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Report #7

INDIANA NONPROFIT EMPLOYMENT: TRENDS IN ARTS, ENTERTAINMENT, AND RECREATION, 1995-2009

NOVEMBER 2012

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PREPARED BY

KIRSTEN A. GRØNBJERG, PROJECT DIRECTOR

AND

KELLIE L. MCGIVERIN-BOHAN, ALEXANDRA BUCK, KRISTEN DMYTRYK,
KATHERINE GAGNON, AND WESTON MERRICK

WITH LAUREN DULA AND DEB OONK

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

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NOVEMBER 2012

INDIANA NONPROFITS: SCOPE & COMMUNITY DIMENSIONS

NONPROFIT EMPLOYMENT
SERIES: REPORT #7

A joint product of

The Center on Philanthropy
at Indiana University

The School of Public &
Environmental Affairs
at Indiana University

The Indiana Business
Research Center at Indiana
University's Kelley School of
Business

The Johns Hopkins
Nonprofit Employment
Data Project

Prepared by

Kirsten A. Grønbjerg

Kellie L. McGiverin-Bohan,

Alexandra Buck, Kristen

Dmytryk, Katherine Gagnon &

Weston Merrick, with

Lauren Dula and Deb Oonk

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KEY FINDINGS

Nonprofit organizations make significant contributions to the quality of life for the residents of Indiana. In particular, arts, entertainment, and recreation organizations play an important role in preserving culture, enriching the lives of children and adults, fostering creative expression, and providing sport and entertainment. These organizations may also serve as a powerful economic force for the state by attracting not only tourists, but also a young, educated workforce that can have a major positive impact on regional output and productivity.¹ This report from the *Indiana Nonprofits: Scope and Community Dimensions* project presents new data on the size, composition, and distribution of paid arts, entertainment, and recreation employment in Indiana's private nonprofit sector over the 1995-2009 time period. All dollars are adjusted for inflation and are reported in constant 2009 dollars. Note that there are too few government employees in the arts, entertainment and recreation industry to allow for separate analysis of public sector employment.

Major Findings in Arts, Entertainment, and Recreation (AER)

- **While nonprofit employment in the AER industry grew a relatively modest 8.5 percent between 1995 and 2009, for-profits experienced a 109 percent growth in employment.** An increased emphasis on sports tourism in the state likely contributed to growth in both sectors, but expanded opportunities for riverboat gambling beginning in 1995 appear to have benefitted mainly for-profit employment. For more information see pages 12 and 26.
- **Nonprofit wages in arts, entertainment, and recreation were on average 27 percent less than for-profit wages.** The AER industry experienced a 23 percent increase in wages overall (adjusted for inflation), but remained one of the lowest paying industries in Indiana, especially among nonprofit workers. This is likely due to a large percentage of part-time and seasonal workers in this industry. For more information see page 51.
- **Employment, establishments, and payroll in AER show notable seasonal fluctuations, usually peaking in summer months. This was particularly true in non-charitable nonprofits (e.g., clubs, membership groups, etc.) and for-profit establishments.** This growth could reflect increased participation in sports clubs, local arts and cultural festivals, concert series, and other seasonal recreation activities during the summer. For more information see page 16.
- **Average monthly wages for nonprofit workers in AER were lowest during the summer quarter and highest during the winter quarter.** This trend potentially reflects a reliance on low-paid seasonal workers, particularly high school and college students, to meet increases in demand during the summer months. For more information see page 52.

¹ Florida, Richard, Mellander, Charlotta, Stolarick, Kevin. (2008). Inside the Black Box of Regional Development—Human Capital, the Creative Class and Tolerance. *Journal of Geography and Cultural Economy* (2008) 8(5): 615-649

- **AER employment became a more important element in Indiana over the 1995-2009 time period and outpaced that of Indiana employment overall.** While Indiana experienced an overall decrease in employment, total AER employment grew by 79 percent, and the number of AER establishments increased by 18 percent. Payroll in AER increased an impressive 121 percent—from over \$560 million in 1995 to \$1.24 billion in 2009 (adjusted for inflation).

Findings in the Amusement, Gambling, and Recreation Sub-industry

- **Amusement, gambling, and recreation was the largest AER sub-industry and responsible for most of the increase in the total AER employment.** This sub-industry accounted for 77 percent of private sector employment in AER in 2009, up from 69 percent in 1995, reflecting significant growth in for-profit employment and moderate gains in nonprofit employment. Examples of establishments in this sub-industry include the Horseshoe Southern Indiana bingo clubs and golf courses, as well as the Indiana Parks and Recreation Association, Concord Little League of Elkhart, and Indiana 4-H chapters. For more information see page 23.
- **Amusement, gambling, and recreation had the lowest average wages of all three sub-industries, with annual wages averaging \$22,200 between 1995 and 2009 for all private sector workers.** Among nonprofit workers, the average wage was even lower, at \$18,800 (all in constant 2009 dollars). For more information see page 56.

Findings in the Museums and Historical Sites Sub-industry

- **Between 1995 and 2009, nonprofits dominated employment in the museums and historical sites sub-industry, employing at least 95 percent of private sector employees in all years.** Nonprofits in this sub-industry added employees in all but two years. With a gain of 400 nonprofit employees over the time period, museums and historical sites showed the largest absolute growth in nonprofit employment among the three sub-industries. For more information see page 23.
- **Museums and historical sites was the only AER sub-industry that had more nonprofit establishments (90 percent in 2009) than for-profit establishments (10 percent in 2009).** This finding echoes the national average of 90 percent nonprofit establishments in the visual arts and museums field and 95 percent in the historical sites field.² The number of nonprofit establishments in Indiana grew by 56 percent, from 41 in 1995 to 64 in 2009, while for-profits actually decreased by one establishment in the same period. For more information see page 36.

Findings in the Performing Arts and Spectator Sports Sub-industry

- **The number of nonprofit establishments in performing arts and spectator sports increased 75 percent during the time period, adding nearly 30 new establishments.** However, the average size

² Toepfer, Stefan and Wyszomirski Margaret. (2012). Arts and Culture. In Lester M. Salamon (Ed.), *The State of Nonprofit America* (pp. 229-265). Washington, DC: Brookings Institution Press. p. 231-232.

of nonprofit establishments shrank by 20 percent, from an average of 32 employees to an average of 23 employees per establishment. For more information see page 39.

- **Nonprofit wages in this sub-industry averaged \$25,700 in the period from 1995 to 2009, while for-profit wages averaged nearly double that amount, at \$59,400.** The disparity between these two figures is perhaps surprising, as employees in this subcategory are known to alternate employment frequently between nonprofits and for-profits.³ However, there are notable differences between nonprofit and for-profit performing arts and spectator sports establishments. While nonprofit performing arts organizations may employ many part-time workers, the presence of highly paid executives, athletes or performers in professional sports or commercial arts skew the average for for-profits. For more information see page 56.

³Ibid., p. 230

I. INTRODUCTION

Nonprofit organizations make significant contributions to the quality of life for the residents of Indiana by offering access to the arts, education, health care, recreation, and civic engagement. They are also a major force in the state's economy and in the economic health of all regions of the state. This report presents new information on the size, composition, and distribution of paid, private, nonprofit employment in Indiana's arts, entertainment, and recreation industry (referred to as AER in this report) from 1995 through 2009. Data over this time period gives us insights into how recessions and economic growth periods impact nonprofit arts, entertainment, and recreation employment.

Prior reports in this series have analyzed similar trends in education and social assistance; future reports will focus on employment in health care and membership organizations. The research is part of a larger project on *Indiana Nonprofits: Scope and Community Dimensions*, currently underway at Indiana University. The project is designed to provide solid, baseline information about the Indiana nonprofit sector, its composition and structure, its contributions to Indiana, and the challenges it is facing. For additional information about the project and to access this and other project reports, please visit www.indiana.edu/~nonprof.

A. Why Arts, Entertainment, and Recreation Nonprofit Employment Matters to Indiana

Analysis of employment in Indiana's nonprofit sector serves at least two purposes. First, the nonprofit sector contributes directly to the state's economic development. For example, nonprofit employment in the arts, entertainment, and recreation industry increased over 8 percent from 1995 to 2009, while overall state employment decreased slightly.

Second, analysis of employment trends helps us better understand the nonprofit sector overall. While there are important insights to be gained by focusing on volunteers or other aspects of nonprofit organizations, employment data offers a unique opportunity to understand better the extent and complexity of the nonprofit sector. For example, the timeliness, frequency, and accuracy of employment data present a more detailed picture of the sector's growth patterns than relying on the number of tax-exempt organizations or data available from the minority of nonprofits that report financial data via tax forms.

More specifically, employment information provides insights into the composition of for-profit and nonprofit sectors within an industry.⁴ For example, for-profits employ the majority of AER industry workers, but within the sub-industry of museums and historical sites, the nonprofit sector is responsible for nearly all employment.

Additionally, the AER industry is an important player in the state's economic development and overall community well-being. For example:

⁴ For more information on the utility of nonprofit employment data, see: Lester Salamon & Wojciech Sokolowski. (2005). Nonprofit organizations: new insights from QCEW data. *Monthly Labor Review*. Copy available at www.bls.gov/opub/mlr/2005/09/art3full.pdf

- Performing arts and spectator sports are powerful forces because of their ability not only to create jobs, but also to attract a young, innovative, and educated workforce. This so-called “creative class” is thought to gravitate to areas of artistic, cultural, technological, and economic creativity.⁵ Cities that are able to attract these knowledgeable workers flourish, while those that are unable stagnate.⁶ The performing arts and spectator sports sub-industry plays a key role in creating experiences that validate the workforce’s “identit[y] as [a] creative people.”⁷
- Museums and historical sites are important spaces for educating visitors of all ages about art, science, and history. They also employ local residents to host visitors to their sites. Nonprofits dominate this sub-industry, backed by government and private support that validates the public benefits these institutions bring to state and local communities.
- The amusement, gambling, and recreation sub-industry grew precipitously during the time period, predominately due to changes in gambling laws. The latter afforded the state of Indiana new tax revenue opportunities to cut taxes, plug budget shortfalls in pension funds and road construction, and fund health and technology research.⁸ The growth was strongest among for-profits. While nonprofits may have used charity gambling as a way to offset declining public and private funding during the Great Recession,⁹ nonprofits account for a very small segment of this sub-industry and are most likely concentrated in the amusement and recreation segments, rather than gambling. Due to data constraints, we are unable to parse out the exact extent of nonprofit activity in this sub-industry.

In the remainder of this report, we take a closer look at the arts, entertainment, and recreation industry in Indiana. We explore employment, establishments, average establishment size, total payroll, and average yearly wages all with a specific focus on the contributions of the arts, entertainment, and recreation non-profit sector to the state of Indiana. Within each of these sections, we first provide an overview of the industry with comparisons to other Indiana industries of a roughly similar size¹⁰ and to other Indiana industries with a high prevalence of nonprofit employment. We then discuss specifics for the three AER sub-industries in each area of analysis.

It is important to note, however, that many arts, entertainment and recreation activities takes place inside schools, universities, churches and other organizations that include arts, cultural or recreational program-

⁵ Florida, Richard. (2003). *Cities and the Creative Class*. City & Community, 2: 3-19. p. 9.

⁶ Ibid., p. 6

⁷ Ibid., p. 9

⁸ Indiana State Budget Agency. (2011). Distribution of Build Indiana Fund and Lottery and Gaming Revenues. http://www.in.gov/sba/files/LGS_Distribution_Report_2011.pdf

⁹ Hayden, Maureen. (2010, October 10). News and Tribune. Accessed June 30, 2012. <http://newsandtribune.com/local/x1244285484/Growing-number-of-nonprofits-are-gambling-on-charitable-gaming>

¹⁰ When comparing the arts, entertainment and recreation industry (NAICs code 71) with similar industries we use data from information (51), real estate and rental and leasing (53), and utilities (22) because of their similar size.

ming among services delivered in particular locations. Unfortunately, these types of embedded activities are generally excluded from the analysis we present here.

B. Methodology

This report draws on data generated by the Indiana Department of Workforce Development through the filings of Indiana workplaces carried out under the national Quarterly Census Employment and Wages (QCEW) labor market information program. Also known as the ES-202 program, the QCEW data are collected cooperatively by the U.S. Bureau of Labor Statistics and the various state-level employment security agencies (including all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands).¹¹ These data were prepared for us by the Indiana Business Research Center at Indiana University under a confidentiality agreement with the state.

For the purpose of this report, we focus on private nonprofits registered as tax-exempt entities with the U.S. Internal Revenue Service under Section 501(c) of the Internal Revenue Code.¹² Additionally, this report compares “charities” with “other nonprofit” organizations. The IRS codes charities as 501(c)(3) organizations. “Other nonprofits” are here defined as establishments operating under any of the other 27 501(c) tax-exempt designations, most notably social and recreation clubs (exempt under IRS sub-section 501(c)(7)), but also civic leagues, social welfare organizations, unions, business leagues, etc.¹³

Our report focuses on the arts, entertainment and recreation industry as classified in the QCEW dataset by the North American Industry Classification System (NAICS) codes. NAICS code 71 is “arts, entertainment, and recreation.” It contains three sub-industries identified by their three-digit codes: performing arts and spectator sports (711), museums and historical sites (712), and amusement, gambling, and recreation (713). In this report, the sub-industries are presented in reverse numerical order, according to the size of their nonprofit employment (largest to smallest).

The unique position of nonprofits under federal law creates an exceptional circumstance for data collection where nonprofits could be underestimated in any of three ways. First, federal law exempts 501(c)(3) charitable organizations employing fewer than four workers and all religious congregations from the unemployment insurance system. The significance of this exclusion is unknown because some small charities and a few religious organizations nevertheless elect to be covered by the unemployment insurance system.¹⁴

¹¹ For further details, please see: U.S. Department of Labor, Bureau of Labor Statistics. *BLS Handbook of Methods*. “Chapter 5: Employment and Wages Covered by Unemployment Insurance” available at http://www.bls.gov/opub/hom/homch5_a.htm.

¹² Although some units of government are registered with the IRS as charities, our analysis of nonprofit employment excludes all employees of government-owned establishments. They are counted as government employees.

¹³ For more information see the IRS website at: <http://www.irs.gov/charities/charitable/article/0,,id=96099,00.html/>

¹⁴ For example, the 2009 data used for our statewide analysis of all paid nonprofit employment in Indiana include 58 religious organizations, about 9 percent of all reported nonprofit membership associations in Indiana. In addition, 1,881 nonprofit organizations (856 of which are charities) reporting in 2009 had fewer than four employees; however, this set of nonprofits accounted for just 0.6 percent of all nonprofit employees and total nonprofit payroll. These organizations reported without being required to do so, but there is no way for us to estimate how many other religious organizations or other small nonprofits are not

Second, still other organizations cannot be identified as nonprofits.¹⁵ Most notably, some organizations are not required to register as tax-exempt entities with the IRS because they did not meet the revenue threshold for filing.¹⁶ Others are exempt from registering altogether (e.g., certain types of membership associations and churches) or do not register for a variety of other reasons. Some or all of these non-registered nonprofits may actually be included in QCEW data system, but we can identify as nonprofit only those employers that are registered as tax-exempt entities with the IRS. Therefore, we have 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.

Third, as noted above, some activities take place inside establishments classified as belonging to other industries, such as education (schools and universities) or other services (such as social assistance and churches). This problem is particularly pervasive for the analysis presented here, since many organizations not classified as arts, entertainment, and recreation establishments nevertheless include such programming among services they deliver in particular locations. These types of embedded activities are excluded from the analysis we present here.

Lastly, for each year we used the IRS tax-exempt status for nonprofits as of April of the previous year because we know that the process of obtaining IRS tax-exempt status and of being included on the IRS list of tax-exempt organizations takes time. Even so, it is possible that nonprofits may have employees and therefore participate in the QCEW reporting systems while waiting for their IRS ruling letter or before they are included on the IRS listing. Indeed, our detailed analysis of quarterly data suggests that there are at least some delays of this type.

Because of these exclusions we are confident that our analysis *underestimates* nonprofit employment in Indiana, perhaps by a substantial amount (see Appendix A for more details).

represented in the data, although we know that there are about 10,000 religious congregations in Indiana (see Grønbjerg, Kirsten A. (2002). Evaluating Nonprofit Databases. *American Behavioral Scientist* 45, 10: 1741-77. Available at <http://abs.sagepub.com/content/45/11/1741>.)

¹⁵ Unfortunately, Indiana is not one of the handful of states, such as Maryland, that assign discrete identification numbers to nonprofits that align with QCEW data. 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 to 50 percent of nonprofits in the state (see Grønbjerg, Kirsten A.. (2002). Evaluating Nonprofit Databases. *American Behavioral Scientist* 45, 10: 1741-77. Available at <http://abs.sagepub.com/content/45/11/1741>.) Most likely, however, the great majority of the larger nonprofits are included in our analysis.

¹⁶ Beginning in 2007 the IRS required small tax-exempt organizations (i.e., with gross receipts normally under \$25,000) to file basic organizational information annually via Form 990-N or "e-postcard." Those that fail to do so for three consecutive years lose their exempt status. As of July 2011 some 275,000 organizations lost their tax-exempt status because they failed to comply with these new regulations. To the extent that these are all small nonprofits with few employees, their removal from the list of tax-exempt organizations should have little impact on the type of analysis we present here. For more information about the impact on Indiana nonprofits, see "IRS Exempt Status Initiative: Indiana Nonprofits and Compliance with the Pension Protection Act of 2006" by Grønbjerg, Kirsten A., Kellie McGiverin-Bohan, Kristen Dmytryk, and Jason Simons, Bloomington, Indiana: School of Public and Environmental Affairs, July 1, 2011. Available at <http://www.indiana.edu/~nonprof/results/database/INS.IRSRevocation.pdf>

An important note: This report excludes the public sector (government) from most analysis due to the very small (less than 3 percent in 1998 through 2009) direct employment of government in arts, entertainment, and recreation. Data on so few employees would compromise the confidentiality of the data and have no significant impact on trends presented here. While total industry comparisons do include the public sector, any cross-sector sub-industry comparisons are limited to the nonprofit and for-profit elements of the private sector only.

For more information on the QCEW data source, our particular definition of the nonprofit sector, and the method used here to extract data on nonprofit organizations from the Indiana QCEW records, see Appendix A.

C. Overview of Arts, Entertainment, and Recreation and Its Sub-Industries

The arts, entertainment, and recreation industry includes a vast array of establishments that “operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons.”¹⁷ As this field encompasses a wide variety of establishments, AER establishments are involved in a wide range of activities including: production or promotion of live performances, events, or exhibits intended for the public; the preservation and exhibition of objects and sites of historical, cultural, or educational interest; or the operation of facilities or provision of services that give patrons the opportunity to participate in recreational activities or facilitate amusement, hobby, or leisure-time interests.¹⁸ The arts, entertainment, and recreation industry is divided into three sub-industries: performing arts and spectator sports; museums and historical sites; and amusement, gambling, and recreation. Cultural, recreational, and/or entertainment opportunities are often provided by establishments in other industries (such as music involved in worship services at religious institutions, art galleries operated under colleges or universities, or informal recreational sports leagues). Consequently, our analysis underestimates the true impact of the arts, entertainment, and recreation industry.

The industry plays a vital role in economic development not only through direct employment but also through the generation of tourism which helps other local merchants, such as restaurants, hotels, and retail stores. Nationwide, for example, arts and cultural organizations alone generated \$135 billion in economic activity, \$61 billion of which was generated from nonprofits.¹⁹ Specific to Indiana, a 2012 study by the organization Americans for the Arts found that arts and culture in the city of Indianapolis generated more than \$318 million in resident household income.²⁰ In the same year, the city of Bloomington, Indiana, saw nonprofit arts and culture organizations and their audiences spend more than \$72 million, or \$1,006 per resident of the city.²¹ Furthermore, in Indianapolis alone there have been over 400 national and international

¹⁷ United States Department of Labor. Arts, entertainment and recreation: NAICS 71. <http://www.bls.gov/iag/tgs/iag71.htm>

¹⁸ Ibid.

¹⁹ Americans for the Arts. (2012). Arts and Economic Prosperity IV. www.AmericansForTheArts.org/EconomicImpact

²⁰ Ibid; Resident household income “includes salaries, wages, and entrepreneurial income paid to local residents”

²¹ Ibid.

sporting events since 1979, with a total economic impact of over \$2 billion.²² However, these economic analyses do not calculate the hard-to-quantify benefits of AER establishments, such as creating more educated and culturally aware community residents.

1. Amusement, Gambling, and Recreation

The amusement, gambling, and recreation sub-industry consists of establishments that “operate facilities where patrons can primarily engage in sports, recreation, amusement, or gambling activities” as well as establishments that “provide other amusement and recreation services, such as supplying and servicing amusement devices in places of business operated by others; operating sports teams, clubs, or leagues engaged in playing games for recreational purposes; and guiding tours without using transportation equipment.”²³ Examples of such establishments include bingo clubs and golf courses, as well as the Indiana Parks and Recreation Association, Concord Little League of Elkhart, and Indiana 4-H chapters. Nationally, this industry employs a larger number of young workers than any other industry,²⁴ thus affording many high school and college age workers their first opportunity to gain valuable work experience.

The environment for gambling has changed markedly from the beginning of our analysis period in 1995 to the final year in 2009. Most significantly, the Indiana Riverboat Gaming Act of July 1, 1993 allowed for the development of 10 riverboat casinos, with new casinos opening from 1995 to 2000.²⁵ Charity gaming activity has also been on the rise, with an increasing number of charities applying for “charity gaming” licenses to hold fundraising events with raffles and bingo games.²⁶ The Indiana Gaming Commission reported 2,111 charity gaming licenses in 1997, but that number grew 38 percent to 2,912 by 2010.²⁷ This increase in gaming is likely a byproduct of charities trying to locate new sources of revenue due to decreases in private donations during the Great Recession. However, unless nonprofits involved in gaming activities employ workers on a continuing basis in sites dedicated to these activities, such efforts will not be captured in the employment statistics reported here.

Looking forward, the Department of Labor predicts that employment in arts, entertainment, and recreation will grow by 18 percent through 2020, led by the amusement, gambling, and recreation sub-industry, as

²² Indianapolis Economic Development Portal. Sports. Accessed August 8, 2012.

http://imaps.indygov.org/ed_portal/template.asp?page=sports

²³ United States Department of Labor. Amusement, gambling, and recreation industries: NAICS 713

<http://www.bls.gov/iag/tgs/iag713.htm>

²⁴ College Career Life Planning. “Arts, Entertainment, and Recreation.” p. 229. Accessed on July 16, 2012.

<http://www.collegecareerlifeplanning.com/Documents/4%20Career%20Planning/i%20OOH%20Industry%20Summaries/Arts%20Entertainment%20&%20Recreation.pdf>

²⁵ Indiana University. History of Indiana Gambling. Accessed July 1, 2012. <http://www.ipgap.indiana.edu/problem-gambling/history-of-gambling>

²⁶ Hayden, Maureen. (2012, October 11). The Herald Bulletin. Accessed June 15, 2012.

<http://heraldbulletin.com/local/x1324601434/Growing-number-of-nonprofits-in-Indiana-are-gambling-on-profits-from-charitable-gaming>

²⁷ For more information, see the 1997 and 2010 Charity Gaming Annual Reports from the Indiana Gaming Commission Charity Gaming Division. Annual reports available online at <http://www.in.gov/igc/2479.htm>

people become more involved in community events and more aware of the importance of physical fitness.²⁸ This might lead to growth in club sports and community recreation centers, and in turn more nonprofit employment.

Unfortunately, our data do not allow us to distinguish gambling from amusement or recreation establishments, except for the most recent years. However, we know from national data that there are important differences in the levels of nonprofit involvement in these distinctive types of activities, so where possible we supplement our analysis with insights from these more limited data.

2. Museums and Historical Sites

The museums and historical sites sub-industry is comprised of establishments that “engage in the preservation and exhibition of objects, sites, and natural wonders of historical, cultural, and/or educational value.”²⁹ This broadly-defined category also includes zoos, aquariums, and arboretums and is nearly entirely composed of nonprofits both in Indiana and nationally. Unlike other arts, entertainment, and recreation sub-industries, all nonprofit museums and historical sites are 501(c)(3) charity organizations. Some examples of nonprofits in Indiana within this category are the Indianapolis Museum of Art; Wonderlab Museum of Science, Health, and Technology in Bloomington; and the Studebaker National Museum in South Bend. For-profit examples generally include wax museums, museums of oddities, and other museums intended for entertainment purposes.

Museums and educational centers inherently tend to be nonprofit entities due to their missions to serve and educate the public. The American Alliance of Museums and the International Council of Museums define museums as public trusts that have nonprofit organizational structures.³⁰ More recently, however, for-profit museums have been making headway within this industry. Many for-profit museums, such as wax museums or the Ripley’s Believe It or Not franchise, tend to focus on entertainment rather than education. The for-profit International Spy Museum in Washington, D.C. has received both criticism and praise for its collection on espionage around the world. The Museum of Sex in New York City was originally refused its nonprofit status by the State Board of Regents due to the theme of the facility, making funding through donations difficult. It is now an example of a successful for-profit museum that is supported by many academics and specialists in the field.³¹

While the growth of for-profits within a traditionally nonprofit industry often causes tension, there is potential for learning on both sides—nonprofits may absorb some marketing and commercial strategies

²⁸ United States Department of Labor, Bureau of Labor Statistics. (2012). *Occupational Outlook Handbook*. “Projections Overview.” <http://www.bls.gov/ooh/About/Projections-Overview.htm>

²⁹ United States Department of Labor. Museums, historical sites, and similar institutions: NAICS 712 <http://www.bls.gov/iag/tgs/iag712.htm>

³⁰ For more detail, see the American Alliance of Museums, <http://www.aam-us.org/resources/ethics-standards-and-best-practices/code-of-ethics-for-museums>, and the International Council of Museums, <http://icom.museum/the-vision/museum-definition/>

³¹ Tiger, Caroline. “How the Museum of Sex Turned a Nonprofit Snub Into an Asset.” Entrepreneur.com. Published June 14, 2012: <http://www.entrepreneur.com/article/223623>.

from for-profits that can help them be more financially stable, while for-profits can learn from nonprofits about providing a higher standard of educational benefits as well as entertainment to their customers.³²

3. Performing Arts and Spectator Sports

Performing arts and spectator sports institutions include “establishments that produce or organize and promote live presentations involving the performances of actors and actresses, singers, dancers, musical groups and artists, athletes, and other entertainers, including independent (i.e., freelance) entertainers and the establishments that manage their careers.”³³ Additionally, this sub-industry includes institutions that are involved in the production and presentation of events; organization, management, and promotion of events; management and representation of entertainers; provision of technical skills necessary for the production of live events; and performing arts companies.³⁴ An example of a nonprofit performing arts organization is the Actors Theatre of Indiana Inc., and an example of a nonprofit spectator sports organization is Indiana Special Olympics Inc. For-profit examples include the Indianapolis Indians baseball team or incorporated musical groups.

In recent years, decreases in government funding and private donations have applied new pressures to arts and culture organizations and to the individuals they employ. For example, in budget year 2008-2009, state funding in Indiana amounted to a total of around \$4 million, or just 63 cents per resident, placing Indiana at 37th rank nationally on per capita state spending for the arts.³⁵ Despite relatively low state funding, Indiana arts and culture nonprofits have done a remarkable job of leveraging client fees, private donations, and other sources of funding (including local government) to maintain industry employment.³⁶ While our data do not extend beyond 2009, we anticipate that the reliance on creative private funding is even more acute now, as the state cut its funding for the arts by an additional 20 percent during the 2010-2011 budget year. Without new sources of private funding the industry may be forced to contract its workforce.³⁷

II. EMPLOYMENT

A. Employment in Arts, Entertainment, and Recreation and Other Indiana Industries

Looking at nonprofit, for-profit, and government establishments combined, Indiana arts, entertainment, and recreation employment grew substantially from 1995 to 2000, before leveling out from 2000 to 2009 to end

³² Arroyo, L. (2008). The Rise of the For-Profit Museum: Sex, Drugs and Pirates. *Museum (Washington, D.C.)*, 87(6), 62-77.

³³ United States Department of Labor. Performing Arts, spectator sports, and related industries: NAICS 711 <http://www.bls.gov/iag/tgs/iag711.htm>

³⁴ Ibid.

³⁵ Indiana Coalition for the Arts. Here’s why we Asked Legislators to Restore the Budget of the Indiana Arts Commission. Accessed June 20, 2012. <http://www.inartscoalition.org/main.asp?SectionID=7&SubSectionID=12&ArticleID=107>

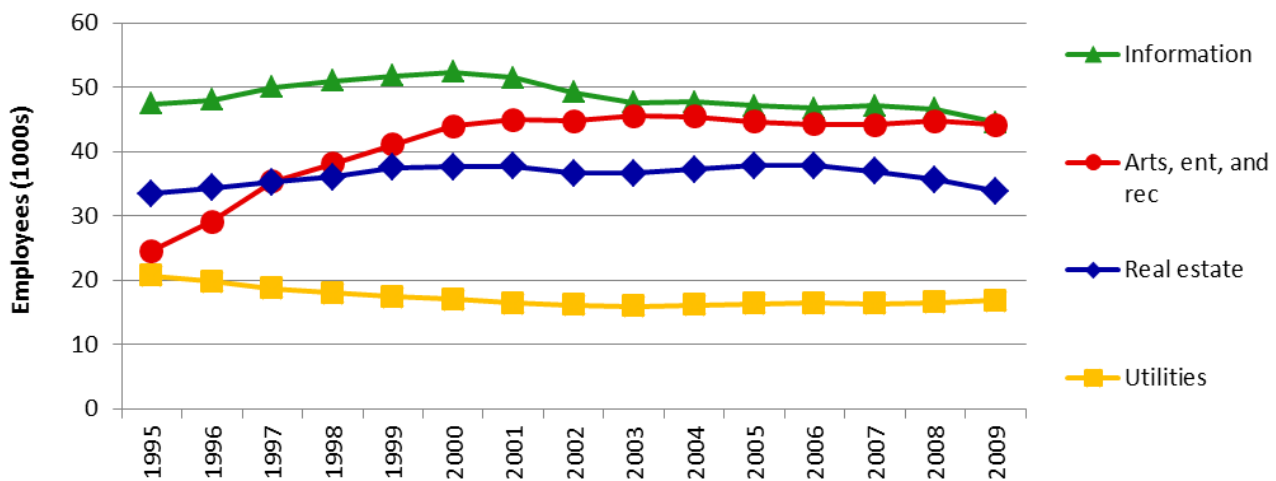
³⁶ Ibid.

³⁷ Indiana Arts Commission. Arts Commission to Cut Two Programs and Scale Back Others to Meet Budget Reduction. Accessed June 28, 2012. <http://www.in.gov/arts/2602.htm>

the period at just over 44,000 employees. This growth can be attributed mostly to for-profit employment, which doubled over the time period.

