- Indiana Nonprofit Employment, 2001. Nonprofit Employment Report No. 1 by Kirsten A. Grønbjerg and Hun Myoung Park. July 2003 (www.indiana.edu/~nonprof/results/innonprofitemploy.htm).
- Bloomington Nonprofit Employment, 2001. Nonprofit Employment Report No. 1, Supplement A, by Kirsten Grønbjerg and Sharon Kioko. August 2003 (www.indiana.edu/~nonprof/results/inemploy/bloomingtonempl03.pdf).

Personal Affiliation Survey Analysis

We completed a survey of 526 Indiana residents in May 2001, designed to make it possible to evaluate the utility of an alternative approach to sampling Indiana nonprofits (as compared to drawing a sample from a comprehensive nonprofit database). The survey probed for the respondents' personal affiliations with Indiana nonprofits as employees, worshippers, volunteers, or participants in association meetings or events during the previous 12 months. We recorded the names and addresses of the church the respondent had attended most recently, of up to two nonprofit employers, up to five nonprofits for which the respondent had volunteered, and up to five nonprofit associations.

Journal Articles and Conference Presentations

- "The Role of Religious Networks and Other Factors in Different Types of Volunteer Work" by Kirsten Grønbjerg and Brent Never. Nonprofit Management and Leadership 14 (Winter 2004, No. 3):263-90.
- "Individual Engagement with Nonprofits: Explaining Participation in Association Meetings and Events" by Kirsten Grønbjerg. Paper presented at the ARNOVA Meetings, Montreal, Canada, November 14-16, 2002.
- "Volunteering for Nonprofits: The Role of Religious Engagement" by Kirsten Grønbjerg and Brent Never. Paper presented at the Association for the Study of Religion. Chicago, August 14-16, 2002.

Indiana Nonprofit Database Analysis

We developed a comprehensive database of 59,400 Indiana nonprofits of all types (congregations, other charities, advocacy nonprofits, and mutual benefit associations) using a unique methodology that combines a variety of data sources, most notably the IRS listing of tax-exempt entities, the Indiana Secretary of State's listing of incorporated nonprofits, and the yellow page listing of congregations. We supplemented these listings with a variety of local listings in eleven communities across the state and with nonprofits identified through a survey of Indiana residents about their personal affiliations with nonprofits. The database is available in a searchable format through a link at <http://www.indiana.edu/~nonprof>.

Journal Articles and Conference Presentations

- "Extent and Nature of Overlap Between Listings of IRS Tax-Exempt Registrations and Nonprofit Incorporation: The Case of Indiana" by Kirsten Grønbjerg and Laurie Paarlberg. Nonprofit and Voluntary Sector Quarterly 31 (No. 4, December, 2002): 565-94.
- "Evaluating Nonprofit Databases." American Behavioral Scientist 45 (July, 2002, No. 10): 1741-77. Resources for Scholarship in the Nonprofit Sector: Studies in the Political Economy of Information, Part I: Data on Nonprofit Industries.
- "Community Variations in the Size and Composition of the Nonprofit Sector: The Case of Indiana" by Kirsten Grønbjerg and Laurie Paarlberg. Paper presented at the Small Cities Conference, Muncie, IN, September 14-15, 2001.
- "Community Variations in the Size and Scope of the Nonprofit Sector: Theory and Preliminary Findings" by Kirsten A. Grønbjerg & Laurie Paarlberg. Nonprofit and Voluntary Sector Quarterly 30 (No. 4, December, 2001) 684-706.



The Center on Philanthropy
at Indiana University

Indiana University–Purdue University Indianapolis



The Indiana University
School of Public and Environmental Affairs
Making A World of Difference.