- **The percentage of total Indiana employees working in arts, entertainment, and recreation grew from under 1 percent in 1995 to nearly 2 percent in 2009** (Figure 1). By comparison, employment in three other similarly sized industries declined slightly (utilities), grew slowly until 2001 before declining slowly again (information), and fluctuated slightly (real estate). Overall the percentage of Indiana workers employed in these industries remained fairly steady at just below 2 percent (AER, information, real estate) and 1 percent (utilities).
- **Between 1995 and 2009, total arts, entertainment, and recreation employment grew even while overall Indiana employment declined.** Arts, entertainment, and recreation grew 79 percent, from 24,600 employees in 1995 to 44,100 in 2009. By contrast, overall Indiana employment decreased slightly (less than 1 percent) over the same time period. Employment in the comparably-sized information and utilities industries fell 6 percent and 19 percent respectively, while real estate employment remained largely unchanged (a 1 percent increase).
- **Arts, entertainment, and recreation employment peaked in 2003, having grown by 20,900 workers (85 percent) since 1995, before declining slightly again from 2005 through 2009.** By 1997, Indiana employment in arts, entertainment, and recreation surpassed that of real estate, and by 2003, AER employed nearly as many workers as the information industry. The reasons for these increases include growth in sports tourism and riverboat gambling.
- **Early in the most recent recession (2008-2009), AER employment remained relatively stable, while Indiana’s overall employment shrank 6 percent.** Employment also declined in the real estate and information industries, down 5 and 4 percent respectively. Utilities saw slight growth (2 percent) during the same year.

Figure 1: Employment trends in total arts, entertainment, and recreation and similarly-sized Indiana industries, 1995-2009



B. Nonprofit Employment in Arts, Entertainment, and Recreation and Other Major Nonprofit Industries in Indiana

Nonprofit employment in the arts, entertainment, and recreation industry was the smallest of all major nonprofit industries in Indiana, accounting for only 3 percent of total nonprofit employment on average over the 1995-2009 time period. Nonprofit employment in this industry increased modestly and consistently over the years, but it increased more slowly than that of other major nonprofit industries such as health care and education services. It also grew more slowly than Indiana’s nonprofit sector as a whole.

- **Nonprofit employment in arts, entertainment, and recreation stayed relatively constant during the time period, with a low of 6,000 employees in 1995 and a peak of 7,100 employees in 2001** (Figure 2). Overall, nonprofit employment in AER grew by 500 employees (about 9 percent) from 1995 to 2009. This increase was roughly consistent with the growth in membership organizations (7 percent). In contrast, nonprofit social assistance and health care employment grew by 44 and 35 percent respectively, and total nonprofit employment in the state grew by 34 percent.
- **The proportion of nonprofit employees working in AER in Indiana remained stable at 3 percent throughout the 1995-2009 time period** (Figure 3). This industry was the smallest of all major nonprofit industries in the state. In comparison, social assistance, education, and membership organization employment each comprised between 10 to 14 percent of overall nonprofit employment, while healthcare accounted for more than 50 percent.
- **From 1995 to 2009, the proportion of AER industry employees who were employed in the nonprofit sector decreased from 25 to 15 percent** (Figure 4). Nonprofits also lost ground in social assistance, which saw a decline from 70 percent of total social assistance employees in 1995 to 62 percent in 2009. During the time period, the nonprofit share of the healthcare industry fluctuated between 36 and 41 percent, while the nonprofit share in the education industry increased from 11 percent to 13 percent.

Figure 2: Nonprofit employment in major nonprofit industries, 1995–2009

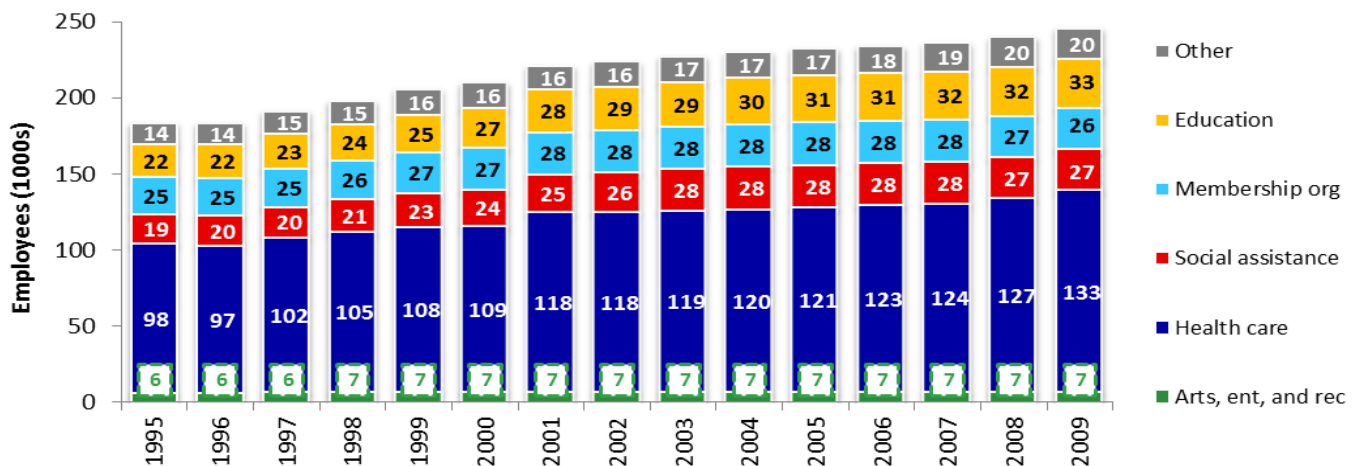


Figure 3: Percentage of total nonprofit employment in major nonprofit industries, 1995–2009

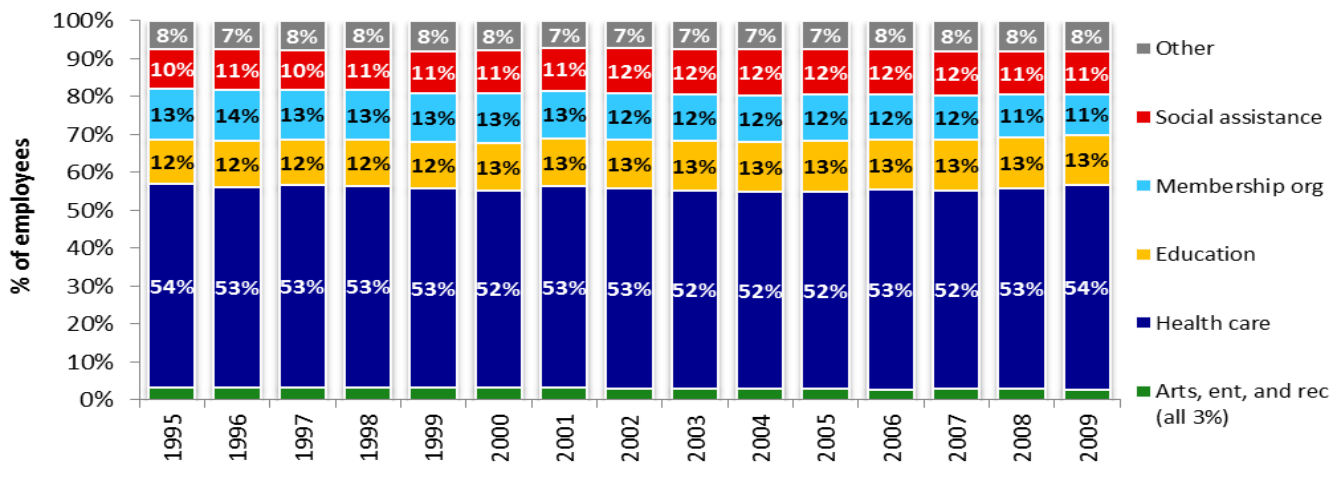
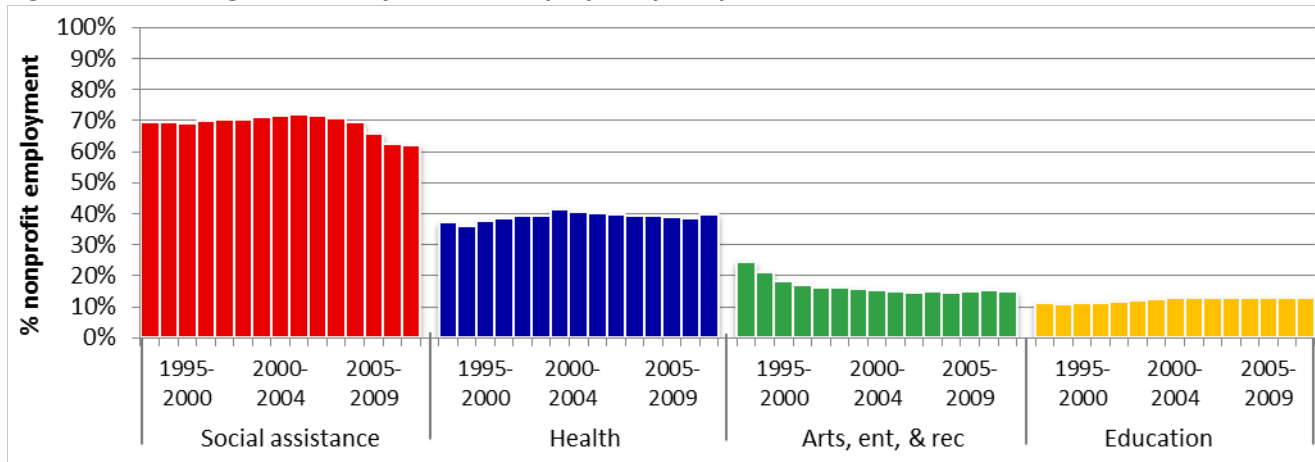


Figure 4: Percentage of industry workers employed by nonprofits, 1995–2009



C. Arts, Entertainment, and Recreation Employment in Nonprofit, Government, and For-Profit Sectors

Both charities and other types of nonprofits created new arts, entertainment, and recreation jobs over the 1995-2009 time period, but these increases were largely overshadowed by growth in the for-profit sector, by far the largest and fastest growing employer of arts, entertainment, and recreation workers. Government comprised only a very small portion of overall employment in AER. The gain in for-profit employment largely came from increases in the amusement, gambling, and recreation sub-industry, which is dominated by for-profit establishments. For-profits also account for the majority of employment in the performing arts and spectator sports sub-industry. Only the museums and historical site sub-industry is dominated by nonprofit organizations.

1. All Sectors: Nonprofit, Government and For-Profit

- Nonprofit employment in AER grew from 6,000 to 6,600 workers, or by almost 9 percent. In contrast, for-profit employment in arts, entertainment, and recreation more than doubled (up by 109 percent) from 17,400 in 1995 to 36,500 workers in 2009, driven mainly by for-profit employment in the

amusement, gambling, and recreation sub-industry. As noted earlier, Indiana adopted more liberal gaming and gambling policies in 1993, which may account for most of this growth.

- **By 2009, nonprofits accounted for only 15 percent of the more than 44,000 total arts, entertainment, and recreation employees in Indiana.** For-profits accounted for almost all of the rest (83 percent), with government establishments far behind at roughly 2 percent of total employment.
- **Nonprofit employment changed moderately from year-to-year, while for-profits had more severe growth spikes** (Figure 5). Employment in nonprofits followed a fairly procyclical pattern, with employment increases occurring in robust economies from 1995-2000 and decreases occurring during the recessions of 2001-2002 and 2008-2009. For-profits saw tremendous growth in employment in the first portion of the time period—more than 25 percent growth annually from 1995 to 1997, shortly after changes in gambling laws—but slow or declining growth from 2001 to 2009.
- **Employment in both nonprofit and for-profit arts, entertainment, and recreation establishments varied seasonally, with employment being highest July through September** (Figure 6). The average difference in employment from the first to third quarter was 45 percent for nonprofits and 30 percent for for-profits.

Figure 5: Annual percentage change in private sector arts, entertainment, and recreation employment, 1995-2009

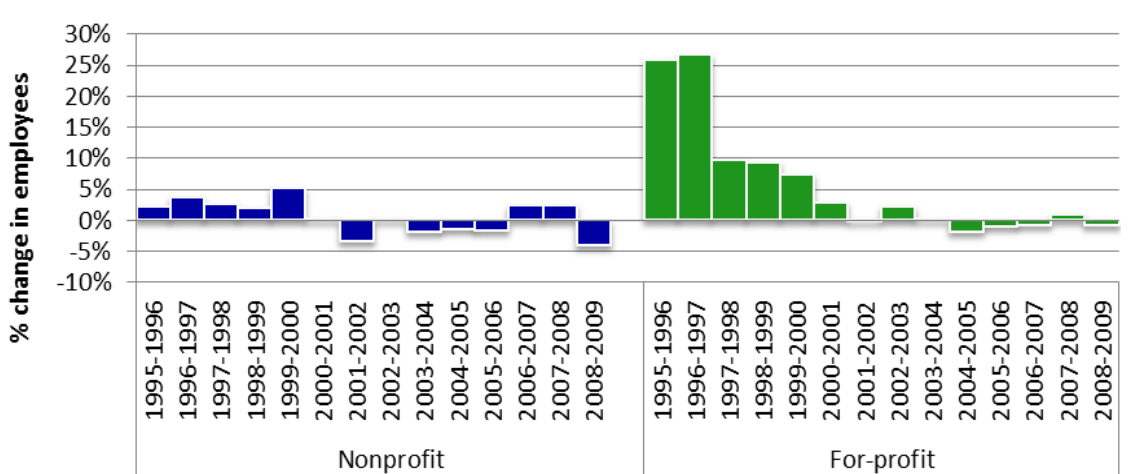
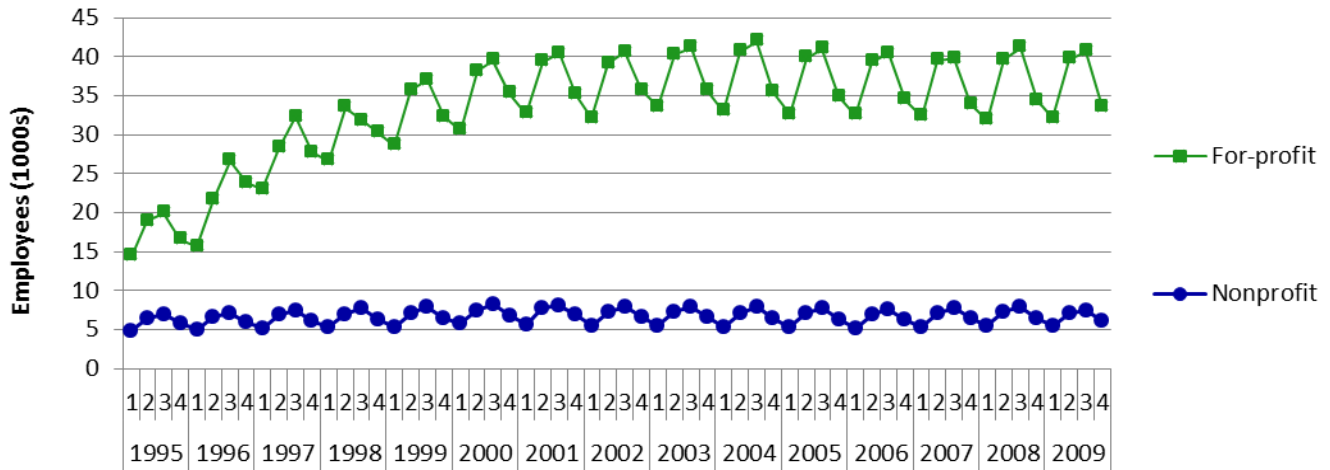
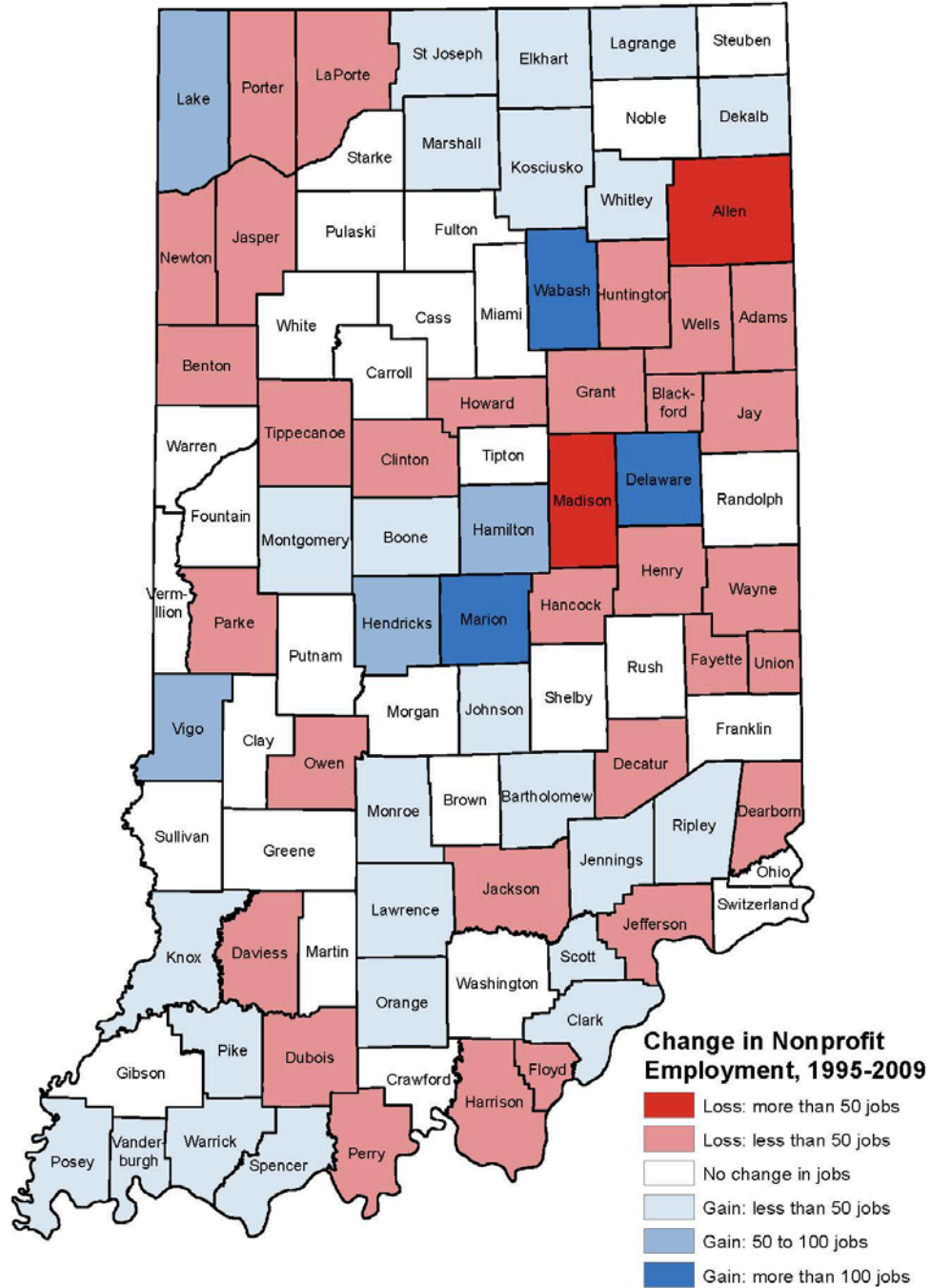


Figure 6: Quarterly private sector arts, entertainment, and recreation employment, 1995-2009



- **Nonprofit employment in arts, entertainment, and recreation grew more in some counties than in others** (Figure 7). Of the 92 counties in Indiana, 31 added nonprofit positions in the AER industry, while nonprofit employment in the industry decreased in 30 counties. The rest (31 counties) had either no change in employment (3 counties) or no nonprofit workers at all in arts, entertainment, and recreation during the time period (28 counties).
- **During the time period, AER establishments added jobs in more populated counties like Marion, Delaware, Lake, Hamilton, Hendricks, and Vigo, and reduced employment in many rural areas.** This pattern may reflect the greater ability of nonprofit establishments located in larger audience markets to generate fees and service charges and thus off-set declining public funding or private donations. The clear exception to this pattern is Allen county (home to the state’s second largest city, Fort Wayne), which lost more nonprofit AER employment than any other county in the state.

Figure 7: Change in nonprofit arts, entertainment, and recreation employment by county, 1995-2009



2. Nonprofit Types: Charities and Other Nonprofits

- **Charity³⁸** employment in arts, entertainment, and recreation grew 43 percent over the 1995-2009 time period, while employment in other nonprofit AER establishments decreased 22 percent

³⁸ We distinguish between charities (registered as tax-exempt entities under sub-section 501(c)(3) of the Internal Revenue Code and eligible to receive tax-deductible donations) and all other nonprofits. For more information see page 5.

(Figure 8). In 1995, charities employed a slight minority (47 percent) of workers in the nonprofit AER sector, but by 2009, this figure had grown to 62 percent. Employees in charities also earned higher average annual wages than workers in other kinds of nonprofits (see section IV.C.2), indicating that other nonprofits might employ a higher percentage of part-time or lower-skilled workers than charities.

- **While both charities and other nonprofits showed patterns of seasonal employment, the latter group had more dramatic fluctuations** (Figure 9). Charity nonprofit employment changed only about 7 percent on average from the first quarter (January-March) to the third quarter (July-September), while other nonprofits on average employed half as many workers in the first quarter as they did in the third quarter. Nonprofits other than those classified as public charities include social and recreational clubs, which are likely to have far greater demand for services during the summer, e.g., when large athletic associations hire referees, umpires, and administrators to supervise summer youth sports.

Figure 8: Annual nonprofit arts, entertainment, and recreation employment by nonprofit type, 1995-2009

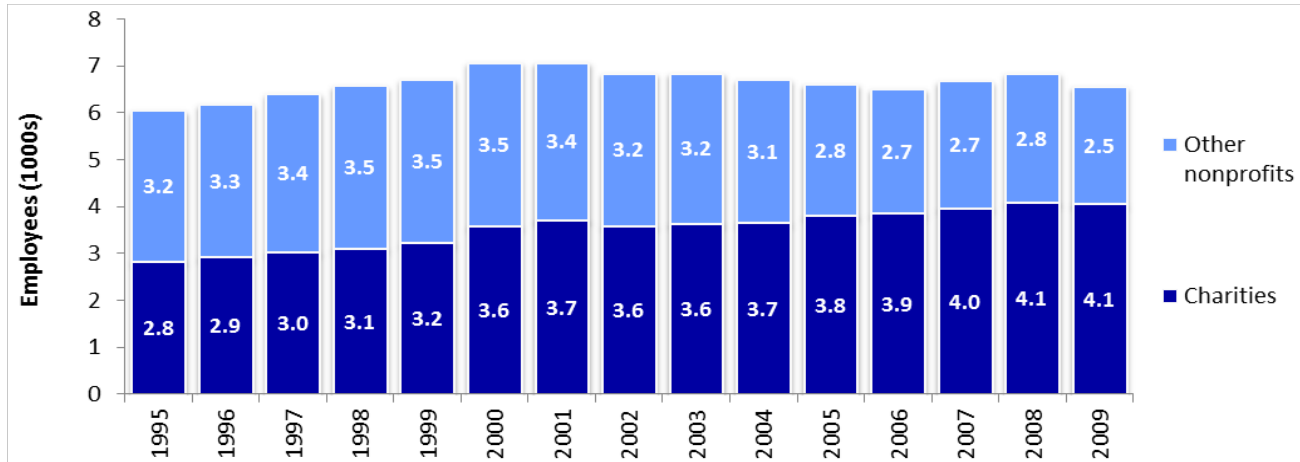
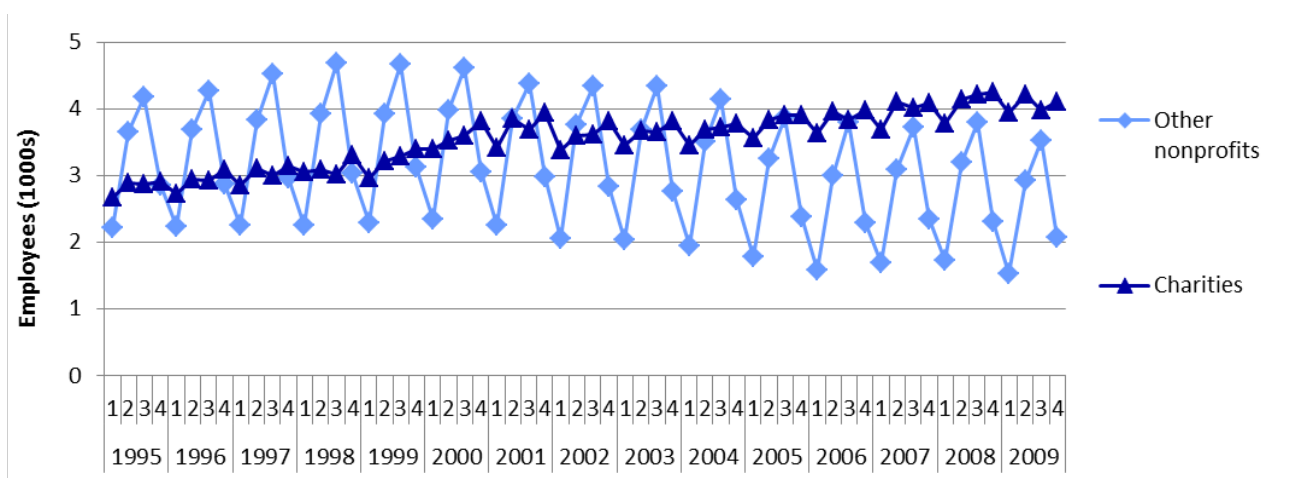


Figure 9: Quarterly nonprofit arts, entertainment, and recreation employment by nonprofit type, 1995-2009



D. Employment in Specific Arts, Entertainment, and Recreation Sub-Industries

Amusement, gambling, and recreation employed around half of all nonprofit AER workers. While this sub-industry showed significant gains in employment prior to 2002, it had a net job loss between 1995 and 2009. Museums and historical sites as well as performing arts and spectator sports both added nonprofit jobs prior to 2002, but performing arts and spectator sports employment largely stabilized after 1998, while museum and historical site employment continued to grow through 2009.

- **Nonprofit employment in museums and historical sites increased by over 400 employees, which represents the largest increase in nonprofit workers among the three sub-industries of AER during the time period** (Figure 10). Nonprofit employment increased by 300 workers in performing arts and spectator sports but decreased by 200 in amusement, gambling, and recreation establishments.
- **Over the 1995-2009 time period, over half of all nonprofit AER employees worked in the amusement, gambling, and recreation sub-industry, which includes club sports and summer recreation programs** (Figure 10). On average, 27 percent of nonprofit workers were employed by museums and historical sites, while 21 percent were employed by performing arts and spectator sports establishments.
- **Unlike most nonprofit industries, AER nonprofit employment exhibited some procyclical patterns of employment, with employment increasing during strong economies and decreasing during recessions** (Figure 11). This was true of the two largest sub-industries, performing arts and spectator sports, and amusement, gambling, and recreation, but was not true of museums and historical sites.
- **Seasonality of employment varied greatly between the three sub-industries** (Figure 12). Employment in amusement, gambling, and recreation in the summer months was often almost double that of the winter months. This fluctuation is unsurprising as many seasonal recreational or amusement establishments reduce their staff sizes or close during the winter. Summer youth camps provide a clear example of an organization that would exhibit this type of employment pattern. Quarterly employment in performing arts and spectator sports and in museums and historical sites was far less volatile than in amusement, gambling, and recreation, but all sub-industries typically employed more workers in the summer than in the winter season.

Figure 10: Nonprofit arts, entertainment, and recreation employment by sub-industry, 1995-2009

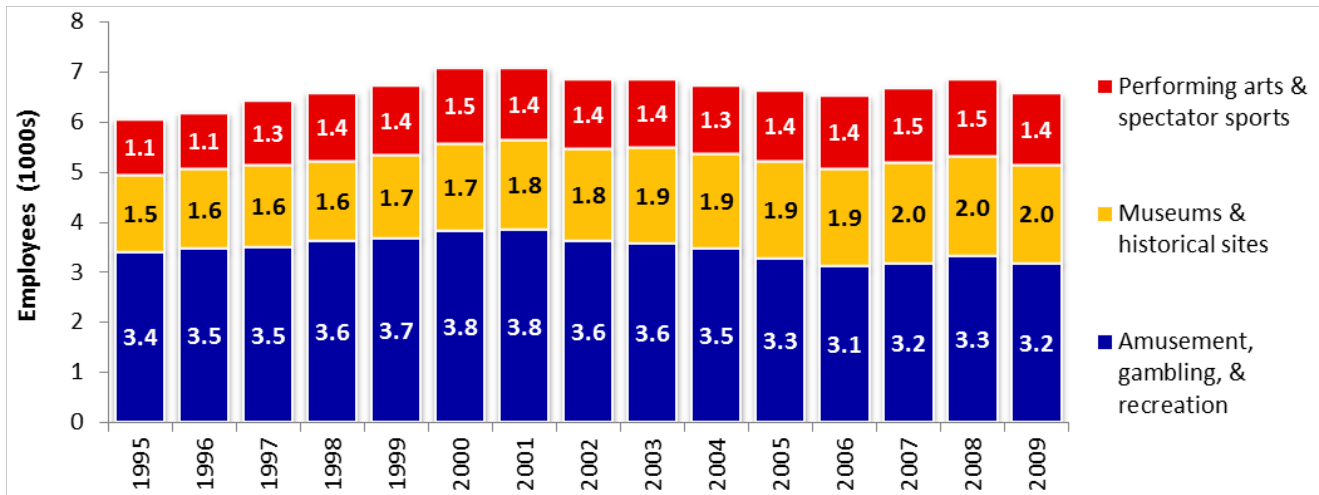


Figure 11: Annual percentage change in nonprofit arts, entertainment, and recreation employment by sub-industry, 1995-2009

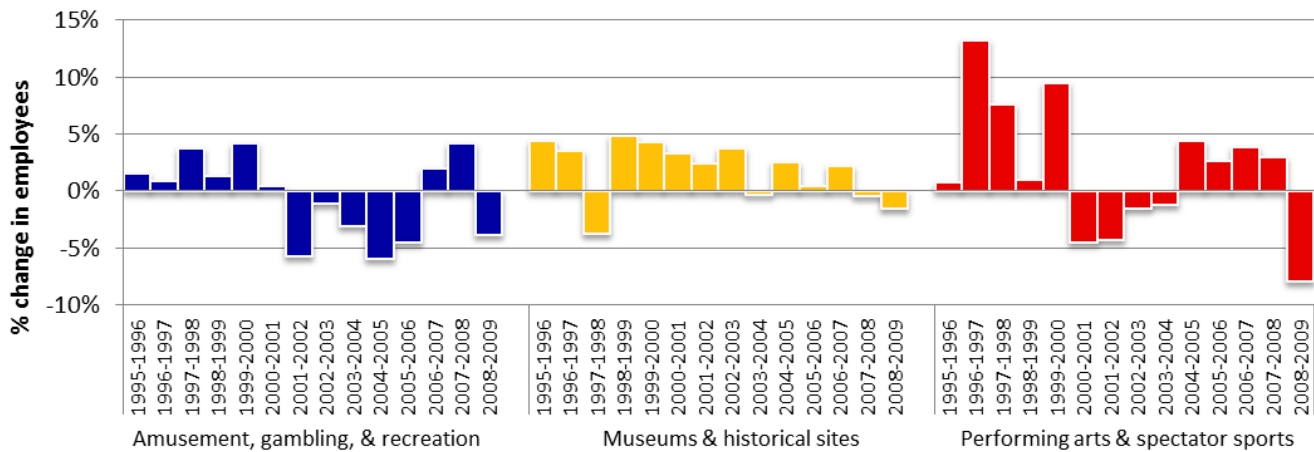
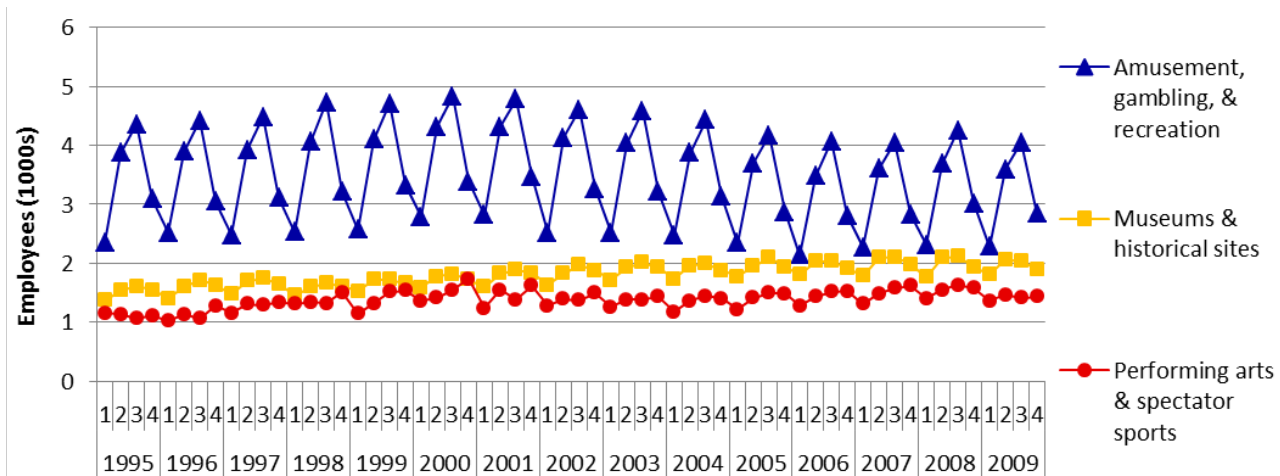


Figure 12: Quarterly nonprofit arts, entertainment, and recreation employment by sub-industry, 1995-2009



1. Amusement, Gambling, and Recreation

- **Only a small percentage of amusement, gambling, and recreation employees worked in nonprofits over the 1995-2009 time period.** For-profits employed an average of 88 percent (about 27,300 employees) of all private sector amusement, gambling, and recreation sub-industry workers, while nonprofits employed the remaining 12 percent (around 3,500 employees) on average over the time period. While we unfortunately do not have more detailed data available for the state of Indiana, national data suggests that almost all nonprofit employment in this sub-industry occurs in golf courses and country clubs, fitness and recreational sports centers, and other similar kinds of establishments. For-profit employment, meanwhile, is found in amusement parks and arcades as well as gambling industries.³⁹
- **The nonprofit proportion of private sector employees dropped from 21 percent in 1995 to 10 percent by 2003, then held relatively steady through 2009.** This is most likely due to the Indiana legislature authorizing riverboat gambling in 1993, leading to the opening of several casinos in southern Indiana during the early part of the period and to subsequent growth in the for-profit sector.
- **Amusement, gambling, and recreation nonprofits lost over 200 jobs from 1995 to 2009, while for-profit employment added 16,900 jobs, growing 130 percent** (Figure 13). From 2001 to 2009, for-profit employment remained relatively unchanged. Nonprofit employment peaked in 2001 at 3,800 employees but decreased 17 percent to 3,200 employees by 2009.
- **Both nonprofits and for-profits relied heavily on seasonal workers** (Figure 13). On average, nonprofits employed 80 percent more workers (for an average seasonal increase of 2,000 employees) in July, August, and September than in January, February, and March. For-profits added 5,500 staff members on average (about 25 percent) between the first and third quarters.
- **During this time period, charities had less seasonality in employment than other nonprofits in amusement, gambling and recreation** (Figure 14). For example, in 2000, charities employed 510 workers and 590 workers in the first and third quarter of 2000, respectively, an increase of only 15 percent. Meanwhile, other nonprofits employed 2,300 workers in the first quarter and 4,200 workers in the third quarter, an 86 percent increase. As we noted earlier, these other nonprofits (those not classified as 501(c)(3) public charities) include social and recreational clubs that are likely to see major changes in demand from one quarter to the next.

³⁹ United States Census Bureau, 2007 Economic Census. Data retrieved from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2007_US_71SSSZ1&prodType=table

Figure 13: Quarterly private sector amusement, gambling, and recreation employment, 1995-2009

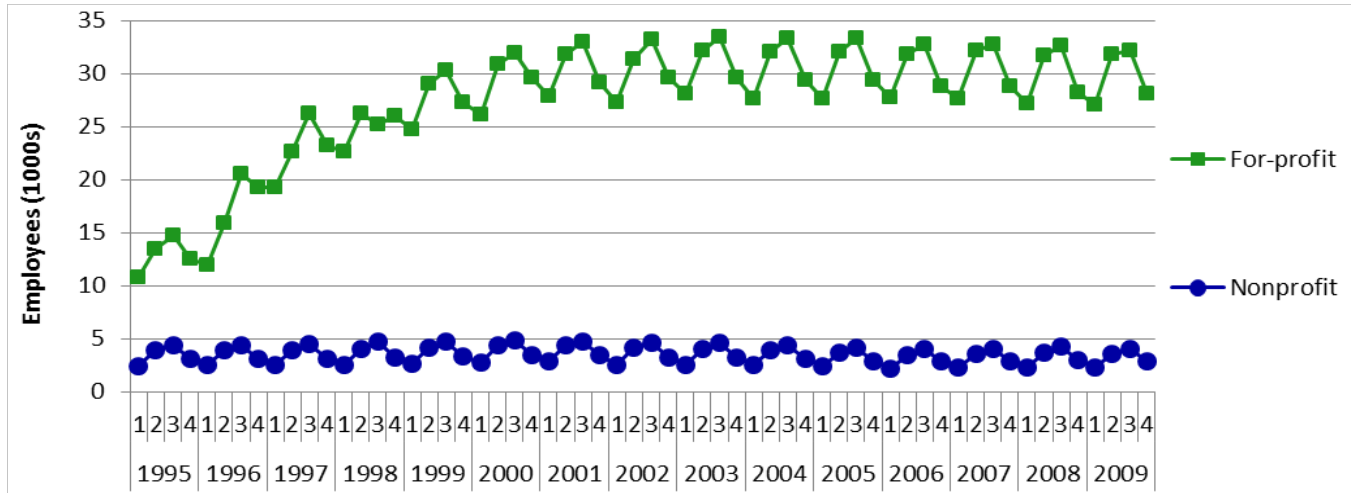
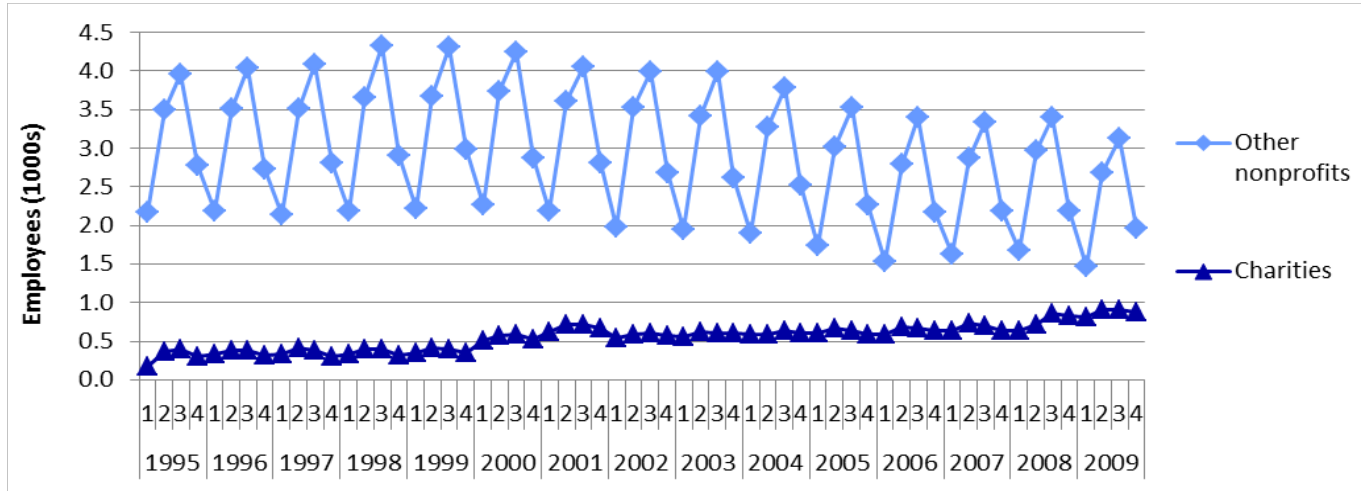


Figure 14: Quarterly nonprofit amusement, gambling, and recreation employment by nonprofit type, 1995-2009

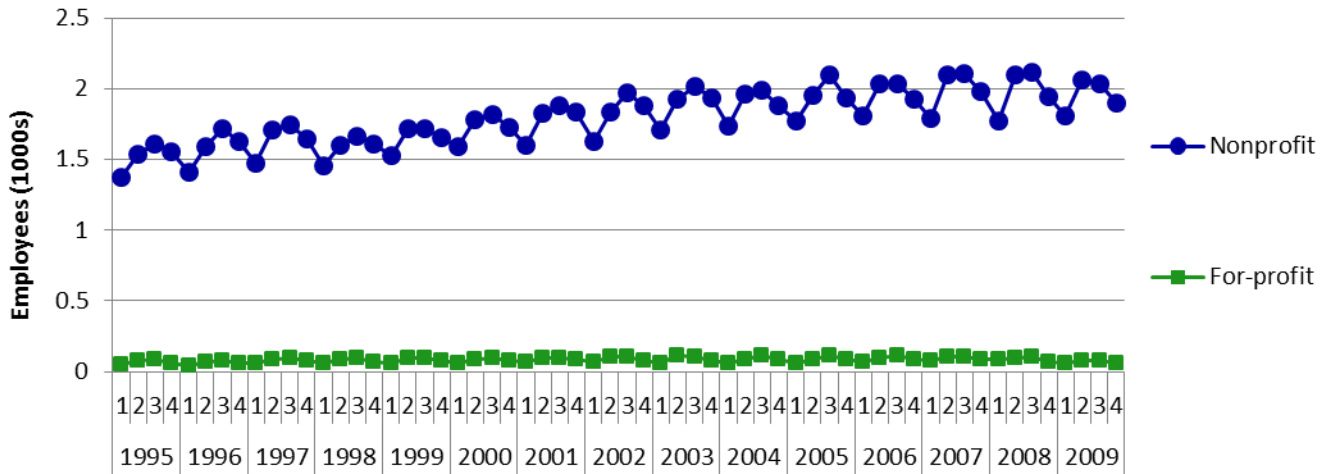


2. Museums and Historical Sites

- **Nonprofit employment showed greater seasonal volatility in museums and historical sites than did for-profit employment in the sub-industry** (Figure 15). Though this pattern goes against the typical trend of nonprofits having more stable employment levels, there are very few for-profit employees in museums and historical sites, and random variations may obscure seasonal trends. The seasonality in nonprofits is unsurprising, as generally attendance and demand for services increase for museums and historical sites during the summer months.
- **Nonprofits provided the overwhelming majority of employment in the museums and historical sites sub-industry, with 2,000 employees in 2009, compared to fewer than 100 for-profit employees.** From 1995 to 2009, nonprofits had more than 95 percent of private sector employment in the sub-industry each year and averaged 96 percent of employment across the time period.

- **Nonprofit employment in museums and historical sites grew from about 1,500 in 1995 to 1,950 in 2009, a 29 percent increase.** For-profit employment fluctuated only slightly over the same time period, ranging from 60 to 95 employees from year to year.

Figure 15: Quarterly private sector museum and historical site employment, 1995-2009



3. Performing Arts and Spectator Sports

- **Nonprofit employment in performing arts and spectator sports grew by 300 employees between 1995 and 2009 (Figure 16).** This growth represents a 27 percent increase in employment, albeit from a small base. For-profit employment grew faster both as a percentage and in absolute terms, adding about 2,200 jobs (a 48 percent increase).
- **Each year from 1995 to 2009, nonprofit employment in performing arts and spectator sports remained fairly consistent across quarters (Figure 16).** This consistency contrasts with for-profit employment which, on average, had 60 percent more workers in the third quarter than in the first quarter.
- **During the time period, nonprofit employment exhibited moderate volatility, but it added jobs in most years (Figure 16).** While there was a 7 percent decrease in 2008-2009, it is difficult to determine whether this change was an aberration or part of a larger trend. However, national data suggests that nonprofit employment in the arts, entertainment, and recreation industry contracts during challenging economies, as opposed to other nonprofit industries which tend to be countercyclical.⁴⁰
- **In the performing arts and spectator sports sub-industry, charities comprised the majority (86 percent) of nonprofit employment (Figure 17).** Other nonprofits constituted the remaining 14 percent, with between 120 and 250 employees during the time period. These other nonprofits exhibited

⁴⁰ Toepler, Stefan and Wyszomirski Margaret. (2012). Arts and Culture. In Lester M. Salamon (Ed.), *The State of Nonprofit America* (pp. 229-265). Washington, DC: Brookings Institution Press. p. 235

similar volatility as in other sub-industries and sectors, with employment peaking in the third quarter (July, August, and September), presumably reflecting seasonal hiring. Charities, however, show their lowest employment rates in the third quarter and peak traditionally in the fourth. This could be due to the prevalence of holiday performances during November and December.

- **The peak in performing arts and spectator sports employment in 2000 coincided with a spike in public funding for the arts.** In 1999, the Indiana House voted for an increase of \$750,000 to the biennial appropriations of the Indiana Arts commission (IAC).⁴¹ This upsurge was the second largest appropriation increase in the history of the IAC but was largely rescinded in 2003.⁴²

Figure 16: Quarterly private sector performing arts and spectator sports employment, 1995-2009

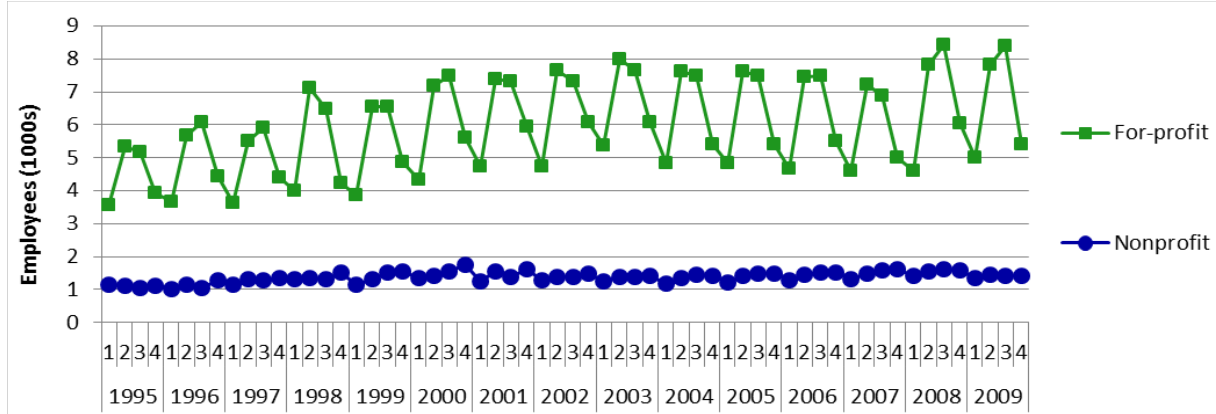
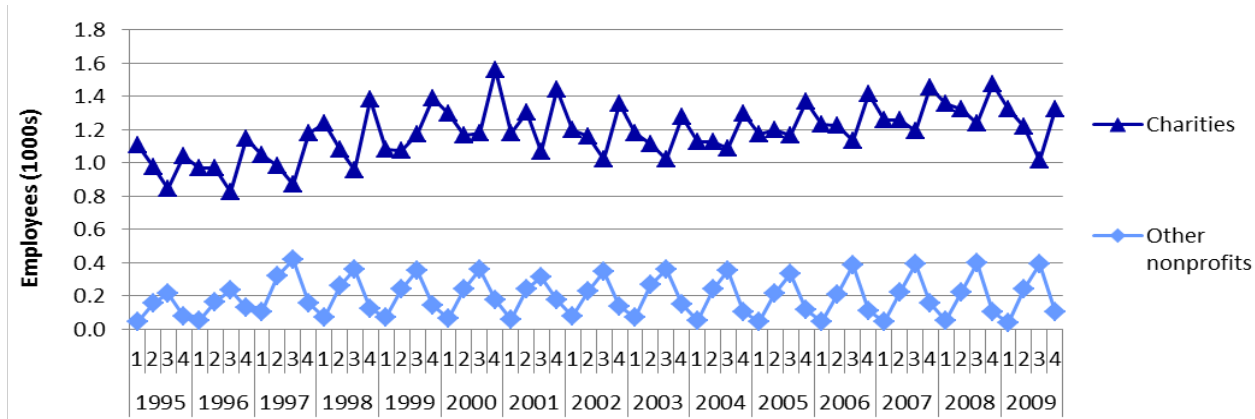


Figure 17: Quarterly nonprofit performing arts and spectator sports employment by nonprofit type, 1995-2009



⁴¹ Indiana Arts Commission. History – 1990s. <http://www.in.gov/arts/2416.htm>

⁴² Unfortunately, our data does not allow us to distinguish between types of performing arts and spectator sports organizations in Indiana. According to the 2007 Economic Census, 68 percent of employees working for this sub-industry worked for performing arts organizations and 32 percent for promoters of performing arts and spectator sports events; none worked for spectator sports establishments. By contrast, 36 percent of those working in the for-profit performing arts and spectator sports industries worked in spectator sports and only 17 percent in performing arts organizations. Data retrieved from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2007_US_71SSZ1&prodType=table

III. ESTABLISHMENTS

A. Establishments in Arts, Entertainment, and Recreation and Other Comparable Indiana Industries

The AER industry has a wide variety of establishments, ranging from grand theaters to small offices, casino complexes to huge stadiums. The staff size in each establishment varies widely depending on its operations and the season. The number of overall AER establishments increased from 1995 to 2008, a time of strong economic growth and favorable policies for establishments in this industry. However, the number of AER establishments fell from 2008 to 2009, perhaps reflecting the onset of the Great Recession.

- **From 1995 to 2009, the number of all arts, entertainment, and recreation establishments increased from 1,500 to 1,800—a 19 percent increase** (Figure 18). Despite having near similar number of employees, the number of establishments in the real estate, information, and utilities industries grew at a slower rate than AER establishments. For example, real estate had an average of nearly three times more establishments than AER; however, the number of real estate establishments grew at a much slower rate (5 percent as compared to 19 percent).
- **Each year from 1995 to 2008, the number of arts, entertainment, and recreation establishments grew slightly, from as little as half a percent to as much as four percent.** However, AER lost over 30 establishments between 2008 and 2009. Similarly, information and real estate saw approximately 25 and 140 establishments shut their doors from 2008 to 2009, respectively. In contrast, the number of utilities establishments increased slightly.
- **The average size of arts, entertainment, and recreation establishments increased 51 percent, from 16 employees in 1995 to 25 employees in 2009** (Figure 19). By comparison, the average size of information establishment decreased 16 percent and utilities decreased 30 percent. Real estate establishment size remained constant. Most of these industries had relatively small staff sizes.

Figure 18: Number of total establishments in arts, entertainment, and recreation and similarly-sized Indiana industries, 1995-2009

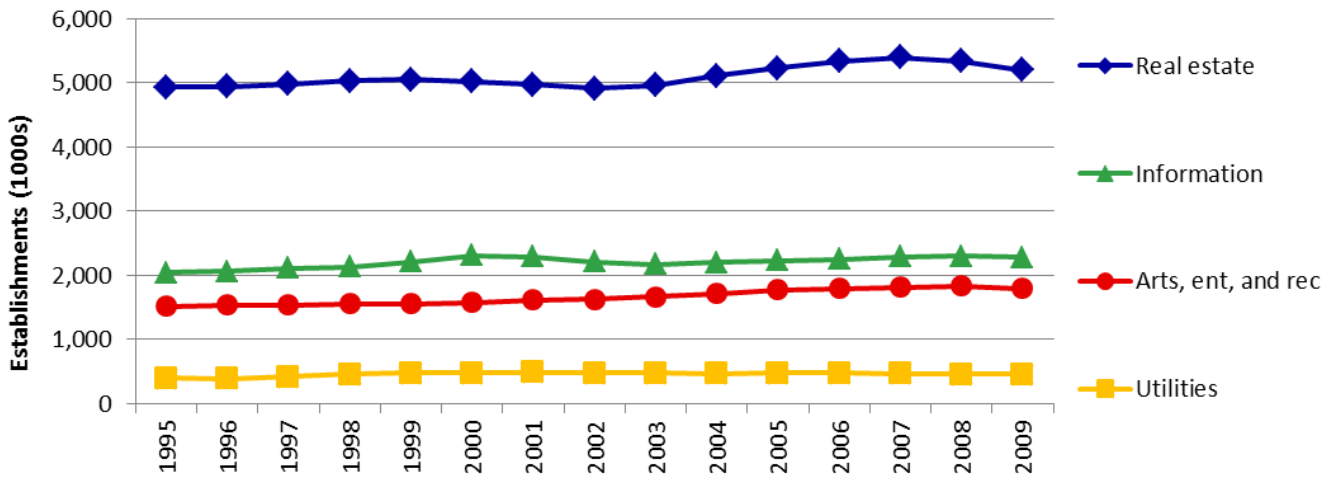
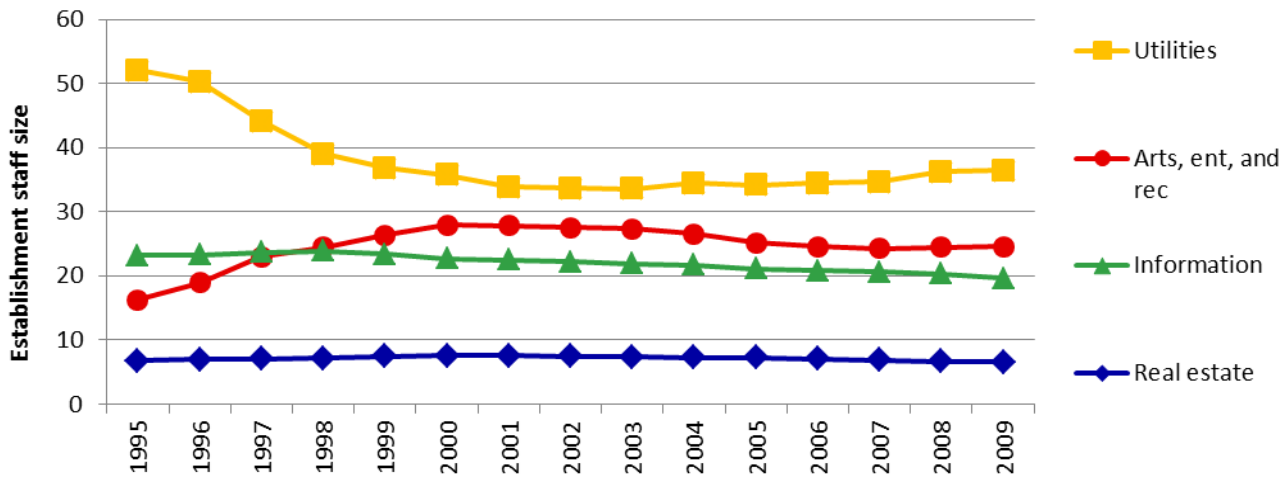


Figure 19: Average establishment size in arts, entertainment, and recreation and similarly-sized Indiana industries, 1995-2009



B. Nonprofit Establishments in Arts, Entertainment, and Recreation and Other Major Nonprofit Industries in Indiana

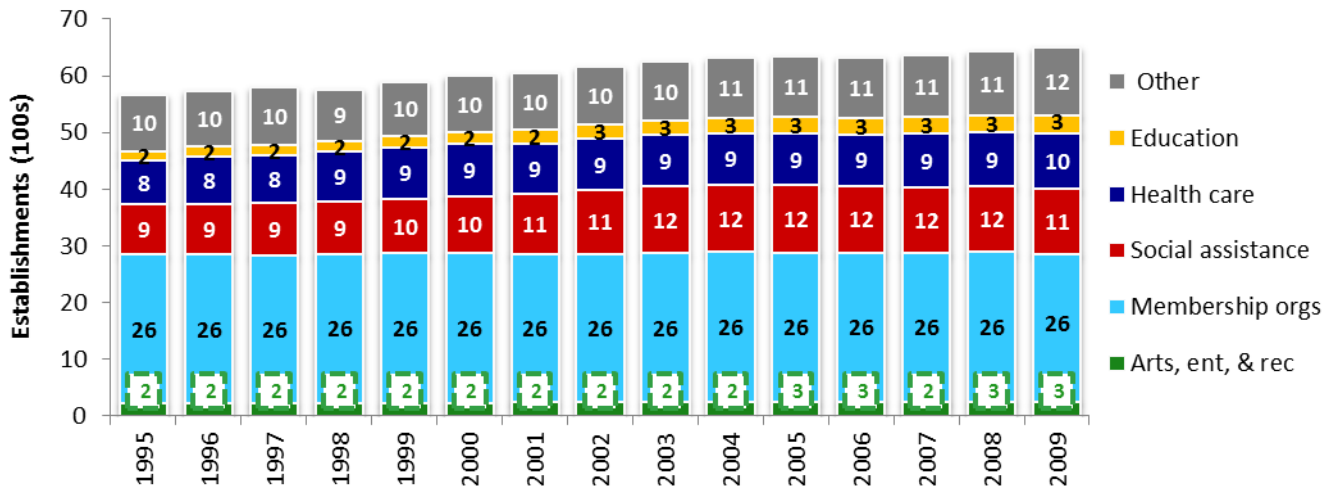
Over the 1995-2009 time period, the number of nonprofit AER establishments grew 19 percent, but consistently accounted for around four percent of all nonprofit establishments in the state. The average number of employees per establishment ranged from 25 to 30 over the time period – very similar to the size of social assistance establishments.

- **The number of nonprofit establishments in the arts, entertainment, and recreation industry grew from approximately 220 in 1995 to 260 in 2009, an increase of 19 percent** (Figure 20). This increase is comparatively less than the growth in education (87 percent), social assistance (30 percent) and health care (27 percent). In part, the relatively small base of nonprofit establishments exaggerates

the growth in AER. Even so, the growth was impressive given the reduction in arts funding by the state of Indiana.⁴³ As noted earlier, additional cuts in state funding took place in the 2010-2011 budget year.⁴⁴

- **Arts, entertainment, and recreation establishments accounted for about 4 percent of all nonprofit establishments in the state between 1995 and 2009** (Figure 21). The proportion of Indiana nonprofit establishments in other major industries generally remained stable or increased slightly over the same time period, with the exception of nonprofit membership organization establishments, which decreased 6 percent overall.
- **The average number of employees in arts, entertainment, and recreation nonprofits ranged from a high of 30 in 2000 to a low of 25 in 2009** (Figure 22). Social assistance establishments had similar staff sizes (between 22 and 24), while health and education establishments generally had more than 100 staff members on average.
- **Only about 15 percent of all arts, entertainment, and recreation establishments operate as nonprofits** (Figure 23). This is roughly similar to the nonprofit shares of establishments in health and education, but notably less than social assistance (50 percent).

Figure 20: Nonprofit establishments in major nonprofit industries, 1995-2009



⁴³ Indiana Arts Commission. History – 2000s. Accessed July, 9 2012. <http://www.in.gov/arts/2417.htm>

⁴⁴ Indiana Coalition for the Arts. Here’s why we Asked Legislators to Restore the Budget of the Indiana Arts Commission. Accessed June 20, 2012. <http://www.inartscoalition.org/main.asp?SectionID=7&SubSectionID=12&ArticleID=107>

Figure 21: Percentage of total nonprofit establishments in major nonprofit industries, 1995–2009

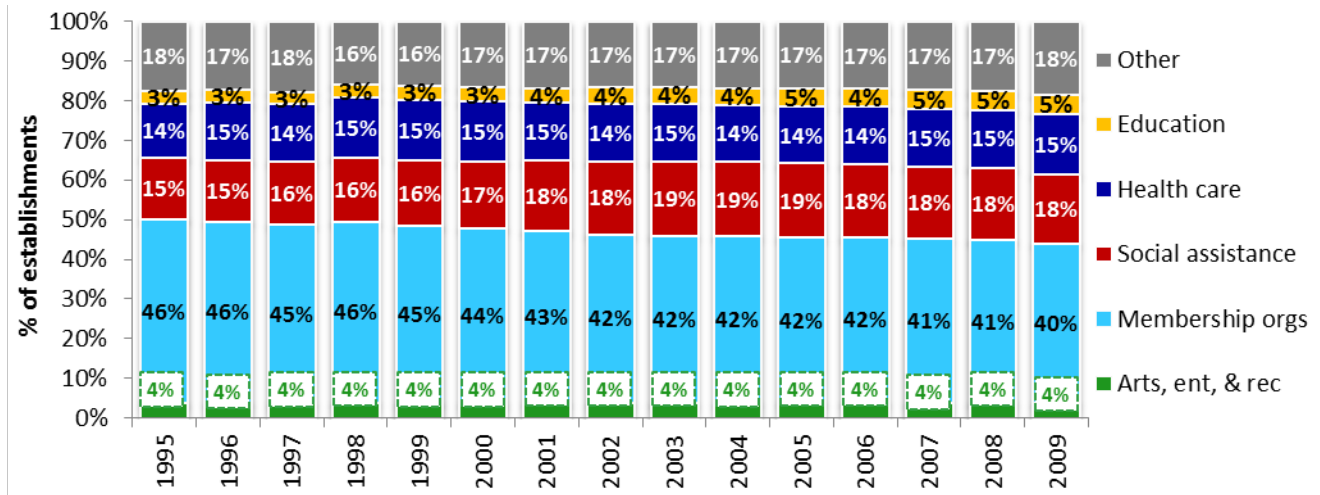


Figure 22: Average nonprofit establishment size in major nonprofit industries, 1995-2009

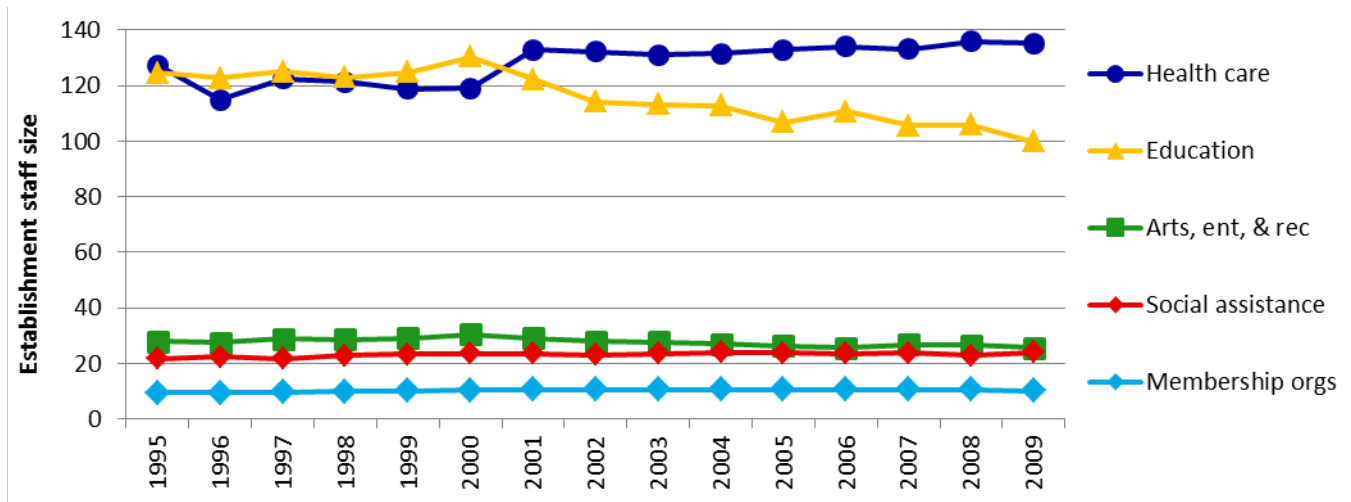
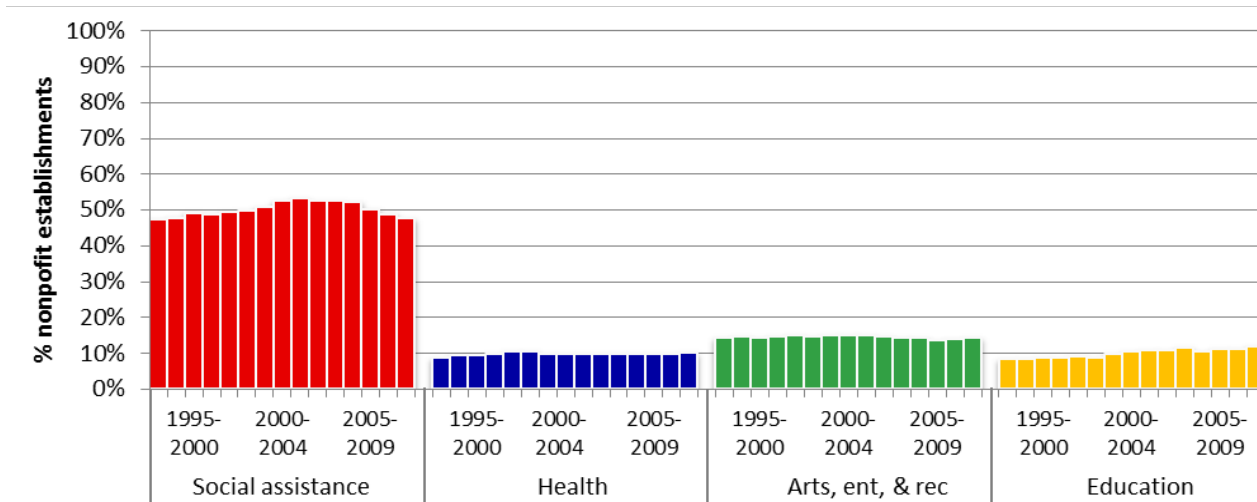


Figure 23: Percentage of industry establishments that are nonprofits, 1995–2009



C. Arts, Entertainment, and Recreation Establishments in Nonprofit and For-Profit Sectors

As we detailed above, nonprofits accounted for only a small portion of establishments in the arts, entertainment, and recreation industry. For-profits accounted for the majority of establishments, and, as previously discussed, government-run establishments made up less than 3 percent of establishments in AER. While the number of for-profit establishments increased significantly during the period, the number of nonprofits increased only slightly.

1. Private Sector: Nonprofit and For-Profit

- **Nonprofits added 40 new arts, entertainment, and recreation establishments between 1995 and 2009, an increase of 19 percent** (Figure 24). For-profits added just over 230 establishments - an 18 percent increase. While the percent increase in nonprofit and for-profit establishments was quite similar during the period, nonprofit establishments started from a much smaller base. Throughout the entire time period nonprofits accounted for 14 to 15 percent of total AER establishments.
- **The average annual staff size in nonprofits remained relatively stable (between 25 and 30 employees)**, while the average size of for-profits increased from 14 employees in 1995 to an average of 27 employees in 2000, before shrinking back to 24 employees in 2009 (Figure 25).
- **Annually, the number and size of nonprofit establishments peaked in the third quarter (July, August, and September) and tended to be smallest in the first quarter (January, February, and March)** (Figures 24 and 25). On average, the difference in the number of nonprofit establishments between these two quarters was around 26, or a variation of 11 percent. For size of establishment, nonprofits had an average seasonal variation of 7 employees per establishment, a growth of over 25 percent from first to third quarter. This trend adheres to an overall pattern of seasonal employment to meet increased demands for recreation and entertainment over the summer months, when many children are out of school, the weather is favorable for more outdoor sports, and families tend to take vacations. Over time, for-profit establishments began to mimic this trend as well, with an average of around 120 more establishments in the third quarter than in the first quarter. The size of establishments for for-profits, however, remained fairly constant, with only 4 more employees on average in the third quarter. This fluctuation does not necessarily mean that establishments are closing for the winter months; organizations may simply reduce staff numbers during the fourth and first quarters to levels below the submission requirements for QCEW data.⁴⁵

⁴⁵ During the months these establishments appear to have no employees, they do not submit a QCEW. Therefore, they do not appear as an establishment in the dataset. For more details, please consult the methodology appendix.

Figure 24: Quarterly number of private sector arts, entertainment, and recreation establishments, 1995-2009

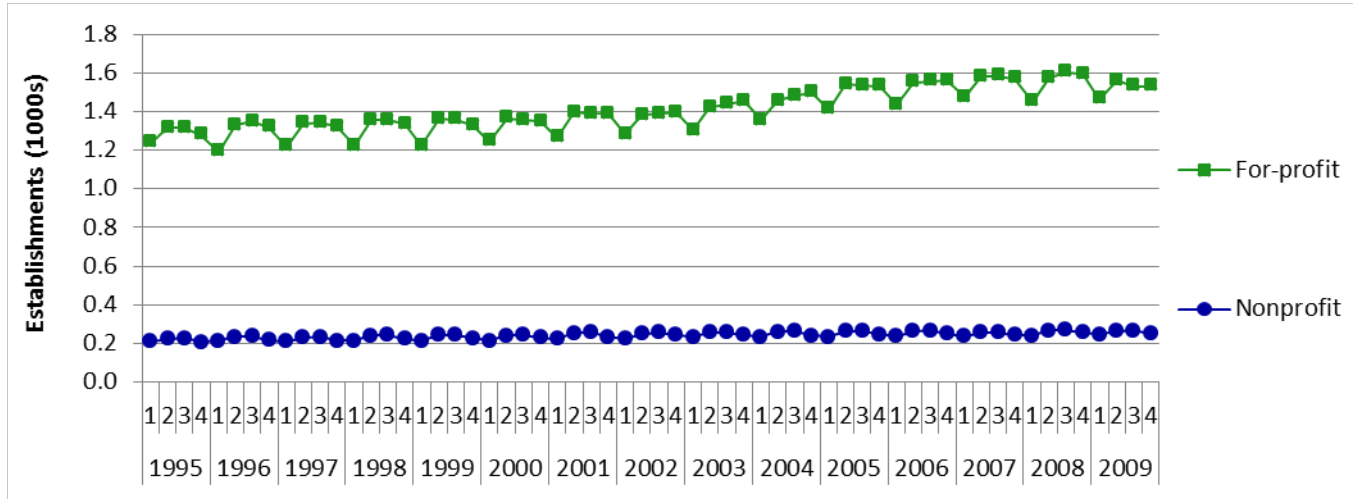
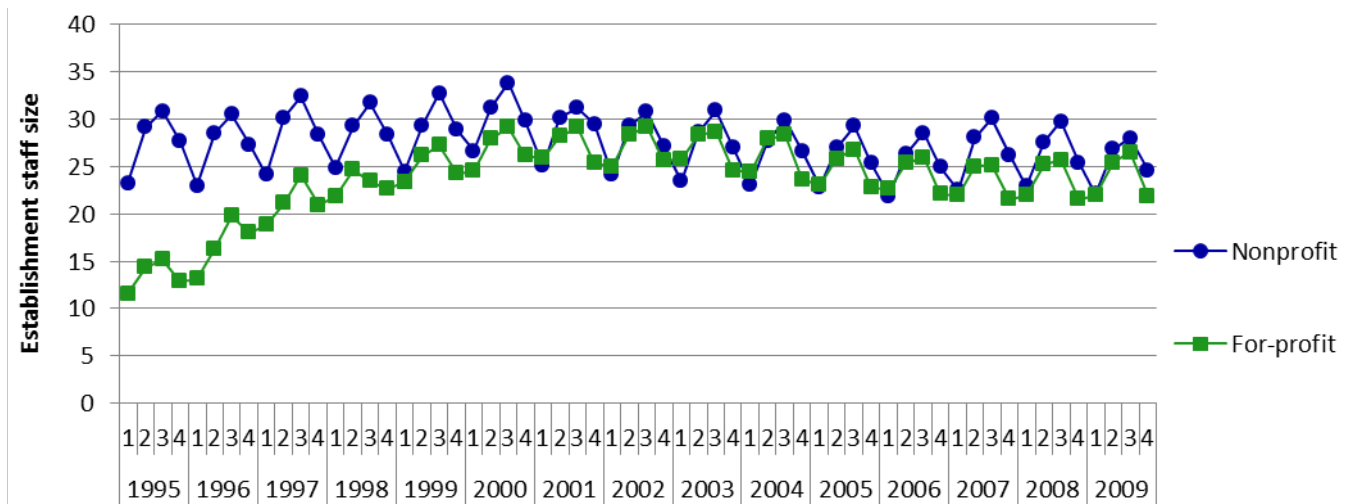


Figure 25: Quarterly private sector arts, entertainment, and recreation average establishment size, 1995-2009



2. Nonprofit Types: Charities and Other Nonprofits

- The number of charities remained relatively stable year-round; however, the number of other nonprofit establishments experienced high volatility from quarter to quarter (Figure 26). The number of charities tended to decrease slightly in the first and fourth quarters. In contrast, there were generally 19 percent more other nonprofit establishments in the third quarter compared to the first quarter of the year. This is likely because some seasonal leagues, clubs and associations (501(c)(4)s and 501(c)(7)s) only keep their establishments open in the summer.
- Overall, the number of charity establishments grew 70 percent while other nonprofits decreased 21 percent. The number of charities grew around an average of 4 percent each year (except for a decrease of less than one percent in 2006-2007), while the number of other nonprofits decreased each year except for slight increases in 1995-1996, 1998-1999, 2000-2001, and 2007-2008.

- While staff size in charitable establishments remained relatively stable year-round, the staff sizes in other nonprofits varied significantly depending on the season (Figure 27). On average, average staff size was 76 percent larger in July, August, and September than in January, February, and March.

Figure 26: Quarterly nonprofit arts, entertainment, and recreation establishments by nonprofit type, 1995-2009

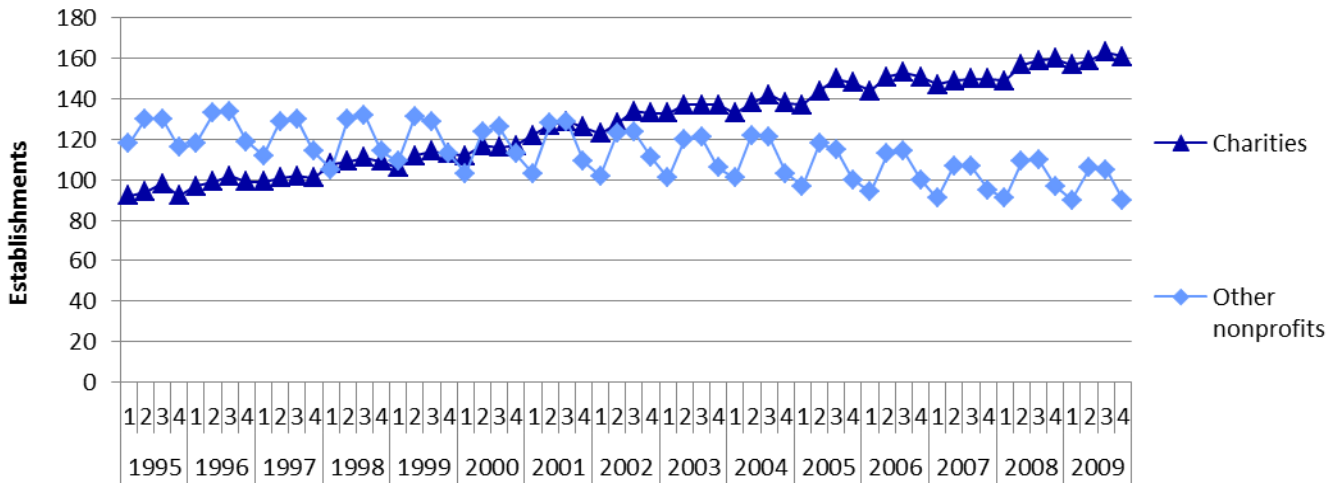
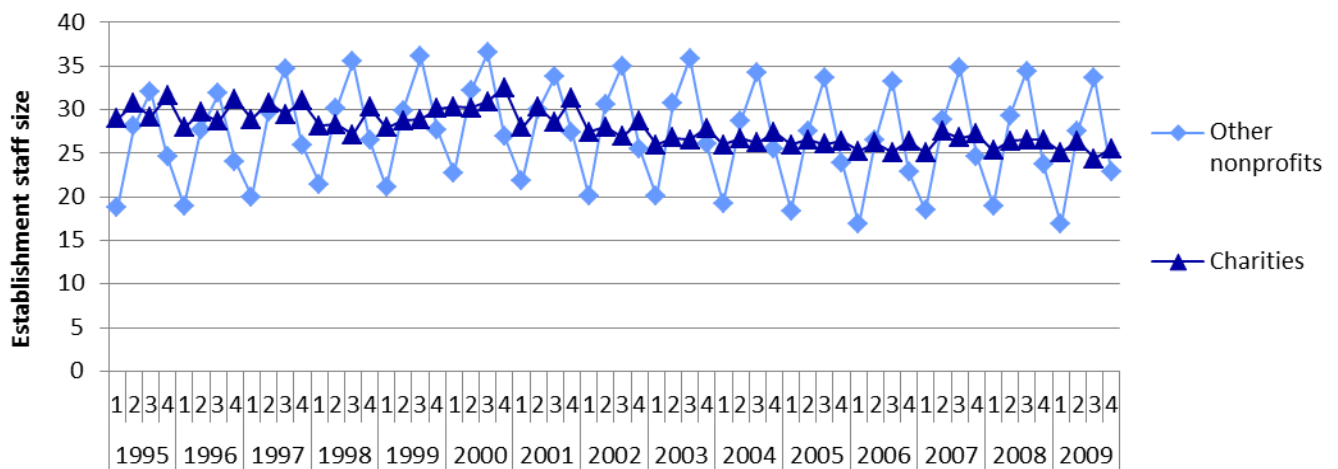


Figure 27: Quarterly nonprofit arts, entertainment, and recreation average establishment size by nonprofit type, 1995-2009



D. Establishments in Specific Arts, Entertainment, and Recreation Sub-Industries

During the 1995-2009 period, the sub-industry amusement, gambling, and recreation accounted for the largest portion of this industry in both the for-profit and nonprofit sectors; however, the smallest sub-industry, museums and historical sites, had the greatest proportion of establishments operated by nonprofits. Nonprofit museums and historical sites generally had larger staff sizes and less reliance on summer seasonal employees than for-profits. While all the sub-industries varied seasonally in establishment

staff sizes to some degree, a summertime (third quarter) spike is most noticeable in amusement, gambling, and recreation.

- **In 1995, 65 percent of nonprofit establishments were in the amusement, gambling, and recreation sub-industry, but this proportion fell to just 51 percent by 2009** (Figure 28). This decrease is due, in large part, to the increases in the number of museum and historical sites as well as performing arts and spectator sport establishments over the time period.
- **In the nonprofit sector, the number of performing arts and spectator sports sites increased from just 35 to over 60—a 75 percent increase.** The city of Indianapolis' concerted effort to increase sports tourism could be partially responsible for this change.⁴⁶ Additionally, the number of nonprofit museums and historical sites increased by over 57 percent (from 41 to 64 establishments), despite cuts in arts and culture funding.⁴⁷ The number of nonprofit gambling, amusement, and recreation establishments increased to a high of 144 in 1998, but decreased 8 percent to 133 by 2009. In comparison, from 1995 to 2009 the for-profit sector saw a 33 percent increase in performing arts and spectator sites, a 13 percent decrease in the number of historical sites and museums, and a 14 percent increase in gambling, amusement, and recreation establishments.
- **Staff sizes in nonprofit arts, entertainment, and recreation establishments changed over the course of each year to meet seasonal demands** (Figure 29). Many nonprofit establishments expanded employment during the summer months to accommodate increased demand. This trend was particularly true among amusement, gambling, and recreation establishments, which on average, each employed 10 more workers during the summer (third quarter) than the winter (first quarter). Museums increased employment by four employees on average between these quarters, a 14 percent increase. Performing arts and spectator sports exhibited a different pattern and usually had the largest staff sizes in the fourth quarter (October, November, and December), perhaps reflecting the prevalence of holiday season performances.

⁴⁶ Indianapolis Economic Development Portal. Sports. Accessed August 8, 2012. http://imaps.indygov.org/ed_portal/template.asp?page=sports

⁴⁷ Indiana Arts Commission. Arts Commission to Cut Two Programs and Scale Back Others to Meet Budget Reduction. Accessed June 28, 2012. <http://www.in.gov/arts/2602.htm>

Figure 28: Nonprofit arts, entertainment, and recreation establishments by sub-industry, 1995-2009

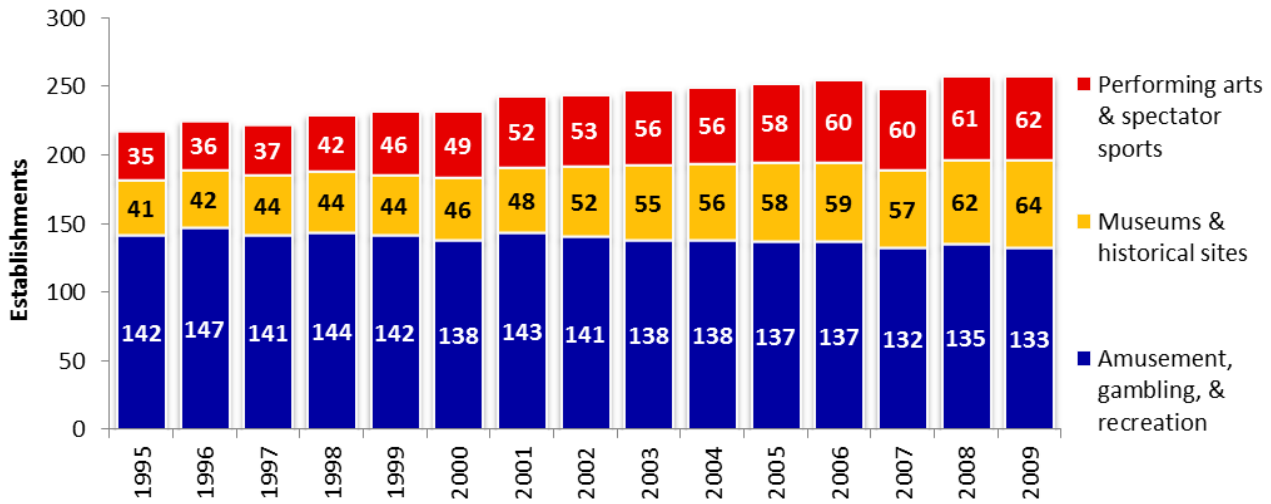


Figure 29: Quarterly nonprofit arts, entertainment, and recreation establishment size by sub-industry, 1995-2009

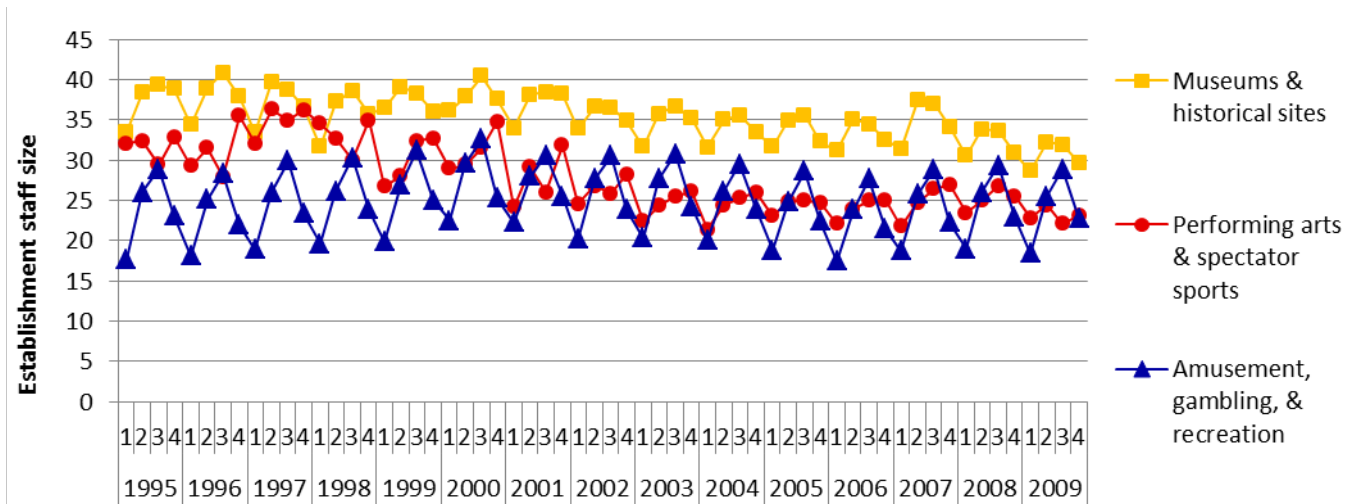
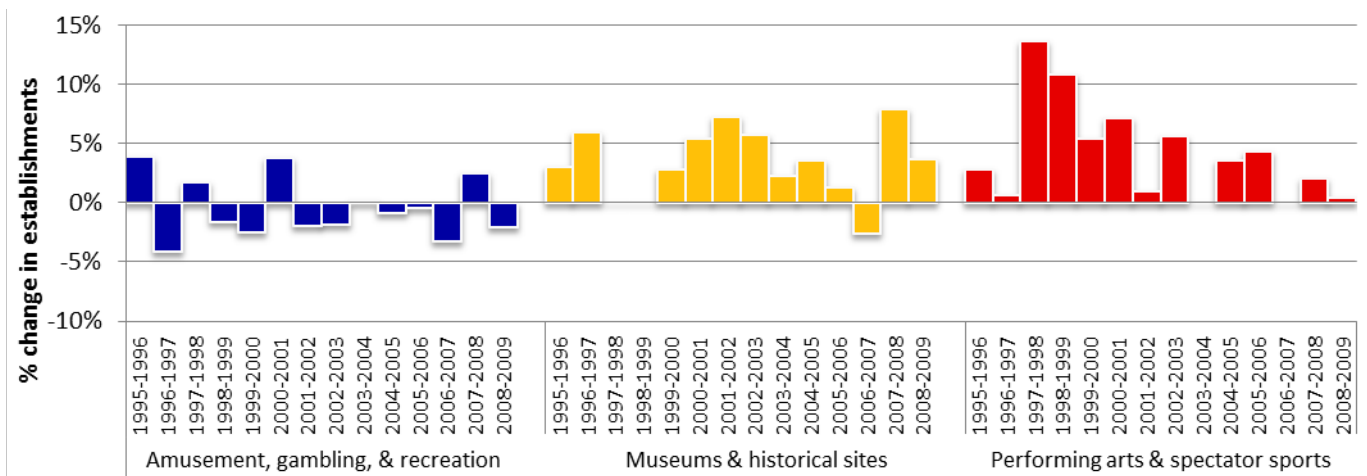


Figure 30: Annual percentage change in number of nonprofit arts, entertainment, and recreation establishments by sub-industry, 1995-2009



1. Amusement, Gambling, and Recreation

- **The number of nonprofit establishments in amusement, gambling, and recreation decreased by 7 percent, while for-profit establishments grew by 14 percent** (Figure 31). As a result, the nonprofit share of total establishments declined from 13 to 11 percent.
- **Nonprofit establishments in amusement, gambling, and recreation were more likely than for-profit establishments to adjust their establishment size based on seasonally-driven factors** (Figure 32). For example, in 2009, the average establishment size for nonprofits increased 61 percent from the first to third quarter, while for-profits increased only 12 percent. This difference is likely caused by varying client demands for each sector, with nonprofit demand driven by seasonally-impacted activities like recreation and amusement and for-profit demand driven more by gambling, which is less seasonally dependent.
- **Staff sizes in for-profit establishments increased rapidly from 1995 to 2002.** In 1993, Indiana loosened restrictions on riverboat gambling, which resulted in the construction of several large new casinos. New hiring in these large casinos likely caused the growth in establishment size from less than 15 in 1995 to more than 30 in 2000.
- **Charitable establishments accounted for a minority of nonprofit amusement, gambling, and recreation establishments.** However, between 1995 and 2009, the number of charities increased 72 percent, from 24 to 42 establishments (Figure 33). All other nonprofits, on the other hand, decreased by 23 percent (from 118 to 91 establishments) over this time and by 2009 accounted for 68 percent of all nonprofit establishments in this sub-industry, down from 83 percent in 1995.
- **Both the number and size of charitable amusement, gambling, and recreation establishments varied little across seasons, compared to other nonprofits in the same industry** (Figure 34). The number of charities was generally very similar across all quarters, while the number of other nonprofit establishments jumped by an average of 20 percent from the first to the second quarter. Average staff size in other nonprofits was on average 65 percent higher during the third quarter than the first quarter. The likely reason for this is that a higher proportion of other nonprofit establishments are engaged in recreational activities like summer camps and sports clubs than charities. It is worth noting that the fewer establishments in the winter months does not necessarily mean that a corresponding number of establishments have closed; instead, these establishments could have reduced their staff below the threshold for required submission of QCEW to the Department of Labor.

Figure 31: Quarterly number of private sector amusement, gambling, and recreation establishments, 1995-2009

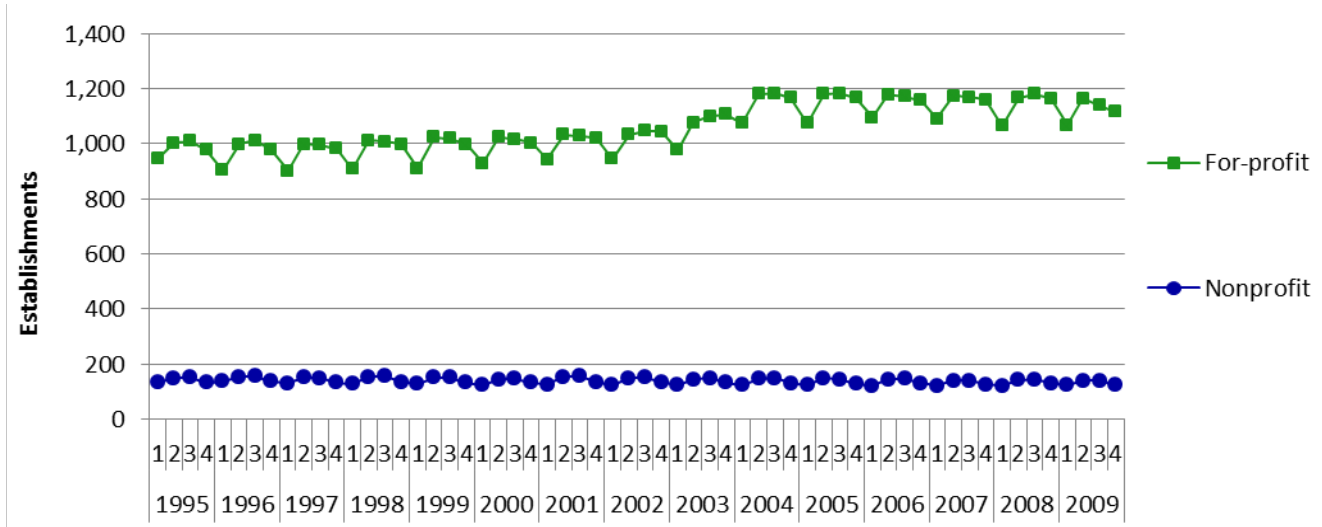


Figure 32: Quarterly private sector amusement, gambling, and recreation average establishment size, 1995-2009

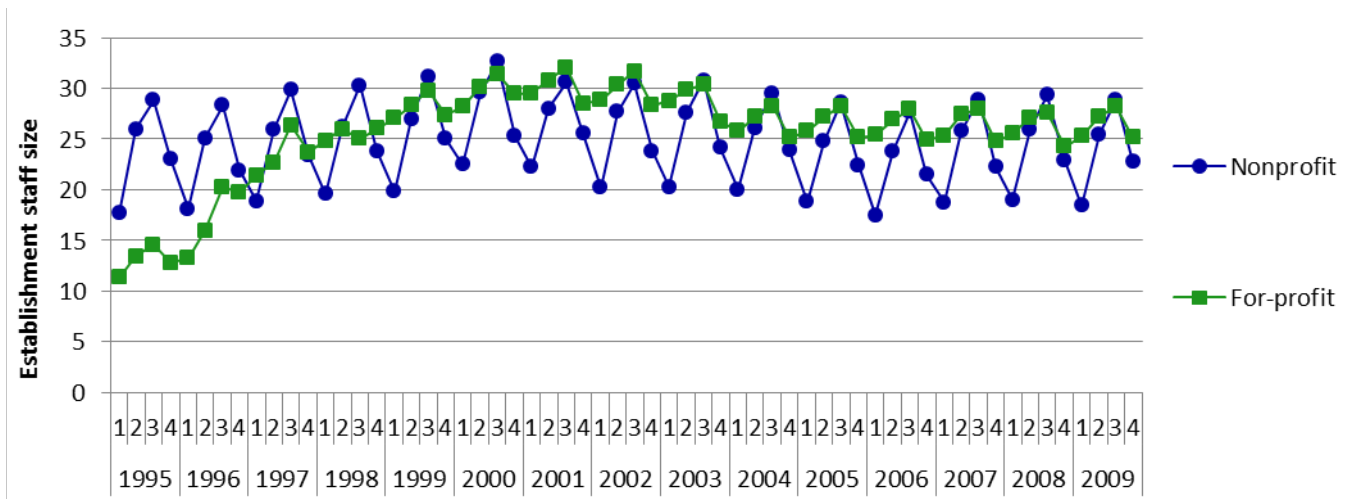


Figure 33: Quarterly number of nonprofit amusement, gambling, and recreation establishments by nonprofit type, 1995-2009

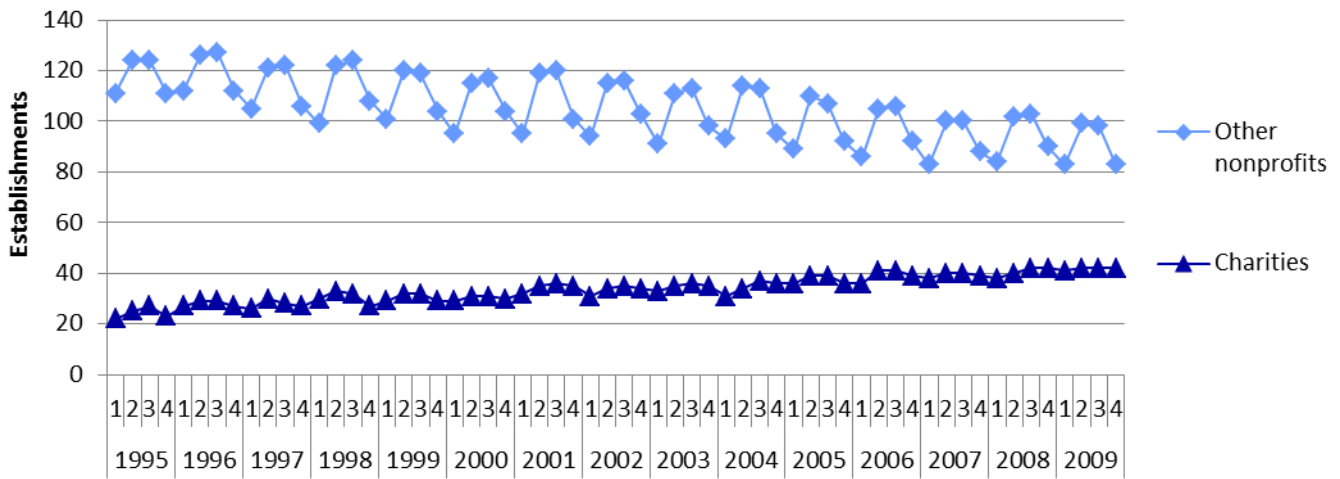
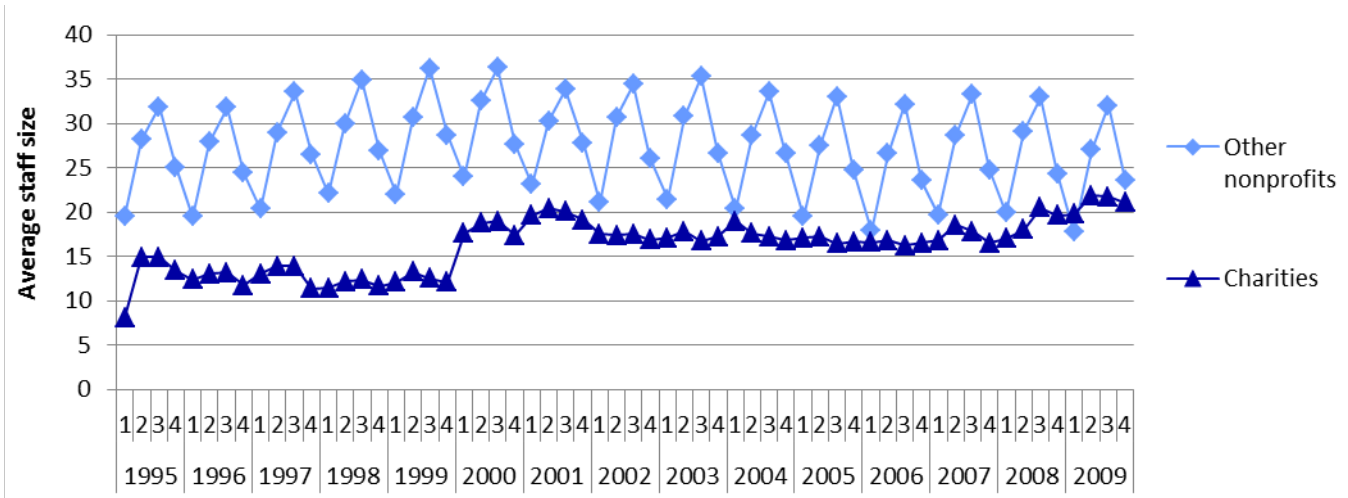


Figure 34: Quarterly nonprofit amusement, gambling, and recreation average establishment size by nonprofit type, 1995-2009



2. Museums and Historical Sites

- In 2009, 90 percent of museum and historical establishments operated as nonprofits – a number similar to national figures⁴⁸ (Figure 35). Museums and historical sites was the only arts, entertainment, and recreation sub-industry to be dominated by nonprofit establishments.
- The number of nonprofit establishments grew from 41 in 1995 to 64 in 2009, while the number of for-profit museums hovered between 7 and 12 over the same time period. Furthermore, all nonprofit museums and historical establishments were 501(c)(3) charity organizations.

⁴⁸ Toepler, Stefan and Wyszomirski Margaret. (2012). Arts and Culture. In Lester M. Salamon (Ed.), *The State of Nonprofit America* (pp. 229-265). Washington, DC: Brookings Institution Press. p.231-232.

- Although the number of nonprofit museum and historical establishments grew, the average staff size in establishments shrank from an average of 38 in 1995 to 31 in 2009 (Figure 36). The average staff size decreased gradually over time, suggesting that the new establishments that emerged during this period were disproportionately smaller than older ones, as could be expected.

Figure 35: Quarterly number of private sector museum and historical sites establishments, 1995-2009

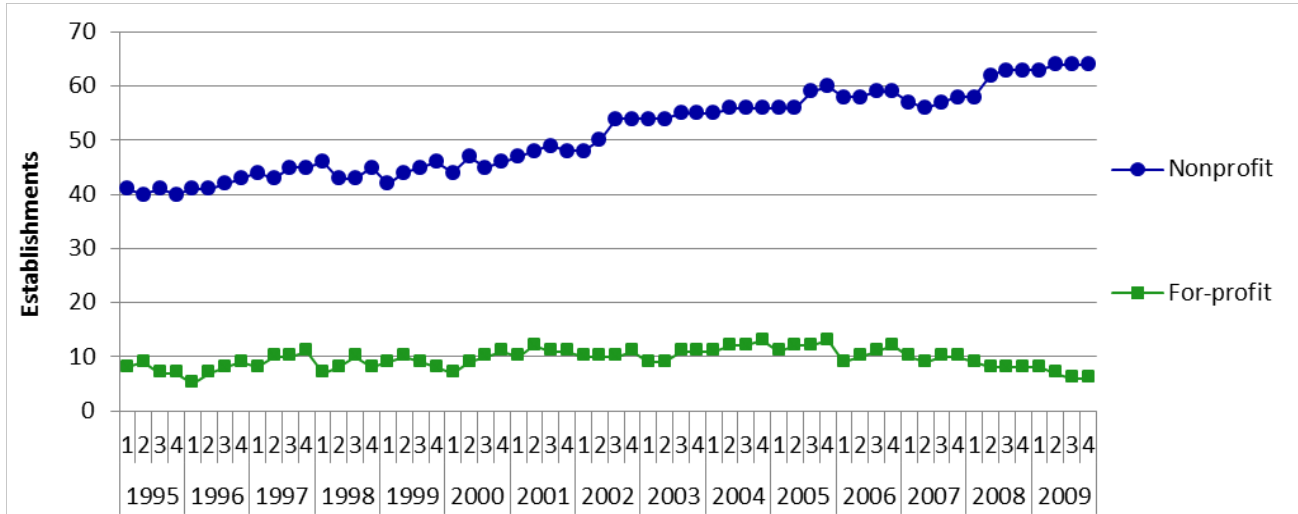
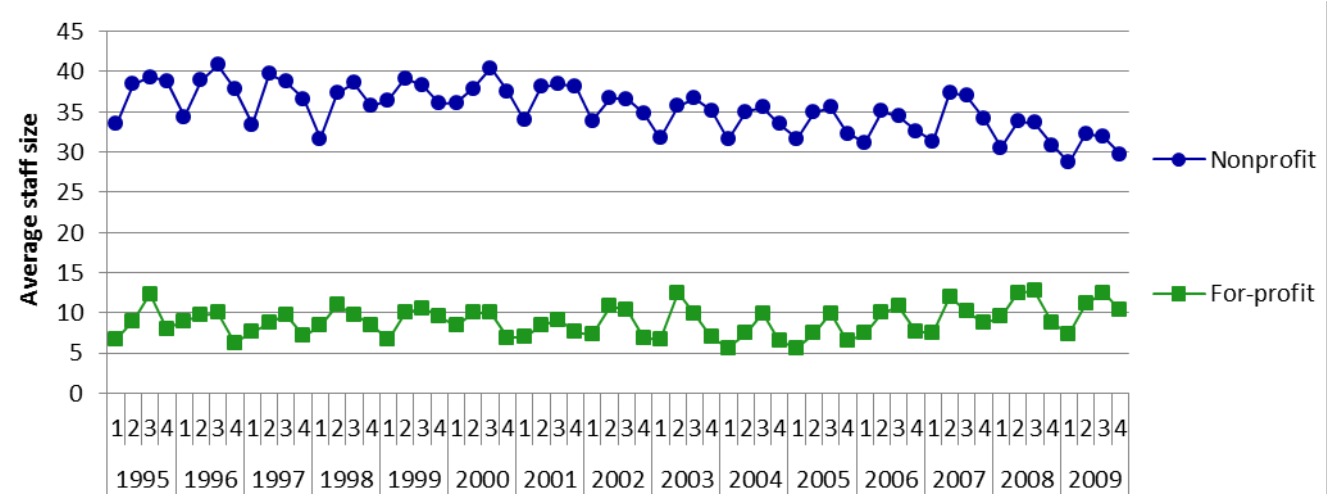


Figure 36: Quarterly private sector museums and historical sites average establishment size, 1995-2009



3. Performing Arts and Spectator Sports

- The number of nonprofit establishments increased 75 percent from 35 in 1995 to 62 in 2009 (Figure 37). Meanwhile, the number of for-profit establishment increased 33 percent from 294 to 393. While the number of nonprofit establishments in performing arts and spectator sports increased, their average establishment size shrank from 32 to 27 employees during the 1995-2009 time period. For-profits saw a slight increase in average size, from 15 to 17 employees.

- **Nonprofit establishments tended to have more employees than for-profits, but the gap between the two sectors tightened after 2000** (Figure 38). From 1995 to 1999, the average size of nonprofit performing arts and spectator sports organizations decreased from 32 to 24 employees. The average size of for-profit establishments stood at 15 in 1995 and increased to 20 in 2003, before returning to 1995 levels. For-profit establishments also tended to hire more seasonal workers than nonprofits.
- **Most nonprofit performing arts and spectator sports establishments operated as charities, and the number of these charities increased 83 percent from 30 in 1995 to 55 in 2009** (Figure 39). Other nonprofits, which might have included lobbying groups and sports clubs, stayed fairly constant with 10 or fewer establishments during the time period. Neither charities nor other nonprofits experienced major contractions during the weak economies in the early and late 2000s.
- **Other nonprofits in performing arts and spectator sports showed the most pronounced seasonality in establishment size of any sub-industry or sector in arts, entertainment, and recreation** (Figure 40). On average, these types of establishment were 6 times larger in the third quarter than in the first quarter. This disparity grew to as large as almost 10 times in 2009, a difference of 50 employees between the first and third quarter.

Figure 37: Quarterly number of private sector performing arts and spectator sports establishments, 1995-2009

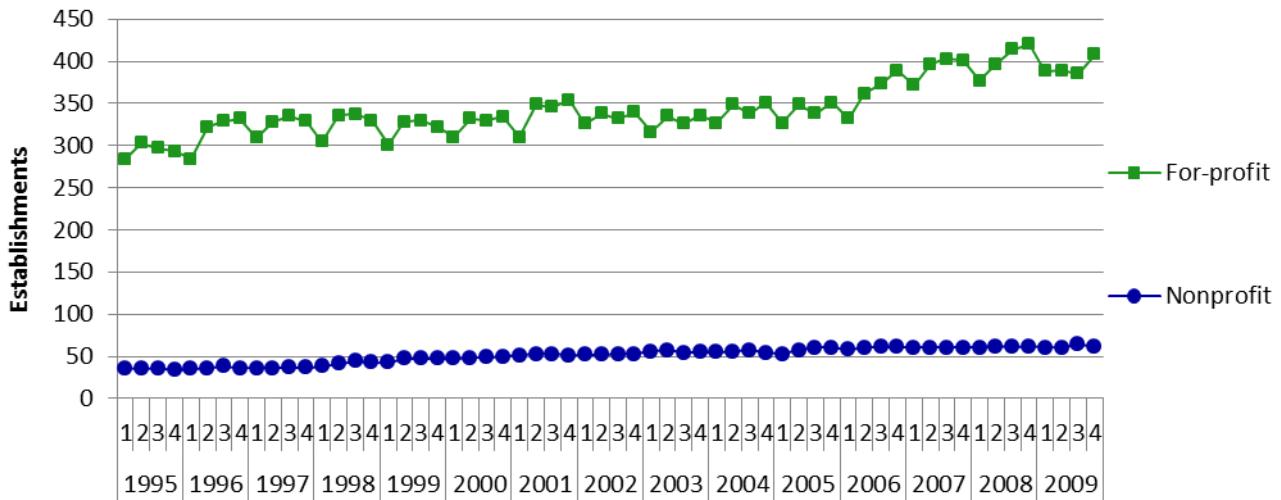


Figure 38: Quarterly private sector performing arts and spectator sports average establishment size, 1995-2009

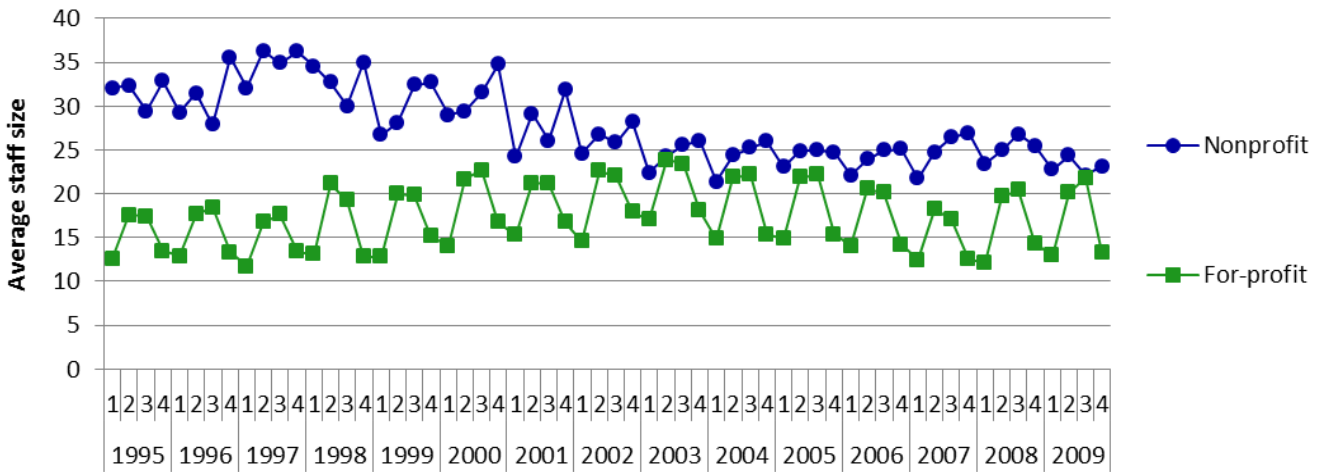


Figure 39: Quarterly number of nonprofit performing arts and spectator sports establishments by nonprofit type, 1995-2009

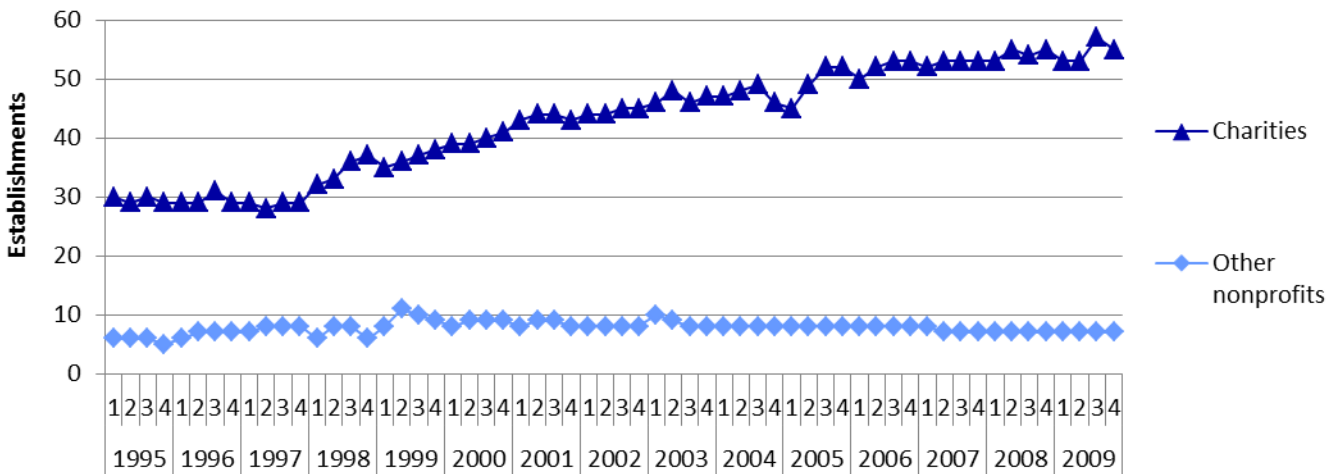
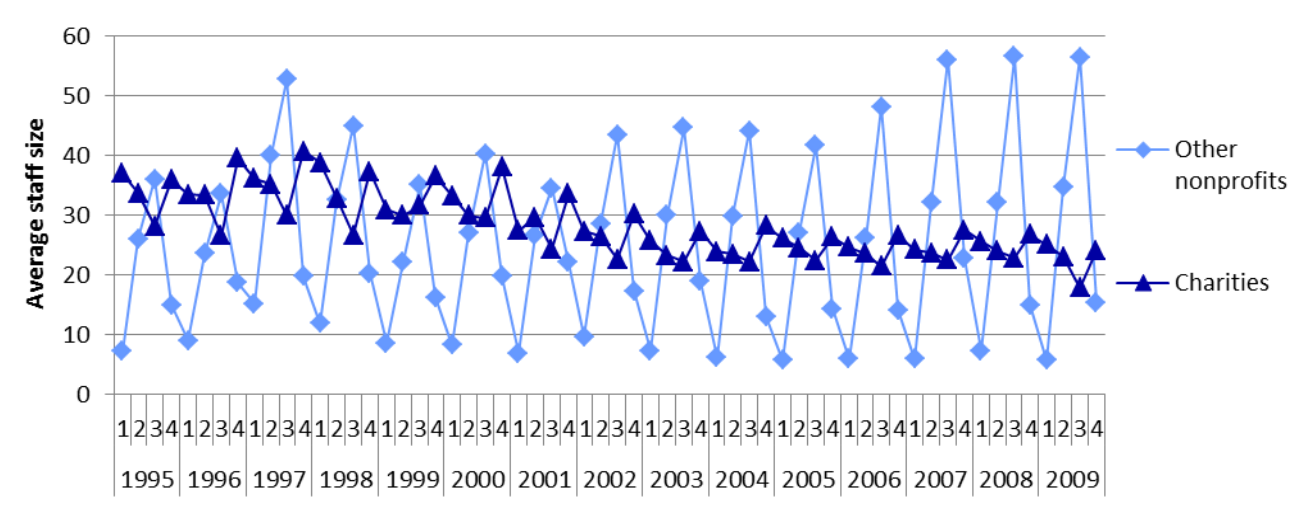


Figure 40: Quarterly nonprofit performing arts and spectator sports average establishment size by nonprofit type, 1995-2009



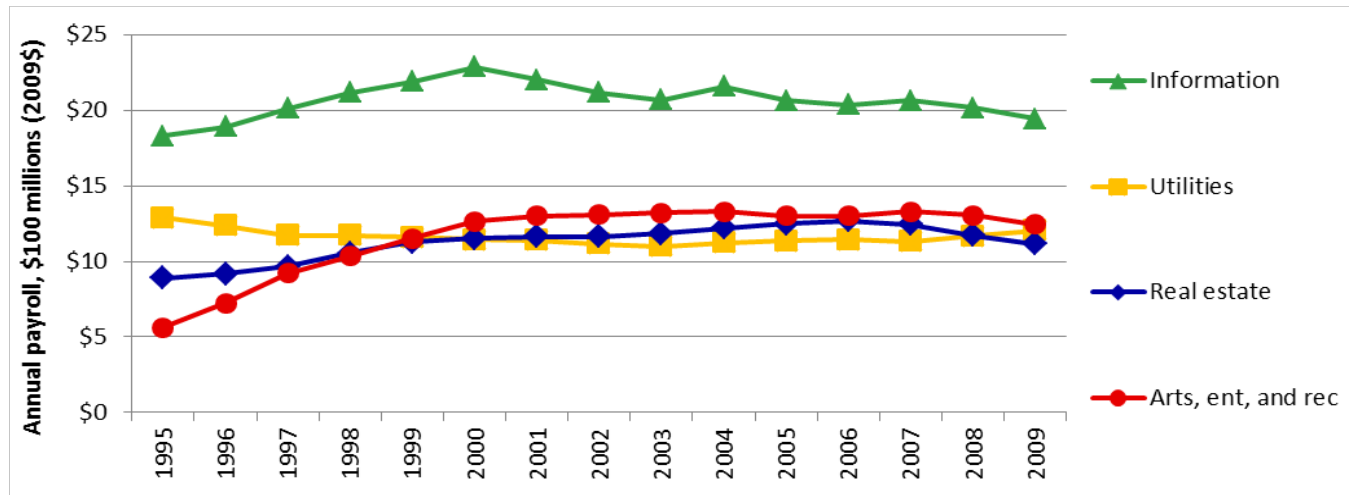
IV. PAYROLL

A. Payroll in Arts, Entertainment, and Recreation and Other Indiana Industries

Arts, entertainment and recreation payroll grew robustly in the first five years of the data period, but was flat the remaining nine years. In the last year of the period, perhaps in part due to the cyclical nature of the industry, payroll decreased sharply.

- **Arts, entertainment, and recreation payroll grew 121 percent, from over \$550 million in 1995 to \$1.25 billion in 2009** (Figure 41), adjusted for inflation. This growth was substantially larger than in industries with similarly sized aggregate payroll. Real estate, the next largest growth, grew only 25 percent and actually declined at the end of the period. Information, despite its peak around 2000, decreased again to end with a mere 6 percent growth overall, while utilities payroll decreased by 6 percent.
- **Arts, entertainment, and recreation payroll surpassed that of utilities and real estate between 1999 and 2000.** This reflects the slower growth of real estate payroll before 2000 while the utilities payroll declined during that time (all adjusted for inflation). Information payroll remained significantly higher overall than the three other industries, despite its minimal growth over the time period.

Figure 41: Total annual payroll in arts, entertainment, and recreation and similarly-sized industries, 1995-2009



B. Nonprofit Payroll in Arts, Entertainment, and Recreation and Other Major Nonprofit Industries in Indiana

Consistent with trends in employment and establishments, arts, entertainment and recreation payroll was the smallest among all nonprofit industries both in absolute volume and as a percentage. Interestingly, while nonprofit employment in this industry increased by 8.5 percent over the time period, payroll increased by double that amount, reflecting not only new employees but also higher pay. All payroll figures have been adjusted for inflation and appear in 2009 dollars.

- Total nonprofit payroll for arts, entertainment, and recreation increased 27 percent from 1995 through 2001**, starting at \$125 million and hitting a maximum of \$160 million in 2001 (Figure 42). The payroll then decreased from 2002 through 2009, ending at \$146 million, for an overall growth of 16 percent for the period. This was the smallest rate of growth among all nonprofit industries; the next slowest growth occurred in the membership organizations industry, at 34 percent. Consequently, arts, entertainment, and recreation maintained its overall share of total nonprofit payroll (2 percent) in Indiana (Figure 43).
- The nonprofit share of total arts, entertainment, and recreation payroll decreased from 23 percent to 11 percent over the time period** (Figure 44). By contrast, both healthcare and education nonprofits increased their share of total payroll in their respective industries over the time period. In social assistance nonprofit payroll lost ground over the period, but still accounted for the majority of all payroll in the industry.

Figure 42: Nonprofit payroll in major nonprofit industries, 1995-2009

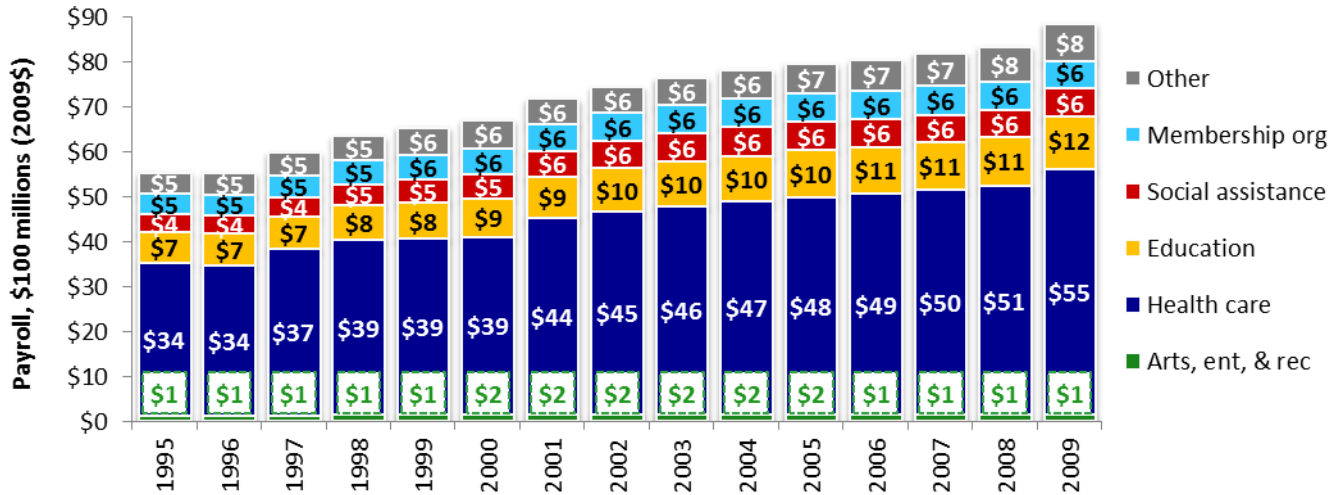


Figure 43: Percentage of total nonprofit payroll in major nonprofit industries, 1995-2009

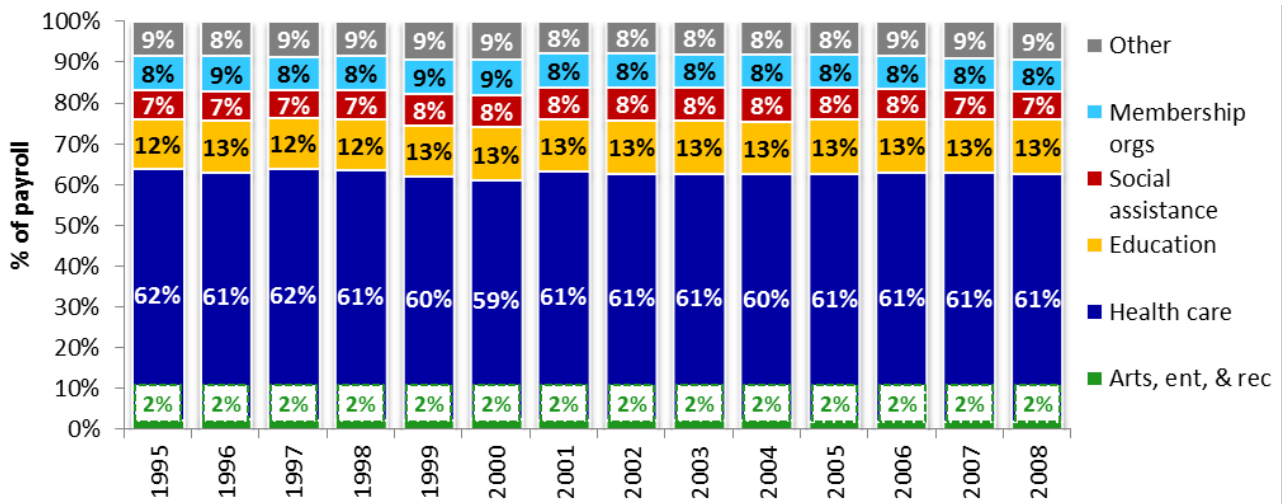
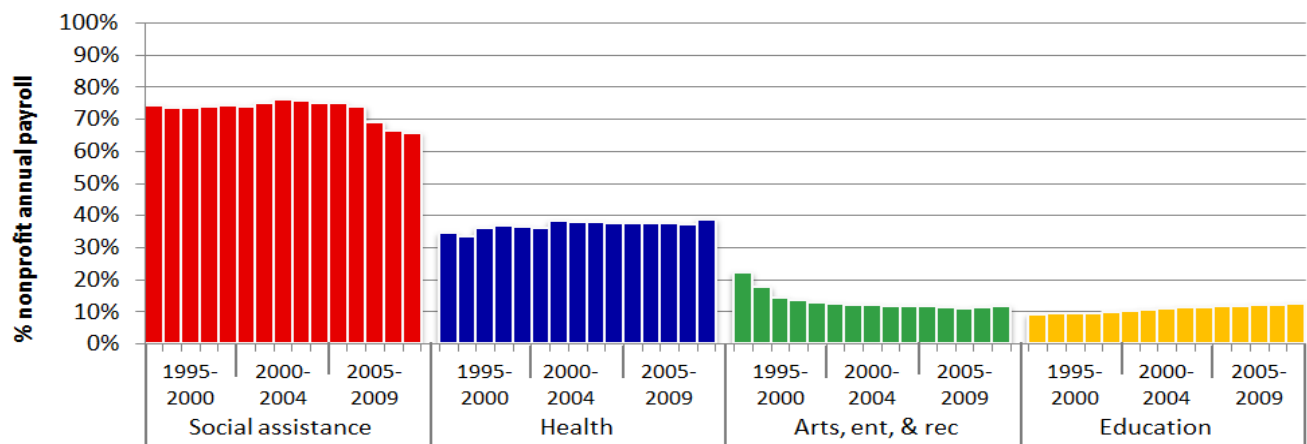


Figure 44: Percentage of total industry payroll that is nonprofit, 1995-2009



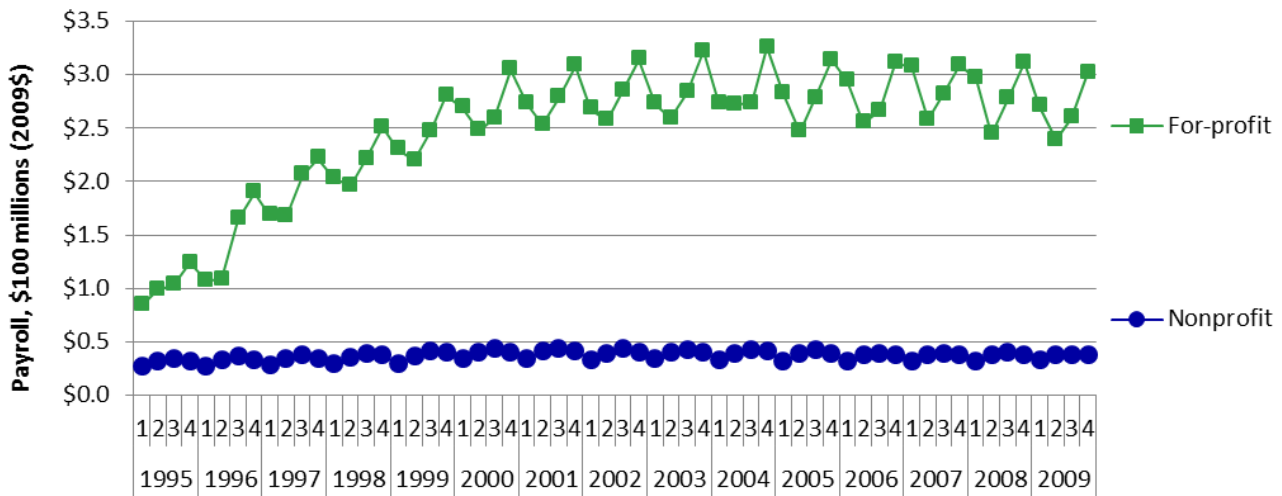
C. Arts, Entertainment, and Recreation Payroll in Nonprofit and For-Profit Sectors

Payroll in the arts, entertainment and recreation industry was dominated by the for-profit sector, which accounted for an average of 86 percent of total payroll in the industry. Moreover, the for-profit sector increased its dominance over the 1995-2009 time period.

1. Private Sector: Nonprofit and For-Profit

- **While nonprofit payroll remained relatively stable, for-profit payroll experienced an overall increase of 161 percent.** Over the time period, the combined private sector payroll grew 127 percent, largely attributable to tremendous growth in for-profit employment (107 percent overall) from 1995-2000. After 2000, both sectors had stable or negative payroll growth.
- **Both nonprofit and for-profit payroll followed a consistent quarterly trend, but nonprofit payroll peaked in the third quarter while for-profit payroll peaked in the fourth quarter** (Figure 45). This pattern in for-profit payroll differs from the seasonal trend in for-profit employment, which consistently peaked in the third quarter, indicating higher wages per employee in the fourth quarter, perhaps related to holiday or end-of-year bonuses for performing artists, athletes, and related executives.

Figure 45: Quarterly private sector payroll in arts, entertainment, and recreation, 1995–2009



2. Nonprofit Types: Charities and Other Nonprofits

- **From 1995 to 2009, charities increased their payroll by 54 percent, while payroll from other nonprofit arts, entertainment, and recreation organizations decreased by 24 percent** (Figure 46), all adjusted for inflation. Charities saw most of this increase from 1995 to 2001, when payroll rose by 43 percent. During this period, both employment and wages increased, likely signaling an increased demand for services during the boom years of the late 1990s.

- Between 2001 to 2009, total charity payroll experienced minimal growth annually and even slight decreases in two years, contrary to larger growth experienced annually from 1995 to 2001 (Figure 47). However, even minimal charity payroll growth was greater than that of other nonprofits, which saw payroll decrease by as much as 8 percent annually from 2000 to 2009.

Figure 46: Quarterly nonprofit arts, entertainment, and recreation payroll by nonprofit type, 1995-2009

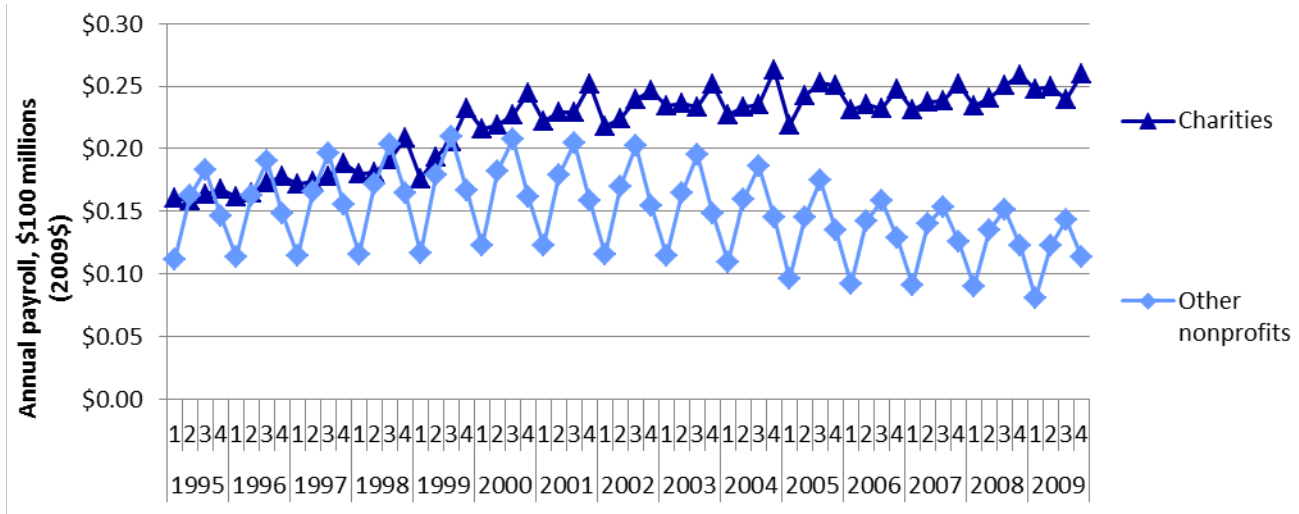
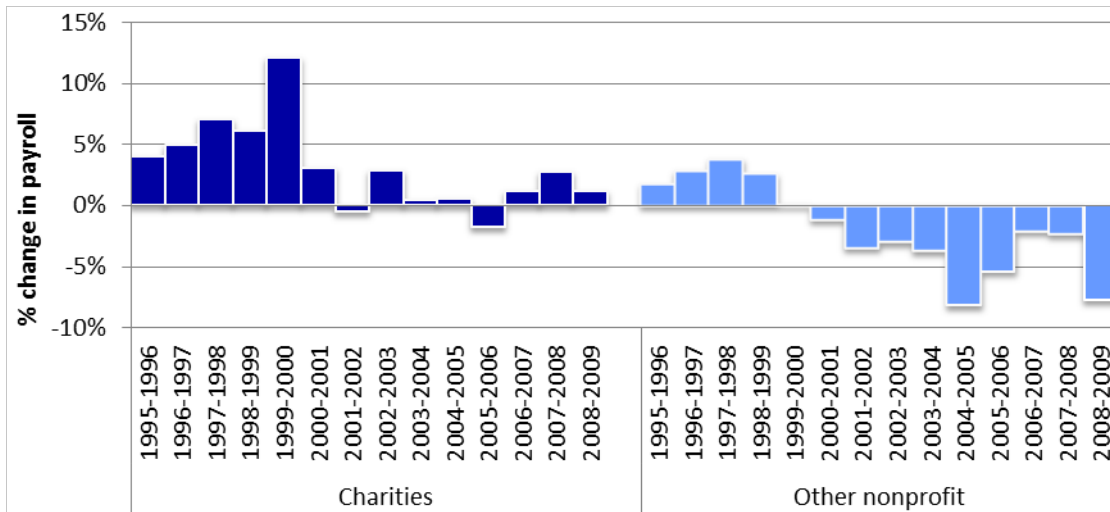


Figure 47: Annual percentage change in nonprofit arts, entertainment, and recreation payroll by nonprofit type, 1995-2009



D. Payroll in Specific Arts, Entertainment, and Recreation Sub-Industries

The three arts, entertainment, and recreation sub-industries differed significantly in payroll size as well as in the share accounted for by nonprofit establishments. Payroll changes closely followed employment trends, with for-profits dominating two of the three sub-industries. In amusement, gambling, and recreation, the largest sub-industry for nonprofits and for-profits alike, nonprofits accounted for only 10 percent of private sector payroll on average; in performing arts and spectator sports, nonprofits accounted for 9 percent.

- **Amusement, gambling, and recreation nonprofits accounted for a plurality (45 percent) of total AER nonprofit payroll during the time period** (Figure 48). However, this percentage decreased every year because of the growth in museums and historical sites, which accounted for only 28 percent of nonprofit payroll in 1995, but had increased to 37 percent by 2009. Performing arts and spectator sports maintained constant at near 24 percent of all AER nonprofit payroll.
- **Amusement, gambling, and recreation nonprofit payroll decreased 25 percent from its peak of about \$75 million in 2001 to a low of about \$56 million by 2009** (adjusted for inflation). Overall, this sub-industry saw nonprofit payroll decrease by 10 percent from its starting point of about \$63 million in 1995. In contrast, nonprofit payroll increased in both the museums and historical sites and the performing arts and spectator sports sub-industries, which grew by 52 and 30 percent respectively.
- **The amusement, gambling, and recreation sub-industry also experienced the greatest quarterly fluctuations in nonprofit payroll of the three sub-industries** (Figure 49). Annually, nonprofit payroll was on average 61 percent greater in the third quarter than the first quarter, reflecting this sub-industry’s large seasonal increases in employment during the summer months. Performing arts and spectator sports as well as museums and historical sites displayed similar, though far less volatile, seasonal trends.
- **Two of the sub-industries, amusement, gambling, and recreation and performing arts and spectator sports, experienced very similar patterns of volatility** (Figure 50), growing the first half of the time period, and decreasing in the second.

Figure 48: Nonprofit arts, entertainment, and recreation payroll by sub-industry, 1995-2009

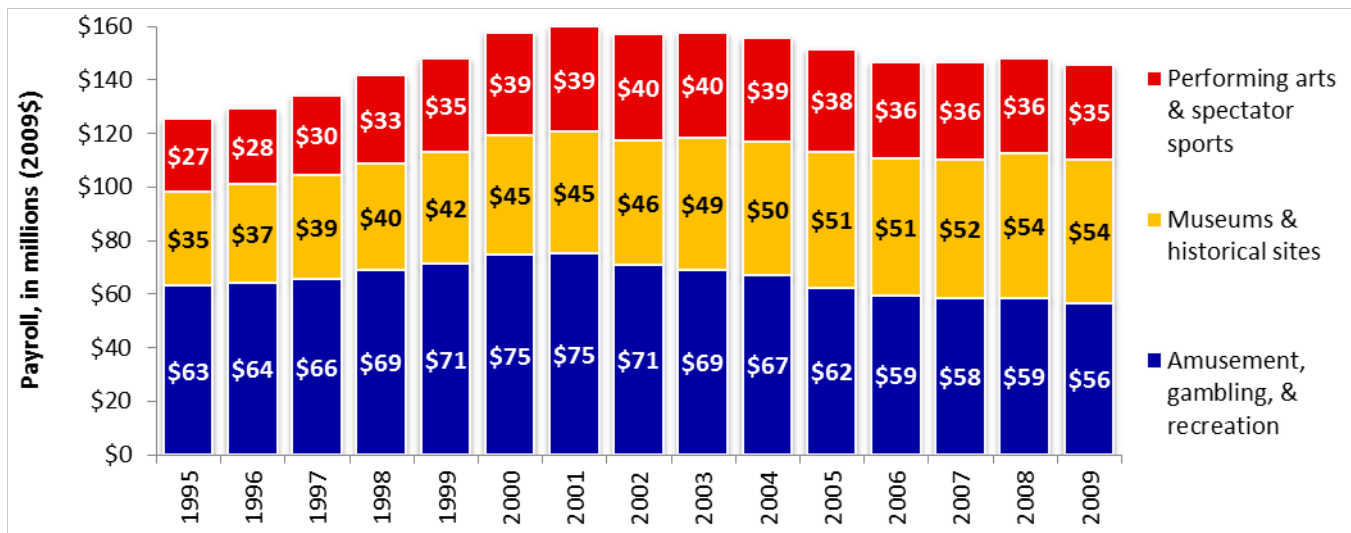


Figure 49: Quarterly nonprofit arts, entertainment, and recreation payroll by sub-industry, 1995-2009

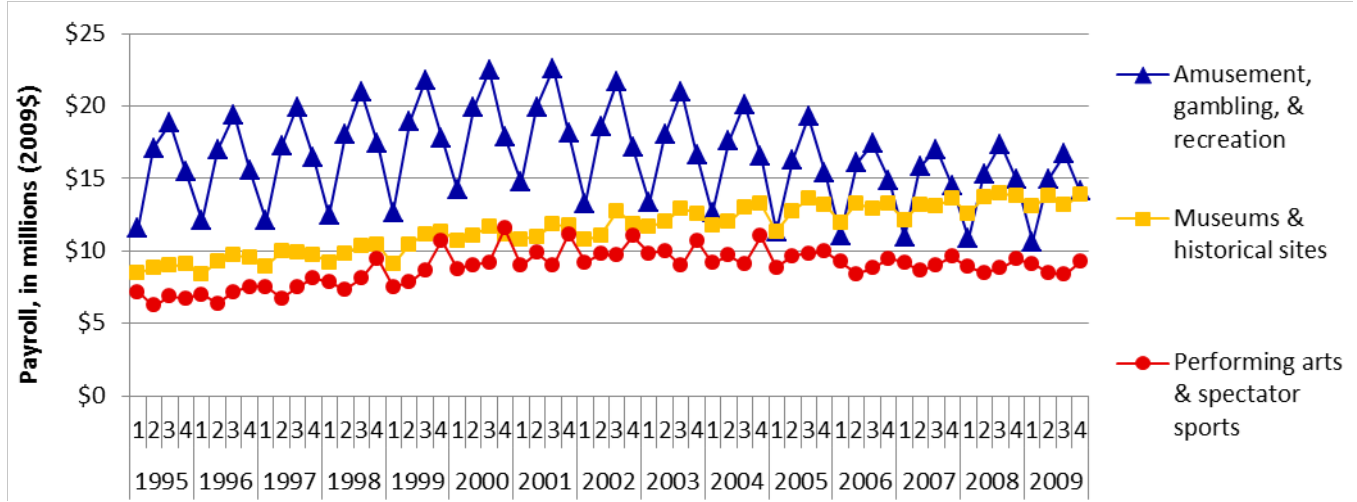
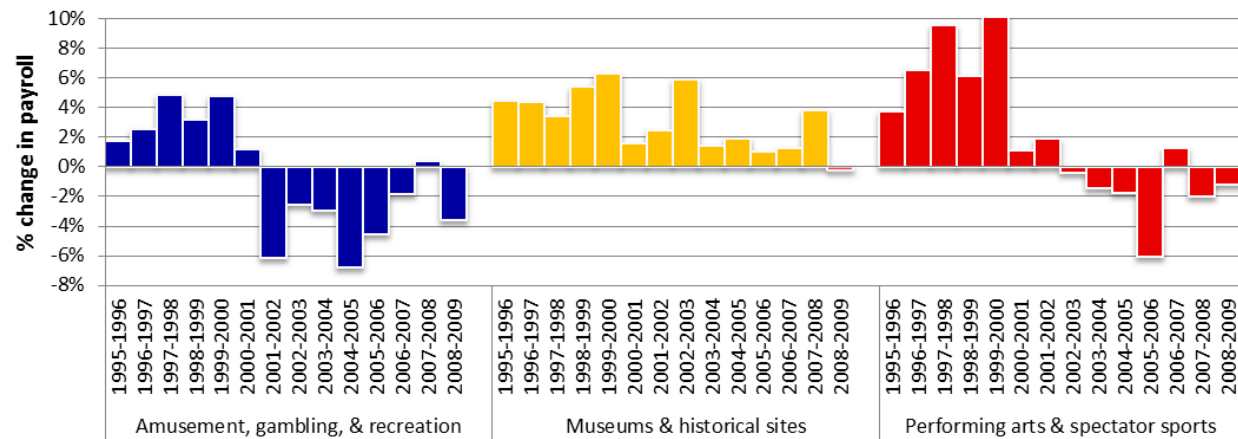


Figure 50: Annual percentage change in nonprofit arts, entertainment, and recreation payroll by sub-industry, 1995-2009



1. Amusement, Gambling, and Recreation

- From 1995 to 2009, for-profit sector payroll increased over 250 percent while nonprofit sector payroll decreased 10 percent (Figure 51). For-profits saw an enormous 308 percent payroll increase in the years between 1995 and 2004, while the nonprofit sector increased only 20 percent from 1995 to its highest point in 2001. Payroll in both sectors decreased after these peaks.
- The nonprofit sector began with 25 percent of private sector amusement, gambling, and recreation payroll in 1995, but had only 8 percent by the end of the time period. This trend is much different than at the national level, where nonprofit payroll increased slightly to account for 23 percent of total amusement, gambling, and recreation payroll in 2007, up from 22 percent in 2002.⁴⁹

⁴⁹ United States Census Bureau, 2002 and 2007 Economic Censuses. Data retrieved from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2007_US_71SSSZ1&prodType=table

Notably, nonprofit payroll was concentrated in “other amusement and recreation,” while for-profits comprised almost all amusement park, arcade, and gambling payrolls. While our state-level data do not allow us to differentiate between separate amusement, gambling, and recreation establishments in Indiana to determine what is at the root of for-profit payroll growth, we suspect that it was due primarily to increases in casino gambling.

- Charity payroll increased throughout the time period, experiencing the greatest growth in 2001 and in 2008-2009.** Annual payroll for other types of nonprofits increased from 1995 to 2000 before decreasing substantially through 2009. Overall, annual payroll for charities grew nearly 150 percent from \$5 million in 1995 to \$12.3 million in 2009. Annual payroll in other nonprofits increased 10 percent from \$58 million to \$65 million in 2000, then decreased dramatically (31 percent) to \$44 million, its lowest annual payroll of the period, in 2009.
- Nonprofits not classified as 501(c)(3) public charities accounted for a large but decreasing share of nonprofit payroll in the amusement, gambling, and recreation sub-industry,** declining from 92 percent in 1995 to 78 percent in 2009 (Figure 52).

Figure 51: Quarterly private sector amusement, gambling, and recreation payroll, 1995-2009

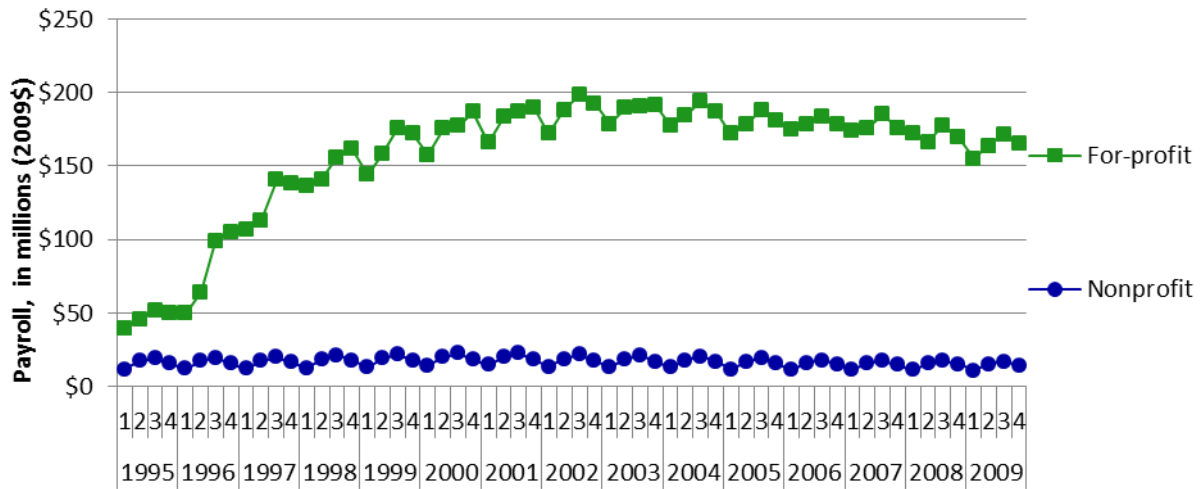
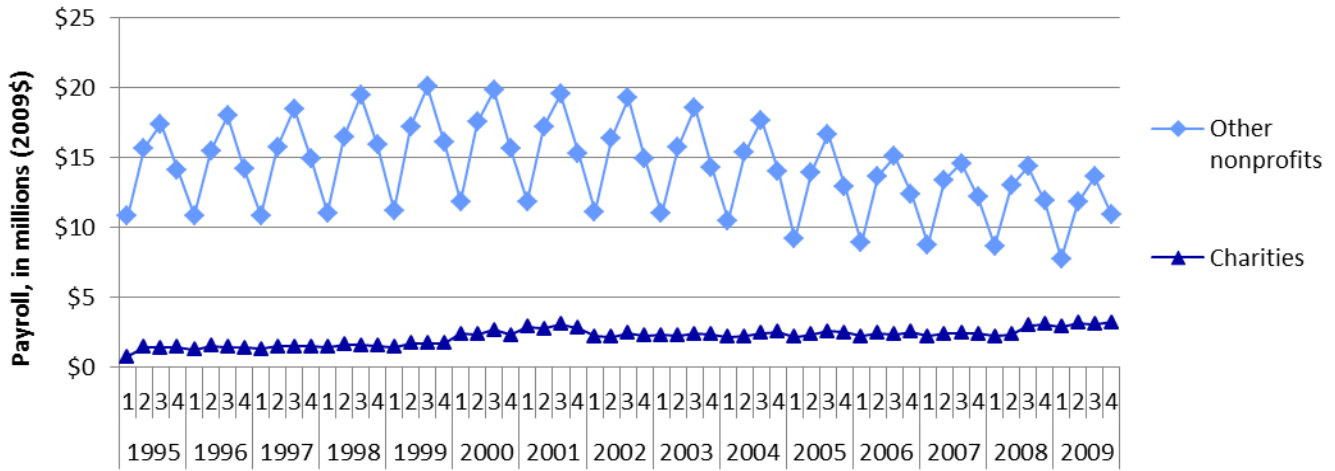


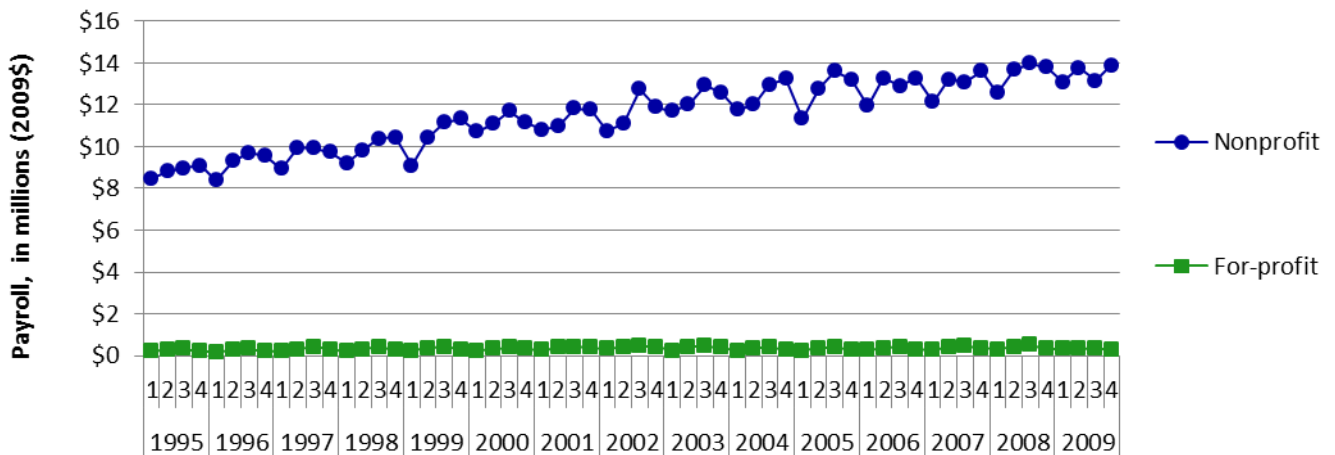
Figure 52: Quarterly nonprofit amusement, gambling, and recreation payroll by nonprofit type, 1995-2009



2. Museums and Historical Sites

- **Nonprofits dominated the payroll of this sub-industry at around 97 percent of payroll, in contrast to the other two sub-industries** (Figure 53). Any growth or changes of the for-profit sector in this sub-industry had minimal impact on the field as a whole.
- **From 1995 to 2008, nonprofit payroll grew steadily every year, from \$35 million in 1995 to nearly \$54 million in 2008.** A slight decrease in the year 2009 may indicate a response to the Great Recession, but it since our data ends in this year, it is too early to tell.
- **Nonprofit payroll experienced more quarterly variation than for-profit payroll for this sub-industry.** Nonprofits varied an average of \$1.2 million from first to third quarter. For-profits, on the other hand, only varied an average of \$0.16 million, but from a much smaller base.

Figure 53: Quarterly private sector museums and historical sites payroll, 1995-2009



3. Performing Arts and Spectator Sports

- **Both nonprofit and for-profit payroll increased over the time period** (Figure 54). Nonprofit increased 30 percent from \$27 million to \$35 million in 2009, while the for-profit sector increased 86 percent, in absolute terms it grew almost three times as much, from \$223 million in 1995 to \$413 million in 2009.
- **This sub-industry demonstrated a clear dominance of the for-profit sector with regard to payroll, with a near constant 90/10 divide with the nonprofit sector.** The strong presence of the for-profit sector in payroll is not surprising given the well-known high salaries for commercial performing artists and athletic coaches and players.
- **During the time period, nonprofits experienced little quarterly volatility, whereas for-profits showed peaks in the fourth quarter.** While nonprofit payroll varied by an average of only \$1.2 million from first to fourth quarter, the for-profit sector varied by as much as \$20 million between the quarters. Interestingly, this trend is different from employment, which peaked during the third quarter. It is possible the discrepancy is due to holiday performances and seasonal bonuses.
- **Charities controlled a majority of nonprofit payroll in the performing arts and spectator sports sub-industry** (Figure 55). Partial data suggests that nonprofit employment and payroll in this sub-industry is concentrated in the performing arts rather than spectator sports components and that performing arts establishments are typically public charities, such as symphony orchestras, ballets, theatres, and the like. However, charities accounted for a notably smaller percent of total payroll in 2009 (62 percent) than in 2002 (80 percent).

Figure 54: Quarterly private sector performing arts and spectator sports payroll, 1995-2009

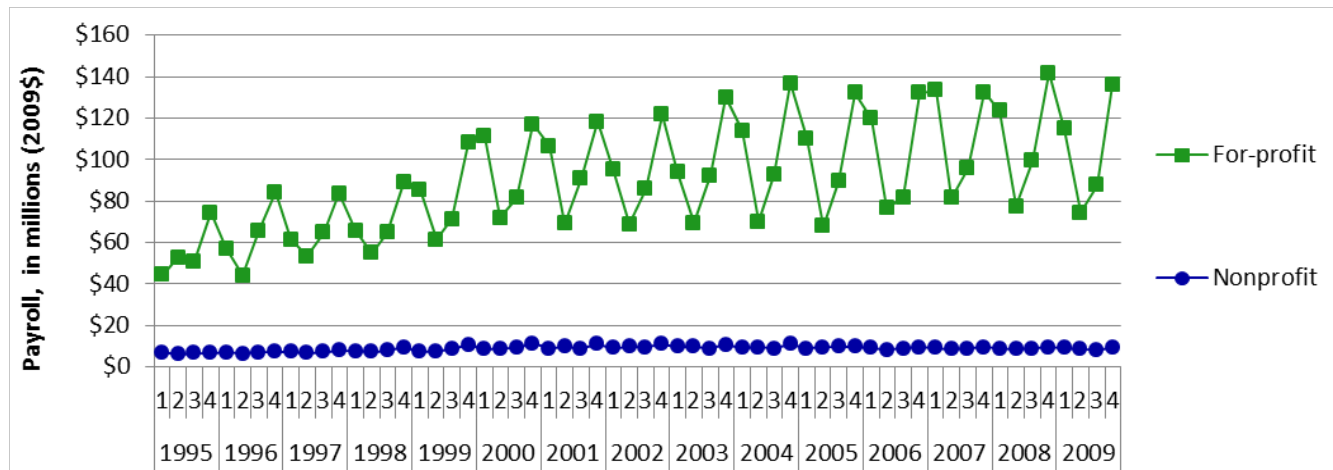
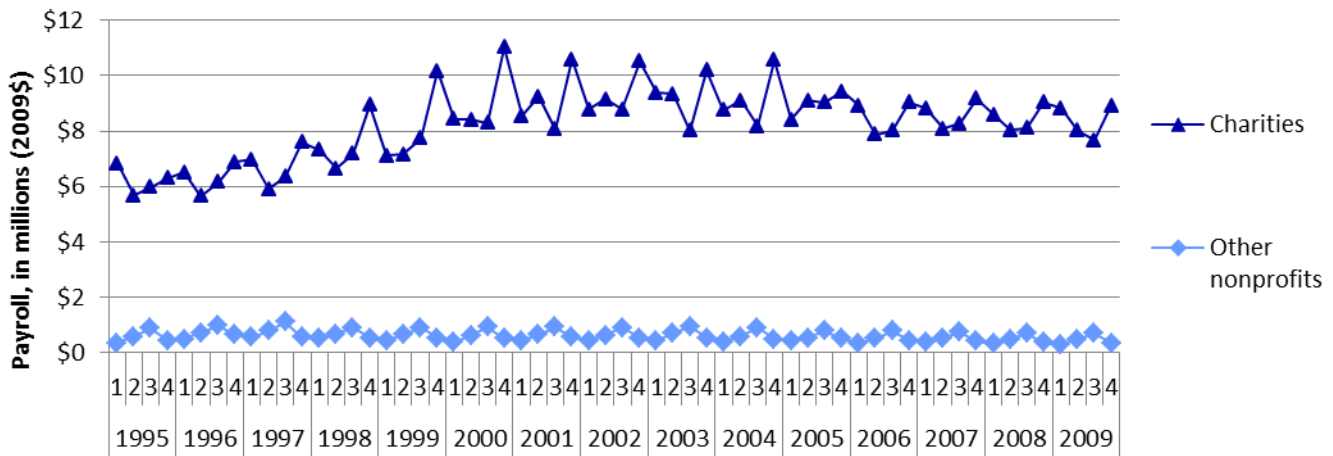


Figure 55: Quarterly nonprofit performing arts and spectator sports payroll by nonprofit type, 1995-2009



V. AVERAGE ANNUAL WAGES

A. Average Annual Wages in Arts, Entertainment, and Recreation and Other Indiana Industries

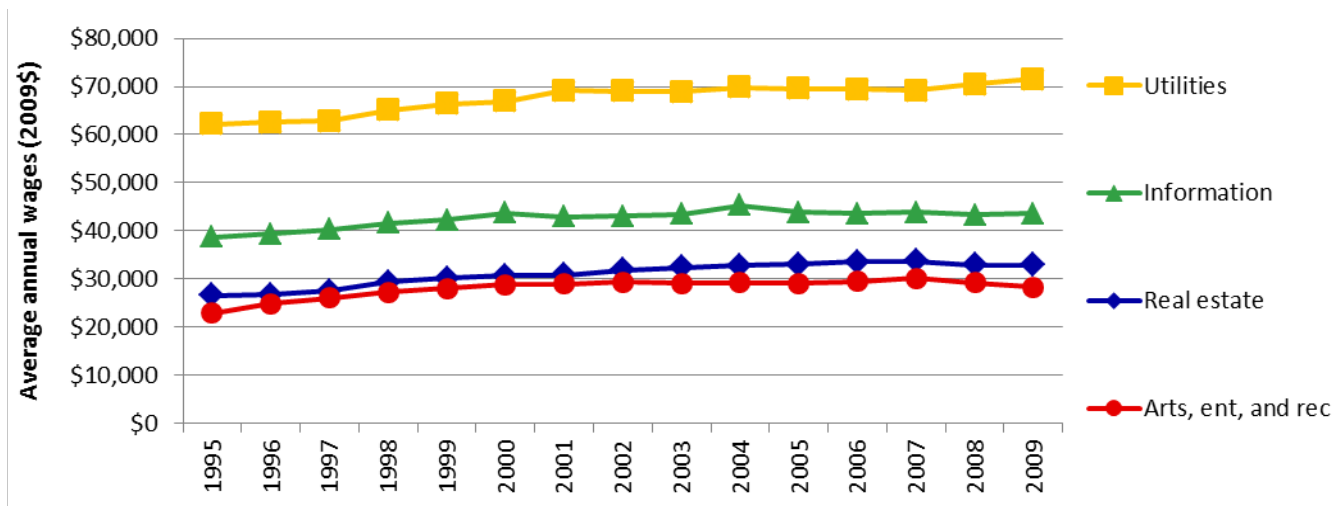
Average wages in the arts, entertainment, and recreation industry increased consistently for much of the time period. However, they remained some of the lowest wages, on average, of any major Indiana industry. These low wages are partially due to the large number of part-time and seasonal workers (e.g., lifeguards, fitness instructors, actors, amusement park attendants, camp counselors, ticket takers, tour guides, etc.) employed in the industry. Many of these seasonal workers include high school and college students, who gain early work experience in this industry.

- **Average wages in the arts, entertainment, and recreation industry as a whole increased 23 percent from 1995 to 2009** (Figure 56), adjusted for inflation. Average wages started at just under \$22,800 in 1995 and peaked in 2007 at slightly over \$30,200. This increase is similar to trends in comparison industries: real estate increased 24 percent during the same time period, and utilities and information grew slightly as well (15 and 13 percent, respectively).
- **Arts, entertainment, and recreation, despite strong growth, remained one of the lowest paying industries.** As of 2009, the average wage of AER employees (\$28,200) was below that of real estate employees (\$32,900), information employees (\$43,600), and utilities employees (\$71,500). This pattern is likely a byproduct of differences in demand for services, lower average education level of AER employees, and higher instances of part-time employment in AER relative to other industries.⁵⁰

⁵⁰ College Career Life Planning. "Arts, Entertainment, and Recreation." p. 228. Accessed on July 16, 2012. <http://www.collegecareerlifeplanning.com/Documents/4%20Career%20Planning/i%20OOH%20Industry%20Summaries/Arts%20Entertainment%20&%20Recreation.pdf>

- **Around the onset of the Great Recession, wages decreased in arts, entertainment, and recreation, as well as in the similarly-sized real estate and information industries.** Relative to these comparison industries, AER experienced the greatest percentage decrease in wages, down 6 percent from 2007 to 2009. Real estate wages, meanwhile, fell only 3 percent, while information wages saw a negligible half percent decrease, and wages in utilities grew 3 percent during the same timeframe. These wage fluctuations may reflect the effect of recessions on demand in each industry. In utilities, for example, consumption remains relatively constant even during times of recession, while in the arts, demand is more likely to decrease as discretionary income falls, placing downward pressure on wages during recessions.

Figure 56: Average annual wages in arts, entertainment, and recreation and similarly-sized industries, 1995-2009



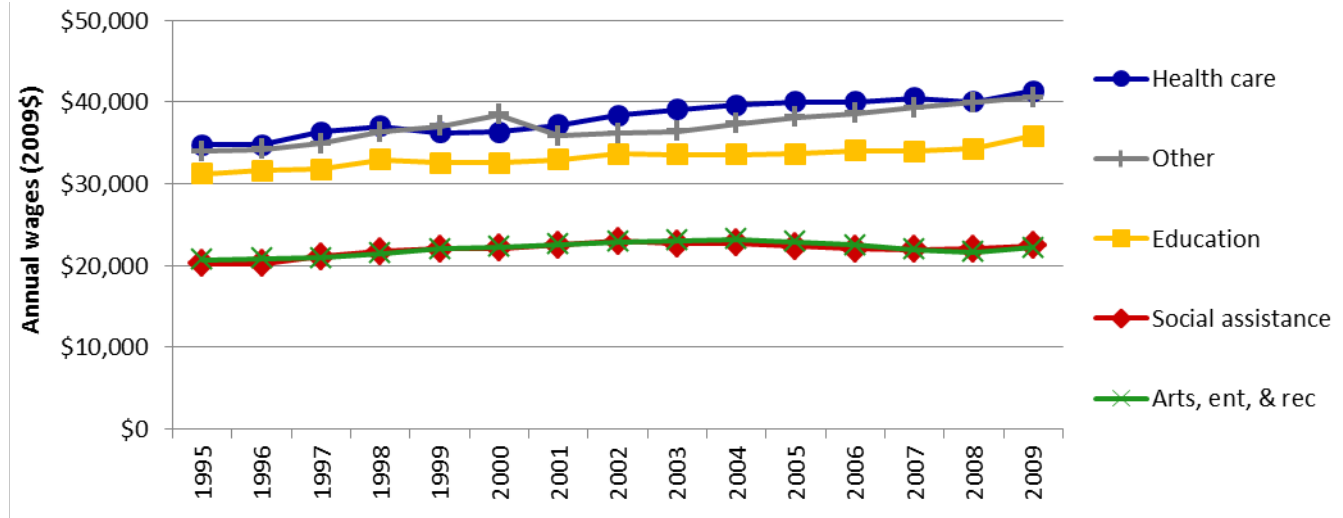
B. Nonprofit Average Annual Wages in Arts, Entertainment, and Recreation and Other Major Nonprofit Industries in Indiana

Like wages for the industry as a whole, wages in nonprofit arts, entertainment, and recreation remained low compared with those of other nonprofit industries. Wages fluctuated over the 15 year time period but ended up higher, on average, than wages in 1995. The tepid wage growth of arts, entertainment, and recreation mirrored changes in social assistance wages but was significantly less than the growth in health, education, and other nonprofit wages during the period.

- **Nonprofit average annual wages in arts, entertainment, and recreation grew by 7 percent from 1995 to 2009, more slowly than the growth in total state nonprofit wages, up 19 percent over the same time period** (Figure 57), adjusted for inflation. Nonprofit healthcare and education wages grew 19 percent and 15 percent respectively, while social assistance wages grew by a similar 11 percent.
- **Average nonprofit wages in arts, entertainment, and recreation reached a low of \$20,700 in 1995 and a peak of \$23,200 in 2004.** There is no clear indication as to why a decrease began in 2004, but social assistance nonprofit wages followed a similar trajectory. This pattern is in contrast to education and healthcare where annual average wages decreased slightly between 2007 and 2008 before continuing

their upward trend in 2009. Other nonprofit industries experienced uneven, but typically positive, wage growth from year to year.

Figure 57: Nonprofit average annual wages in major nonprofit industries, 1995-2009



C. Arts, Entertainment, and Recreation Average Annual Wages in Nonprofit and For-Profit Sectors

Annual average pay for nonprofit workers in arts, entertainment, and recreation was significantly less than what for-profit employees received over the 1995 to 2009 period. This discrepancy may reflect a higher proportion of part-time employees in the nonprofit sector. It may also reflect real pay differences because some workers in the for-profit sector, most notably those involved in commercial performing arts and spectator sports, which are dominated by for-profit establishments, receive wages two to five times greater than the average annual wages in the other sub-industries during various years.

1. Private Sector: Nonprofit and For-Profit

- **Overall private sector wages grew 24 percent from 1995 to 2009** (Figure 58), adjusted for inflation. However, this growth was driven mainly by an increase of 25 percent in for-profit average wages, as nonprofit wages grew only 7 percent.
- **By 2009, for-profits paid their employees, on average, 32 percent more than nonprofit organizations paid their employees.** However, our data do not allow us to distinguish between full-time and part-time employees, and it is possible that nonprofit AER establishments simply hire more part-time workers than do for-profits. If so, the average wages calculated for nonprofit employees would be correspondingly lower than those of for-profit establishments.
- **Nonprofit arts, entertainment, and recreation wages were about 12 percent (\$230) higher in the fourth quarter than in the lowest (second) quarter.** For-profit payroll was also highest in the fourth quarter and showed much more seasonal variation than nonprofit wages, with an average volatility of \$840 (a 34 percent change) between the second and fourth quarters. Since employment does not follow

the same quarterly trend, but rather peaks in the third quarter, the data seem to indicate higher holiday wages, holiday benefits, and/or end-of-year bonuses in both sectors, and especially among for-profits.

- **Nonprofit average annual wages were less volatile than those of for-profits from 1995 to 2009** (Figure 59). Nonprofits saw no increase or decrease in wages greater than 3 percent from one year to the next, while for-profits experienced increases of greater than 10 percent and decreases of more than 4 percent. These trends match expectations for nonprofits, which tend to maintain wages in both strong and weak economies, while for-profits appear more likely to cut wages in recessionary periods and reward employees with increased compensation in strong economies.

Figure 58: Private sector arts, entertainment, and recreation average monthly wages, 1995-2009

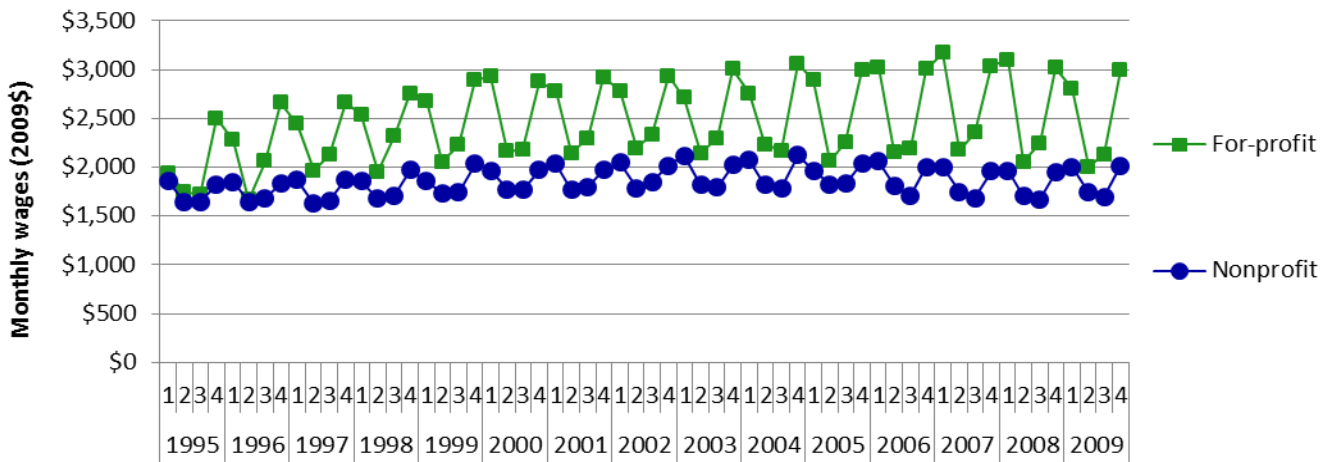
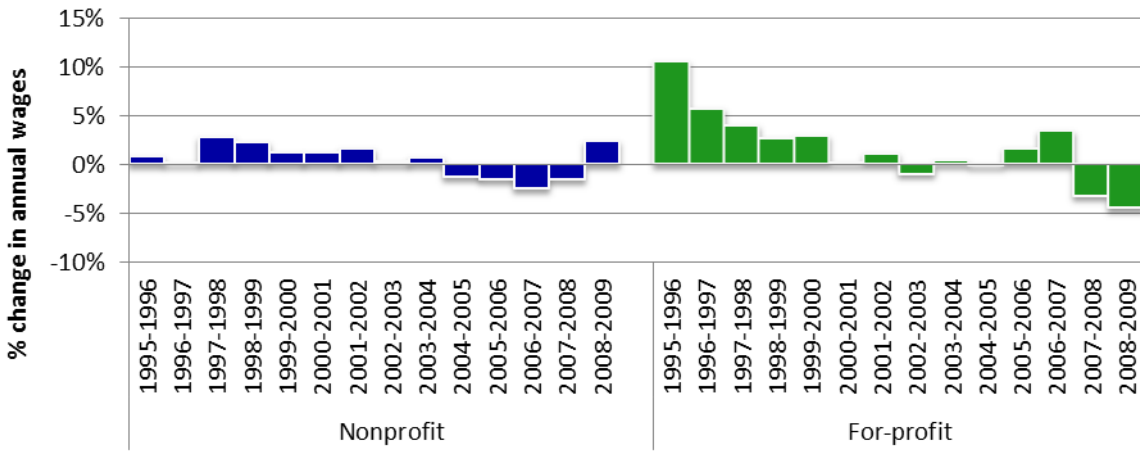


Figure 59: Annual percentage change in private sector arts, entertainment, and recreation average annual wages, 1995-2009



2. Nonprofit Types: Charities and Other Nonprofits

- **Both charities and other nonprofits followed a similar growth pattern: average annual wages peaked in 2004, decreased through 2008, then increased slightly in 2009** (Figure 59), all adjusted for inflation. Average wages in charities peaked at \$26,200 in 2004 from a low of \$23,000 in 1995. Other nonprofit wages peaked in 2001 at \$19,800 before decreasing to a 15-year low of \$18,100 in 2008.
- **Annual wages for both charities and other nonprofits experienced moderate volatility from year to year** (Figure 61). Charity wages increased by as much as 4 percent from 1997 to 1998 and decreased by about 3 percent annually from 2004 to 2006. Other nonprofit wages experienced consecutive declines of nearly 4 percent per year from 2006 to 2008 which negated years of wage growth in the late 1990s.

Figure 60: Nonprofit arts, entertainment, and recreation average monthly wages by nonprofit type, 1995-2009

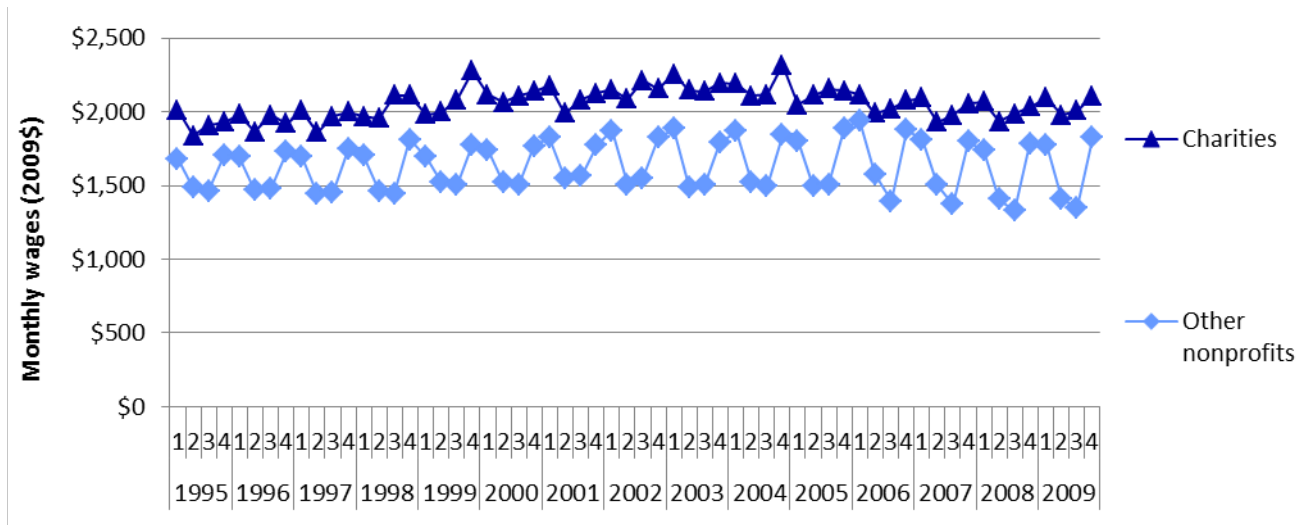
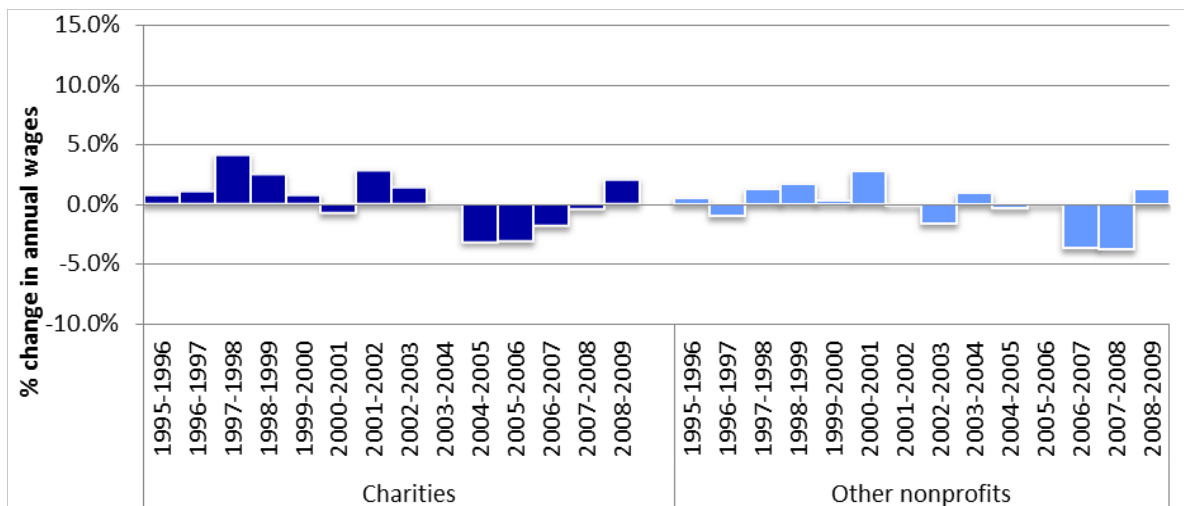


Figure 61: Annual percentage change in nonprofit arts, entertainment, and recreation average annual wages by nonprofit type, 1995-2009



D. Average Annual Wages in Specific Arts, Entertainment, and Recreation Sub-Industries

Average annual nonprofit wages in arts, entertainment, and recreation in Indiana were highest in the museums and historical sites and the performing arts and spectator sports sub-industries. While nonprofit wages in the museums and historical sites sub-industry outpaced for-profit wages by around 60 percent, the opposite was true of the performing arts and spectator sports sub-industry. Amusement, gambling, and recreation held a distant third place for average nonprofit wages.

- Annual nonprofit wages in the museums and historical sites sub-industry grew the most (19 percent) of all AER sub-industries between 1995 and 2009** (Figure 62). Museums and historical sites is the only AER sub-industry composed primarily of nonprofit employees. Nonprofit wages grew only slightly (3 percent) in performing arts and spectator sports and shrank in amusement, gambling, and recreation (-4 percent). Each of the latter two sub-industries have a significant presence of for-profit employees.
- Performing arts and spectator sports wages experienced significant annual volatility during the time period** (Figure 63). Wages in this sub-industry grew each year from 1997 to 2003, then fell through 2008. By comparison, museums and historical sites workers, outside of a 7 percent wage increase from 1997 to 1998, saw no change in wages greater than 4 percent during the time period. Amusement, gambling, and recreation workers experienced a slight increase in average annual wages from 1995 to 2001, but that gain had evaporated by 2009, despite notable increases in the number of establishments, total employment, and total payroll over the period.
- Average monthly wages for nonprofit workers in arts, entertainment, and recreation were lowest for all three sub-industries during the second and third quarters** (Figure 64). Most likely, this pattern reflects a reliance on lower-paid or part-time workers to meet increases in demand during the summer months, when employment peaks for all three sub-industries.

Figure 62: Nonprofit arts, entertainment, and recreation average annual wages by sub-industry, 1995-2009

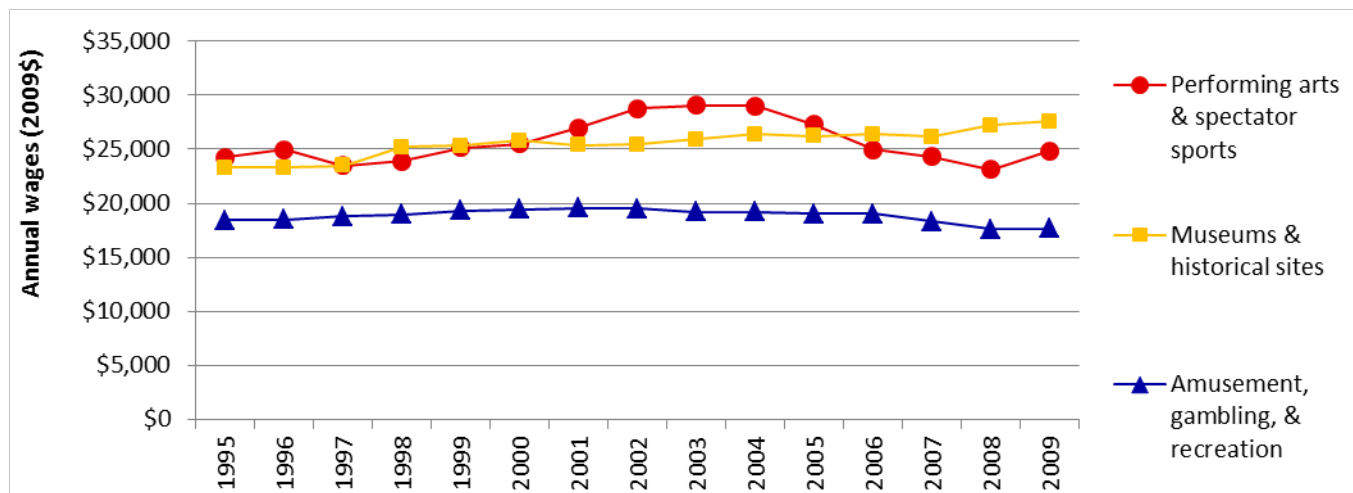


Figure 63: Annual percentage change in nonprofit arts, entertainment, and recreation average annual wages by sub-industry, 1995-2009

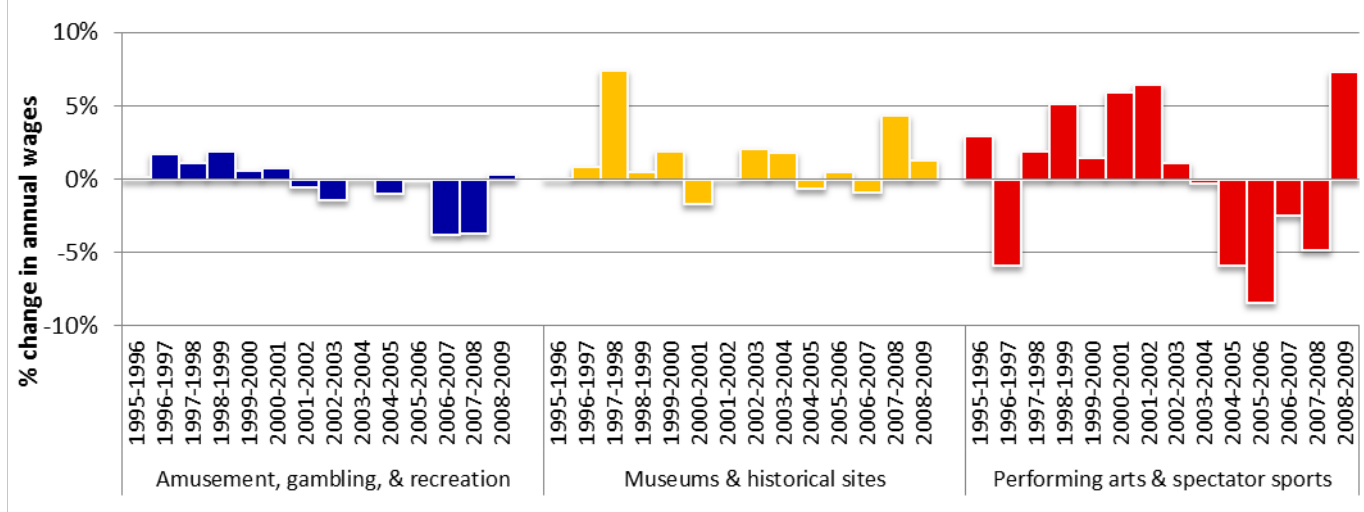
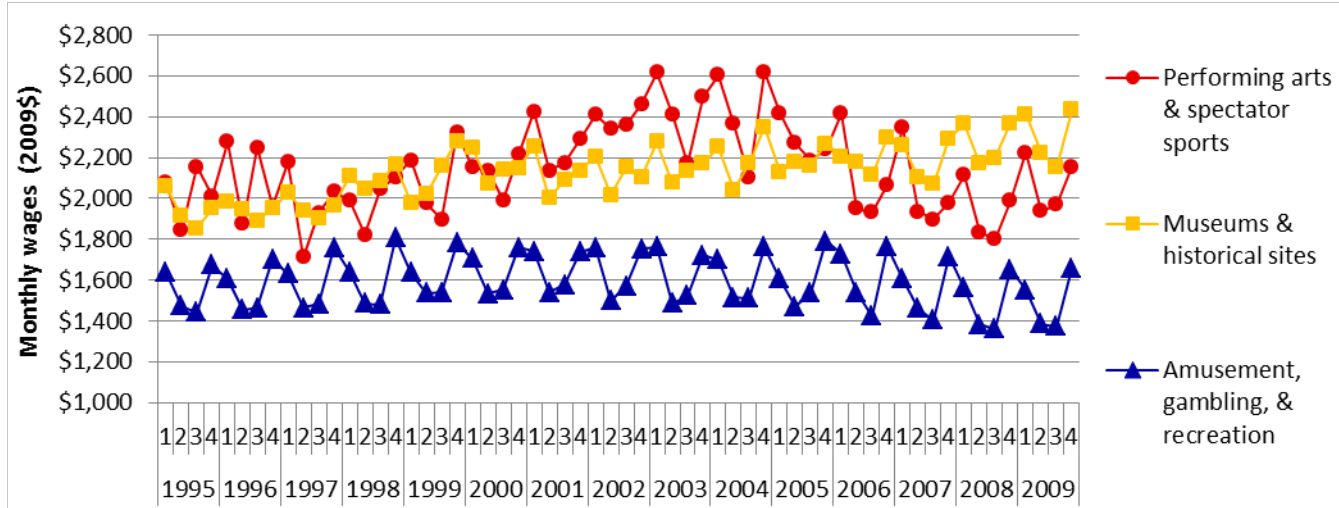


Figure 64: Nonprofit arts, entertainment, and recreation average monthly wages by sub-industry, 1995-2009



1. Amusement, Gambling, and Recreation

- For-profit wages in amusement, gambling, and recreation grew 65 percent from 1995 to 1998, with the greatest annual percentage change (a 30 percent increase) occurring from 1995 to 1996 (Figure 65). In the third quarter of 1996, for-profit annual wages surpassed nonprofit wages and remained greater for the rest of the time frame. As noted previously, changes to Indiana gambling laws created new opportunities for casinos after 1993. This development likely accounted for most of the changes in annual wages, which occurred progressively due to the time it took for casinos to open. This pattern evidences for-profit ability to adjust wages rapidly to new conditions in search of profit-maximizing levels.
- Private sector amusement, gambling, and recreation workers had the lowest average annual wages of any of the three sub-industries over the time period at \$22,200. Nonprofit annual wages remained near \$19,000 annually from 1995 to 2004 before they dipped to approximately \$17,000 during

the Great Recession. For-profit wages surpassed nonprofit wages in 1996 and peaked at \$24,700 in 2002, all adjusted for inflation. By the end of the period, nonprofit and for-profit wages averaged \$17,700 and \$22,000 respectively.

- **By comparison, national average annual wages for nonprofit workers in amusement, gambling, and recreation were about \$19,100 in 2007.**⁵¹ Almost all nonprofit payroll was concentrated among “other amusement and recreation” establishments. For-profits also contributed to total payroll in “other amusement and recreation,” and they comprised up to 100 percent of payroll in amusement parks and arcades as well as in gambling, where average wages were higher—\$21,100 and \$27,900, respectively. While our data do not allow us to distinguish between amusement establishments versus those of gambling and of recreation in Indiana, we suspect that a similar pattern exists at the state level.
- **The average annual wage for workers employed by charities in the amusement, gambling, and recreation sub-industry decreased 11 percent from 1995 to 2009,** while wages for workers employed by other nonprofits increased 2 percent over the same time frame (Figure 66). Total nonprofit wages in this sub-industry decreased 4 percent and largely followed the trends of nonprofits not classified as 501(c)(3) public charities. This is unsurprising, as these other kinds of nonprofit establishments, such as social and recreational clubs, on average employed 84 percent of the total workforce among amusement, gambling, and recreation nonprofits.
- **Beginning in 2000, wages in amusement, gambling, and recreation diverged for workers in charities and workers in other nonprofits.** Between 1995 and 2000, monthly wages in charities were on average \$240 lower than those in other nonprofits. However, from 2001 to 2009, average wages for workers in charities decreased, while wages for workers in other nonprofits steadily increased. By 2009, the average difference in monthly wages was \$450 (adjusted for inflation).

⁵¹ United States Census Bureau, 2007 Economic Census. Data retrieved from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2007_US_71SSSZ1&prodType=table

Figure 65: Average monthly wages of private sector amusement, gambling, and recreation employees, 1995-2009

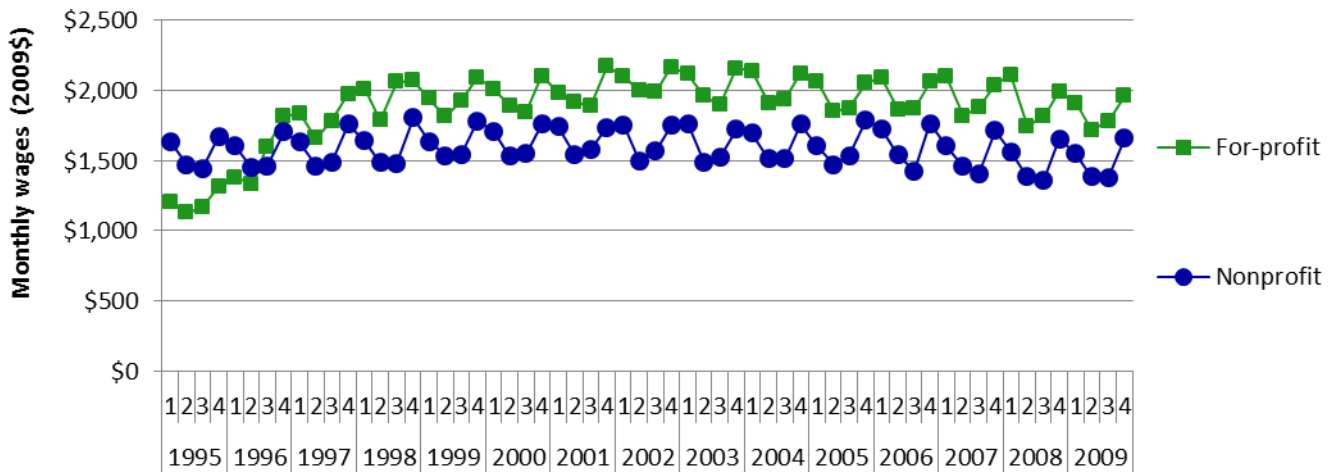
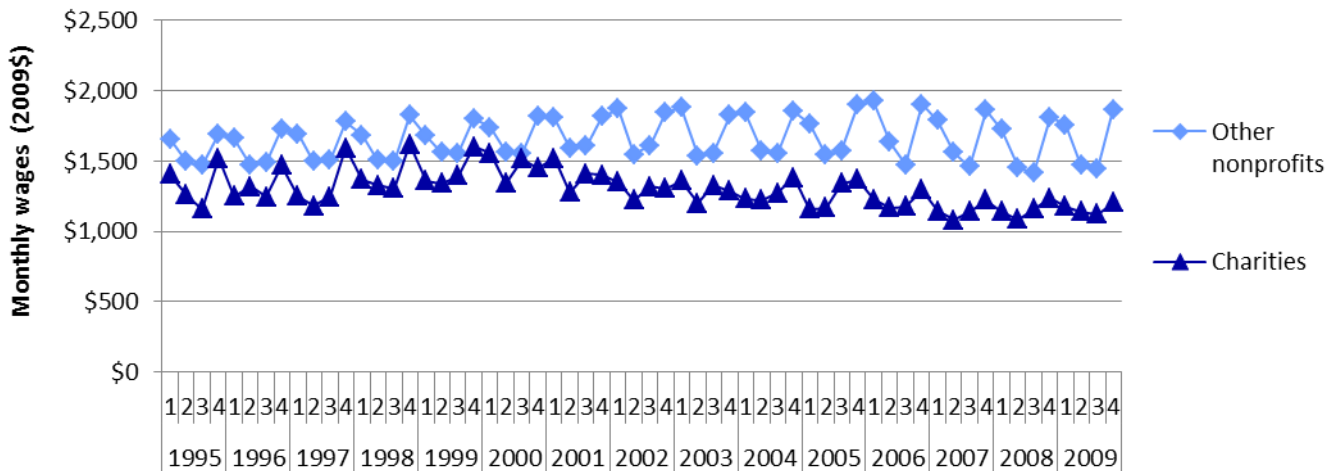


Figure 66: Average monthly wages of nonprofit amusement, gambling, and recreation employees by nonprofit type, 1995-2009

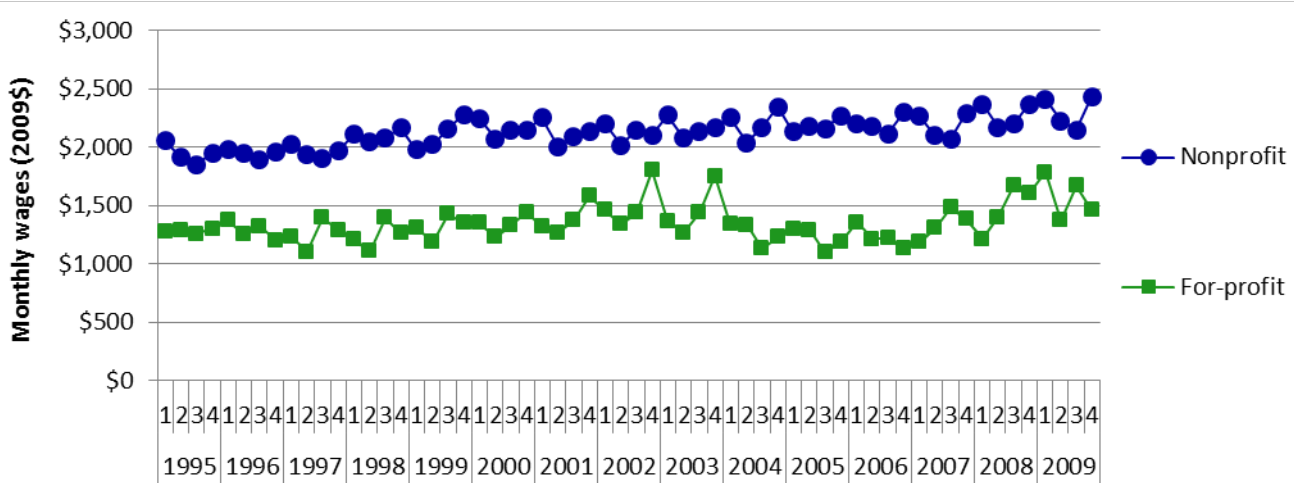


2. Museums and Historical Sites

- **Nonprofit average annual wages in the museums and historical sites sub-industry started at \$23,300 in 1995 and rose to \$27,600 by 2009, a 19 percent increase** (Figure 67), adjusted for inflation. By 2006, this steady increase led to museums and historical sites passing performing arts and spectator sports as the highest paying nonprofit sub-industry. Although for-profit annual wages also increased (up by 22 percent), they started at only \$15,400 in 1995 and by 2009 stood at \$18,800, or about two-thirds the annual wage for nonprofit workers in the sub-industry.
- **In the museums and historical sites sub-industry, average wages for nonprofit workers showed little year to year volatility or seasonality.** For-profits showed greater annual volatility in wages, but

there were so few for-profit employees that these changes are not particularly meaningful. Average monthly wages for nonprofit workers, which dominate the museum sub-industry, tended to peak in the first quarter.

Figure 67: Average monthly wages of private sector museums and historical sites employees, 1995-2009



3. Performing Arts and Spectator Sports

- **Nonprofit annual wages averaged \$25,700 for the performing arts and spectator sports sub-industry over period from 1995 to 2009, while average for-profit wages were more than double that amount (\$59,100)** (Figure 68). The disparity between these two figures is surprising, as employees are known to alternate employment frequently between the two sectors.⁵² It seems unlikely that employees would ever leave the for-profit sector if wages were truly so unequal. It seems more likely, therefore, that the difference reflects very high wages in the spectator sports part of this sub-industry (which is dominated by for-profit establishments at the national level) and/or higher proportions of part-time nonprofit workers (which are concentrated mainly in the performing arts segment of the sub-industry at the national level). We do not have the necessary level of detail at the state level to confirm either of these explanations.
- **The private sector average annual wage for the period was \$53,100 and mirrored the average annual wage of for-profit organizations**, as for-profits accounted for an average of 81 percent of private sector employment in the sub-industry.
- **For-profit wages in performing arts and spectator sports showed high seasonal fluctuations, with monthly wages in the fourth quarter, on average, 137 percent greater than wages in the second quarter.** This volatility far exceeded that of nonprofits, which fluctuated only about 11 percent, on average, between the highest and lowest earning quarter.

⁵² Toepler, Stefan and Wyszomirski Margaret. (2012). Arts and Culture. In Lester M. Salamon (Ed.), *The State of Nonprofit America* (pp. 229-265). Washington, DC: Brookings Institution Press. p. 230

- **Average annual wages in charities and other nonprofits showed divergent patterns during the time frame** (Figure 69). In 1995, annual wages in charities averaged \$24,900 and increased to a high of \$32,100 by 2003, before decreasing to \$27,300 by 2009. Likely due to their more seasonal nature, other nonprofits paid substantially less than charities. In 1995, wages for workers in nonprofits other than charities averaged \$18,600 before decreasing 35 percent to \$12,100 in 1997. Wages continued to fall for the most part until they reached a new period low of \$9,400 in 2009.
- **Monthly wages of nonprofits not classified as charities varied tremendously, averaging a 110 percent decrease between first and second quarters.** This decrease may be due to reductions in the number of seasonal workers, who are typically paid less than nonseasonal staff, after the holiday season. Charities, on the other hand, peaked mostly in the third quarter and on average grew 8 percent between the second quarter and third quarter.

Figure 68: Average monthly wages of private sector performing arts and spectator sports employees, 1995-2009

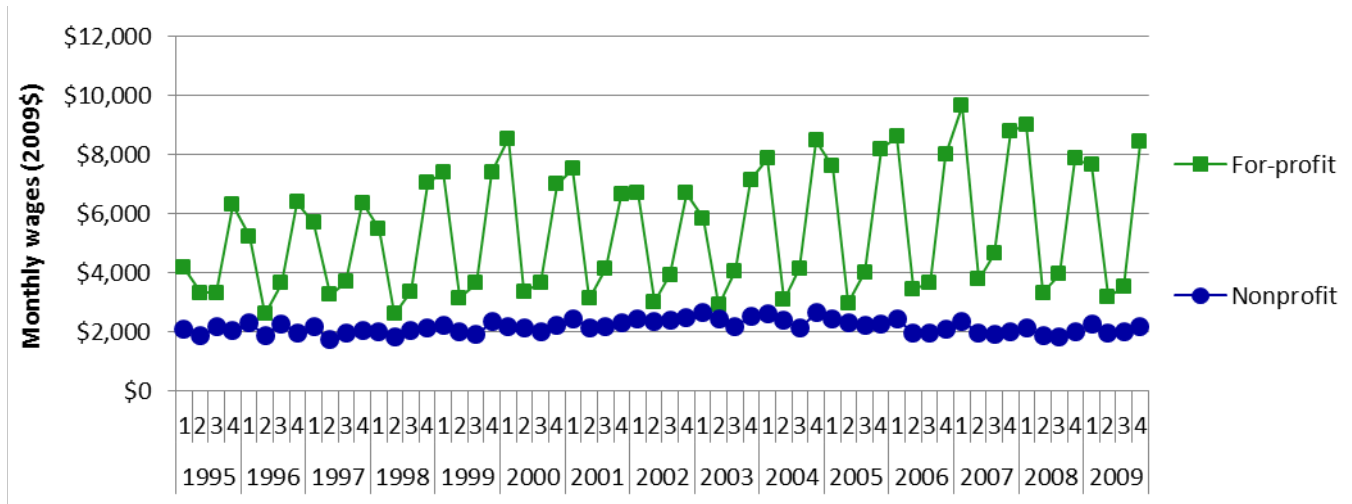
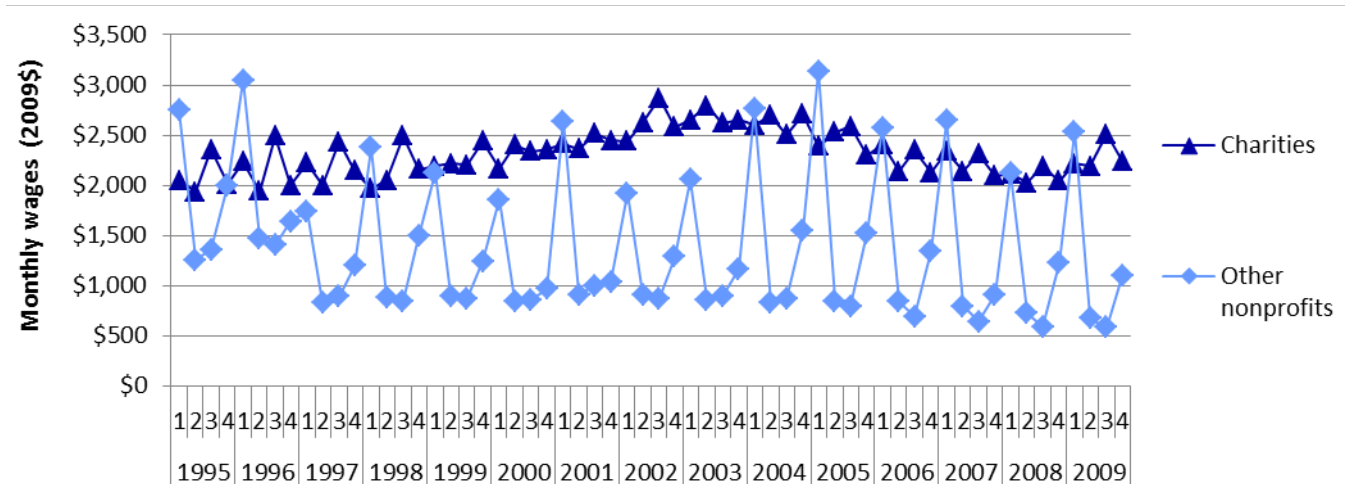


Figure 69: Average monthly wages of nonprofit performing arts and spectator sports employees by nonprofit type, 1995-2009



VI. CONCLUSION AND POLICY IMPLICATIONS

The arts, entertainment, and recreation (AER) industry spans from bingo halls to ballet performances, from sports leagues to children’s museums. This wide range of activities, organizations, and events has an enormous impact on the livelihoods and quality of life of Indiana residents. Often, however, public perception of the AER industry does not adequately extend to the important community benefits the industry provides. This report takes a detailed approach to exploring the nuances of AER with respect to the scope and impact of its employment, widening our perspective of the participation of nonprofits in this fast-growing and pervasive industry.

Our analysis reveals several major themes in the arts, entertainment, and recreation industry between 1995 and 2009. First, we find very pronounced patterns of seasonality in employment across almost all sub-industries and all sectors, suggesting that a significant segment of employees in this industry must find other employment during the off-season and that AER establishments must devote considerable resources to hiring, training, and terminating employees.

Second, we find clear evidence of sector specialization in some sub-industries (such as the nonprofit domination of museums and historical sites) but also growing competition between nonprofits and for-profits in other sub-industries. In AER’s nonprofit sector, we see the presence of both 501(c)(3) public charities and other kinds of nonprofits. Differences between the behavior of charities and other nonprofits in terms of employment, establishments, and payroll are more apparent in the AER industry than in other major nonprofit industries like education or social assistance. Even with its smaller-sized base, AER experienced less nonprofit growth than did other major nonprofit industries.

Despite this modest growth, arts, entertainment, and recreation employment became a more important element in Indiana over the 1995-2009 time period. Growth in AER employment outpaced that of Indiana employment overall. While Indiana experienced an overall decrease in employment, total AER employment grew by 79 percent, and the number of AER establishments increased by 18 percent. Payroll in AER increased an impressive 121 percent—from over \$560 million in 1995 to \$1.24 billion in 2009 (adjusted for inflation).

Most of the growth in arts, entertainment and recreation occurred in the booming economic years between 1995 and 2000, when total AER employment grew 12.5 percent annually on average. Even during the most recent Great Recession years of 2008 to 2009, AER employment remained stable while overall Indiana employment shrank 6 percent, highlighting the importance of this industry in the Indiana economy and in the lives of the people in our state.

Growth in this industry was primarily driven by the for-profit sector, though nonprofits played an important role. From 1995 to 2009, AER approached a 9 percent growth in nonprofit employment, with almost 6,600 nonprofit workers employed statewide by the end of the period. Nonprofit payroll also grew by 16 percent (adjusted for inflation), ending 2009 at \$146 million. The for-profit sector, in contrast, grew by about 110 and 160 percent in employment and payroll respectively. This for-profit growth occurred overwhelmingly in the first five years of this analysis and was rooted predominantly in employment increases in the amusement,

gambling, and recreation sub-industry (which grew 130 percent between 1995 and 2009). We can most likely attribute this change to the 1993 Indiana Riverboat Gaming Act authorizing riverboat gambling and the construction of casinos in southern Indiana.

The reliance on seasonal and part-time employment may account at least in part for the disparity between nonprofit and for-profit wages in the AER industry. The gap between nonprofit and for-profit wages increased during the time period. Wages among nonprofit workers grew 7 percent from \$20,700 in 1995 to \$22,200 in 2009, but for-profit wages increased from \$23,500 to \$29,300, or 25 percent, over the same period. The discrepancy may also reflect very different wage levels between some of the industry segments (e.g., performing arts vs. spectator sports) that are evident at the national level; however, we do not have corresponding data for Indiana to confirm this possible explanation.

More broadly, we recognize that the tangible benefits of arts, entertainment, and recreation are hard to quantify, as one cannot satisfactorily measure leisure, quality family time, or increased cultural awareness. Despite the small size of the nonprofit sector in this industry, the activities and attractions it provides are highly valued by a wide range of audiences and constituency groups. AER contributes to local enjoyment, mental and physical health, and public education, as well as to employment and local economic development. Articulating these benefits will be critical for nonprofit AER organizations in the future as austerity cuts to state government budgets may continue the trend of shrinking public funding to the arts.⁵³

Overall the arts, entertainment, and recreation industry makes important contributions to Indiana economy, culture, and quality of life, and while nonprofit and for-profit sectors tend to occupy somewhat specialized niches, both play important roles in the AER industry. As Indiana makes strategic plans for strengthening economic development, the AER industry is likely to play a key role in attracting businesses, employees, and creative groups concerned about high-quality arts and culture shows and performances, public entertainment opportunities, and enjoyable recreational activities.

In addition, many arts, entertainment, and recreation activities take place inside schools, universities, churches and other organizations that include arts, cultural, or recreational programming among the services they deliver in particular locations or establishments. Unfortunately, these types of embedded activities are generally excluded from the analysis we present here, and the workers and payrolls involved are counted under other industries if the organizations themselves are included in those industries (most churches and other religious organizations, however, are not).

Our overall estimates of Indiana's nonprofit employment and payroll are conservative, as explained in Appendix A. It is impossible to know how many workers Indiana nonprofits actually employ, but it is likely to be significantly higher than we can document in this report. Currently, all Indiana for-profit and nonprofit establishments are simply coded as "private." If employers that already participate in the Quarterly Covered Employment and Wages (ES-202) reporting system would be able to indicate whether they are operating under for-profit, nonprofit, or government (federal, state, or local) ownership, the state

⁵³ Indiana Arts Commission. Arts Commission to Cut Two Programs and Scale Back Others to Meet Budget Reduction. Accessed June 28, 2012. <http://www.in.gov/arts/2602.htm>

could ensure more accurate and comprehensive data. This change would impose only minor new reporting requirements on participating establishments and would insure more accurate and comprehensive data by avoiding the cumbersome and problematic process we have had to use here to estimate nonprofit employment. We are, however, 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.

This report is seventh in the *Indiana Nonprofits: Scope and Community Dimensions* series that has examined nonprofit employment in Indiana. *Indiana Nonprofits: Scope and Community Dimensions* will soon release new reports showing nonprofit employment trends in healthcare and in membership organizations. Please visit the project website www.indiana.edu/~nonprof for the most current information available.

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

Source of Data

The major source of data for this report is the Quarterly Census of Employment and Wages Program (QCEW), also referred to as the ES-202 program, a cooperative initiative involving State Employment Security Agencies and the U.S. Department of Labor's 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 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 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 federal installations in Indiana.

Scope of Coverage

The ES-202 program currently accounts for approximately 95 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,⁵⁴ charitable establishments employing less than four workers in 20 weeks during the year, and religious organizations.⁵⁵ The latter two exclusions mean that our analysis necessarily underestimates Indiana nonprofit employment, although some establishments in these two categories are already included in our dataset.⁵⁶

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 few that do are covered in the data (classified as membership associations). The extent to which nonprofit employment is underestimated is unknown, but it appears to be extensive for religious organizations.⁵⁷

⁵⁴ "Part-Time" is defined as remuneration of less than \$50 in any calendar quarter.

⁵⁵ Indiana Code § 22-4-7-2(h) and § 22-4-8-2(j)

⁵⁶ For example, almost one third (29 percent) of the nonprofit organizations included in our analysis for 2009 reported that they had less than four employees; however, this set of nonprofits accounted for only 1.4 percent of all nonprofit employees and only 1.1 percent of total nonprofit payroll. Only 155 religious associations with some 1,179 employees were included in 2009.

⁵⁷ Statewide, more than 10,000 congregations are listed in the yellow pages; 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. Survey data from 2002 show 88 percent of congregations having at least one paid staff member (at the national level, 87 percent of congregations reported at least one paid staff member in 2006-07; see Chaves, Mark Shawna Anderson & Jason Byassee [2009]. National Congregations Study: American Congregations at the Beginning of the 21st Century. Duke University., pp. 12, 25. Online at

The number of employees is measured by the number of filled jobs for the pay period that includes the reporting 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 Identification Numbers (FEINs) of private firms (excluding government entities) 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. We present here only aggregated data, filtered using federal and state disclosure rules⁵⁸ to preserve confidentiality.

Indiana tax-exempt entities were identified using the Exempt Organization Master File (EOMF) published by the Internal Revenue Service. This 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 of private employers in 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 match 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 25 other subsections under which organizations can claim exemption from federal income taxation. These include such types of nonprofit

<http://www.soc.duke.edu/natcong/> [retrieved June 25, 2012.]. In the 2002 Indiana survey, we found that congregations with paid staff on average employ 9.8 workers (full-time or part-time), although only half have four or more employees. We attempted in our previous employment report to estimate the extent of non-coverage for both religious organizations and charitable establishments with fewer than four employees; please refer to that report for specific calculations derived from results of our 2002 survey of Indiana nonprofits.

⁵⁸ Data is suppressed if 1) a data grouping includes less than three establishments, 2) one establishment comprises more than 80 percent of the employment of a data grouping, or 3) suppressed data can be estimated from other available data.

organizations as social clubs, labor unions, business associations, civic organizations and fraternal benefit 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 types of organizations most commonly associated with the nonprofit sector. It also includes the largest nonprofits, most notably universities, hospitals, and major arts and cultural institutions.

For example, in 2009 several key IRS reporting characteristics (some details were suppressed to protect confidentiality) included:

- Exemption status (three 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 2009, more than half (58 percent) of all nonprofit establishments were charities and these accounted for 90 percent of all nonprofit employment and 91 percent of total nonprofit payroll. Social welfare (advocacy) nonprofits accounted for less than 3 percent of all nonprofit establishments and about 1 percent of nonprofit employment and payroll. Other types of nonprofits constituted 34 percent of nonprofit establishments, but only about 8 and 7 percent, respectively, of nonprofit employment and payrolls.
- Location status (two types): IRS-registered nonprofits using an Indiana address for purposes of reporting with the IRS and all other IRS-registered nonprofits. A nonprofit reporting address may be that of an accountant, board president, or headquarter organization, and therefore is not necessarily an indicator of where the organization carries out all, or even some, of its activities. In 2009, about 86 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 96 percent of total Indiana nonprofit employment and nonprofit payroll.
- Filing status (two 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 more than \$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 \$25,000 or less also file Form 990. In 2009, 91 percent of Indiana nonprofit entities filed financial information with the IRS. They accounted for 96 percent of total nonprofit employment and 97 percent of total nonprofit payroll in the state. The rest – some 168 non-filers – employed a total of 7,484 employees (or an average of about 45 per establishment) and had combined payrolls of \$244.3 million (or about \$1.4 million per establishment). This suggests that a non-trivial proportion of the non-filers would appear to meet and exceed the revenue threshold for filing Form 990. We believe that at least some of these “non-filers” are large religiously affiliated nonprofits, such as hospitals and universities.

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. Some 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.⁵⁹ 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.

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.

At the industry level, as discussed in previous sections of this report, it is also not possible to account for relevant activities that may take place inside establishments classified as belonging to other industries, such as education (schools and universities) or other services (such as social assistance and churches). This problem is particularly pervasive for the analysis presented here, since many organizations not classified as arts, entertainment and recreation establishments nevertheless include such programming among services they deliver in particular locations. Therefore, these types of embedded activities are excluded from the analysis we present here.

Finally, we used the IRS status on the EOMF as of March or April of the data year in question to capture IRS exempt status at the end of the immediately preceding calendar year, allowing time for newly registered exempt entities to be included on the EOMF (a process that may take several months). A close analysis of quarterly records suggests that this procedure may miss some nonprofits that receive their exempt status later than this cut-off date. However, we believe the error is fairly small, although the consequence is to reduce our estimate of nonprofit employment.

We are also unable to account for establishments that were deleted from the IRS tax-exempt list by March/April 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 1995 to 2009.

⁵⁹ We have adjusted the data to correct this only in the case of membership associations (NAICS 813). We assume that there are no for-profit membership associations and so we calculate “true” nonprofit totals for this industry by subtracting government membership associations from the total. For example, this means that we reclassified 369 private associations with 2,122 employees and total payroll of \$50.5 million as nonprofit in 2009 data, although they were not registered with the IRS as tax-exempt organizations. Since we do not know whether they would be considered charities if they were registered with the IRS, we have classified all of these non-registered membership associations simply as nonprofits, even though some of them (most notably religious congregations) would qualify as charities. Consequently, our estimate of charitable membership organizations is likely to be underestimated.

The Johns Hopkins Center for Civil Society Studies' Nonprofit Employment Data Project has been working with the various state Employment Security Agencies throughout the country drawing on this ES-202 data source to generate similar data on nonprofit employment in other states and for the U.S. as a whole (see www.jhu.edu/~ccss). For more information on the Indiana Nonprofits: Scope and Community Dimensions project, see www.indiana.edu/~nonprof.

Data Processing and Cleaning

The data used in this report require substantial manipulation and cross-checking to create the level of details in which our analysis is presented here (we have about 1.7 million data points per year). The work involves standardizing the names of key fields, computing the number of establishments, number of employees, total payroll, and average annual wages by industry for all sectors and sub-sectors, adjusting for suppressed information, and correcting for the absence of some membership associations in the Exempt Organizations Master File. We have prepared a detailed manual with instructions and system of checks and balances that is available to anyone wishing to replicate our work elsewhere. Please contact us at nonprof@indiana.edu for more information.

Two problematic items deserve somewhat more description. First, in processing the data for a previous report in this series, we noticed substantial growth in charitable wages from one year to the next in one economic region, with a corresponding decline in for-profit wages in the same region and during that same time period. We collaborated with the IBRC to determine the source of these shifts and discovered that they were tied to the manufacturing industry and that there were other regions with surprisingly high levels of nonprofit or charitable employment in manufacturing.

With additional assistance from the IBRC we were able to determine that these patterns appear to reflect inconsistent use of identifying information in the two main databases used in developing this analysis. The analysis presented here is based on data that have been corrected for the inconsistencies we were able to identify. For some years, the changes involve redefining as for-profit about a dozen establishments that jointly employed more than 5,000 workers, with an aggregate payroll of over a half billion dollars. Additional problems may remain hidden, despite our best efforts to identify similar suspect patterns.

Second, while not a major issue for our analysis of arts, entertainment and recreation, we are aware that religiously-affiliated universities and hospitals present special challenges in our analysis. We observed substantial spikes in our data for these industries that were later determined (by collaborating with the IBRC) to be due to changes in IRS-exempt status, where some colleges and hospitals that had been operating as subsidiaries of churches (which had exercised their right not to register as tax-exempt entities with the IRS) spun off from their religious headquarter organizations and became independent nonprofit entities. After spinning off, these organizations were required to register with the IRS as exempt entities.

APPENDIX B: DATA TABLES

Table 1: Establishments, employment, and payroll in nonprofit arts, entertainment and recreation, all private arts, entertainment, and recreation, and all nonprofits

Year	Private sector*			Nonprofit			All		
	Arts, entertainment, and recreation			Arts, entertainment, and recreation			Nonprofits		
	Est	Employment	Payroll	Est	Employment	Payroll	Est	Employment	Payroll
1995	1,504	23,484	\$534,728,609	218	6,050	\$125,406,479	5,674	183,911	\$5,557,930,295
1996	1,522	28,125	\$698,508,784	225	6,180	\$129,093,138	5,741	183,425	\$5,539,840,030
1997	1,527	34,221	\$896,595,384	222	6,413	\$134,171,432	5,800	191,480	\$6,000,047,658
1998	1,546	37,123	\$1,011,930,326	230	6,581	\$141,553,959	5,764	198,051	\$6,364,063,633
1999	1,549	40,108	\$1,124,928,588	232	6,719	\$147,900,333	5,897	205,725	\$6,561,938,957
2000	1,561	42,952	\$1,237,723,012	232	7,075	\$157,751,336	5,997	210,116	\$6,729,163,760
2001	1,601	43,978	\$1,272,032,071	243	7,079	\$159,768,353	6,054	221,329	\$7,200,028,762
2002	1,606	43,721	\$1,281,049,553	245	6,841	\$156,969,277	6,159	223,741	\$7,465,697,732
2003	1,651	44,524	\$1,294,571,289	248	6,849	\$157,724,333	6,248	227,163	\$7,660,069,057
2004	1,696	44,496	\$1,299,633,302	250	6,715	\$155,820,867	6,313	230,102	\$7,838,477,398
2005	1,756	43,674	\$1,271,443,993	252	6,617	\$151,512,045	6,335	232,120	\$7,967,411,991
2006	1,780	43,179	\$1,273,104,075	255	6,515	\$146,808,133	6,325	233,676	\$8,056,341,554
2007	1,801	43,064	\$1,302,401,190	249	6,676	\$146,802,886	6,370	235,926	\$8,210,554,849
2008	1,813	43,598	\$1,277,262,626	258	6,844	\$148,226,293	6,426	239,943	\$8,355,358,898
2009	1,779	43,045	\$1,215,611,426	258	6,563	\$145,563,310	6,505	245,644	\$8,857,624,853

*Nonprofit and for-profit, without government.

Government accounts for less than 3% of establishments, employment, and payroll.

All payroll data adjusted for inflation and in 2009\$.

Table 2: Nonprofit arts, entertainment, and recreation employment and payroll as a percentage of all private arts, entertainment and recreation and of all nonprofit employment and payroll

Year	Nonprofit AER employment as a percent of:		Nonprofit AER payroll as a percent of:	
	Private sector* AER employment	Total nonprofit employment	Private sector* AER payroll	Total nonprofit payroll
1995	26%	3%	23%	2%
1996	22%	3%	18%	2%
1997	19%	3%	15%	2%
1998	18%	3%	14%	2%
1999	17%	3%	13%	2%
2000	16%	3%	13%	2%
2001	16%	3%	13%	2%
2002	16%	3%	12%	2%
2003	15%	3%	12%	2%
2004	15%	3%	12%	2%
2005	15%	3%	12%	2%
2006	15%	3%	12%	2%
2007	16%	3%	11%	2%
2008	16%	3%	12%	2%
2009	15%	3%	12%	2%

*Nonprofit and for-profit, without government.

Government accounts for less than 3% of establishments, employment, and payroll.

All payroll data adjusted for inflation and in 2009\$.

Table 3: Nonprofit establishments, employment, and payroll in arts, entertainment, and recreation sub-industries

Year	Performing arts & spectator sports			Museums & historical sites			Amusement, gambling, & recreation		
	Est	Employment	Payroll	Est	Employment	Payroll	Est	Employment	Payroll
1995	35	1,116	\$27,042,817	41	1,519	\$35,361,527	142	3,415	\$63,002,135
1996	36	1,124	\$28,055,399	42	1,586	\$36,946,641	147	3,469	\$64,091,099
1997	37	1,273	\$29,890,160	44	1,642	\$38,557,055	141	3,498	\$65,724,217
1998	42	1,369	\$32,752,839	44	1,581	\$39,869,981	144	3,631	\$68,931,140
1999	46	1,383	\$34,754,711	44	1,658	\$42,015,826	142	3,679	\$71,129,796
2000	49	1,514	\$38,600,137	46	1,729	\$44,649,789	138	3,832	\$74,501,409
2001	52	1,445	\$39,014,325	48	1,786	\$45,361,242	143	3,848	\$75,392,786
2002	53	1,383	\$39,748,514	52	1,829	\$46,485,134	141	3,629	\$70,735,629
2003	56	1,362	\$39,577,078	55	1,898	\$49,227,992	138	3,589	\$68,919,263
2004	56	1,346	\$39,002,548	56	1,891	\$49,941,360	138	3,478	\$66,876,959
2005	58	1,405	\$38,304,721	58	1,940	\$50,894,117	137	3,272	\$62,313,206
2006	60	1,442	\$35,979,734	59	1,949	\$51,395,531	137	3,125	\$59,432,868
2007	60	1,498	\$36,433,427	57	1,992	\$52,050,647	132	3,187	\$58,318,812
2008	61	1,542	\$35,686,209	62	1,983	\$54,016,226	135	3,320	\$58,523,858
2009	62	1,419	\$35,259,820	64	1,952	\$53,885,305	133	3,192	\$56,418,185

All payroll data adjusted for inflation and in 2009\$.

Table 4: Nonprofit arts, entertainment, and recreation sub-industry employment and payroll as a percentage of all nonprofit arts, entertainment, and recreation employment and payroll

Year	Nonprofit performing arts & spectator sports		Nonprofit museum & historical sites		Nonprofit amusement, gambling, & recreation	
	As a % of all nonprofit AER:		As a % of all nonprofit AER:		As a % of all nonprofit AER:	
	Employment	Payroll	Employment	Payroll	Employment	Payroll
1995	18%	22%	25%	28%	56%	50%
1996	18%	22%	26%	29%	56%	50%
1997	20%	22%	26%	29%	55%	49%
1998	21%	23%	24%	28%	55%	49%
1999	21%	23%	25%	28%	55%	48%
2000	21%	24%	24%	28%	54%	47%
2001	20%	24%	25%	28%	54%	47%
2002	20%	25%	27%	30%	53%	45%
2003	20%	25%	28%	31%	52%	44%
2004	20%	25%	28%	32%	52%	43%
2005	21%	25%	29%	34%	49%	41%
2006	22%	25%	30%	35%	48%	40%
2007	22%	25%	30%	35%	48%	40%
2008	23%	24%	29%	36%	49%	39%
2009	22%	24%	30%	37%	49%	39%

Table 5: Nonprofit sub-industry employment and payroll as a percentage of all private sector sub-industry employment and payroll

Year	Performing arts & spectator sports		Museums & historical sites		Amusement, gambling, & recreation	
	Nonprofit as % of private sector:		Nonprofit as % of private sector:		Nonprofit as % of private sector:	
	Employment	Payroll	Employment	Payroll	Employment	Payroll
1995	20%	11%	96%	97%	21%	25%
1996	18%	10%	96%	97%	17%	17%
1997	21%	10%	95%	97%	13%	12%
1998	20%	11%	95%	97%	13%	10%
1999	20%	10%	95%	97%	12%	10%
2000	20%	9%	96%	97%	11%	10%
2001	19%	9%	95%	97%	11%	9%
2002	18%	10%	95%	97%	11%	9%
2003	17%	9%	96%	97%	10%	8%
2004	17%	9%	96%	97%	10%	8%
2005	18%	9%	96%	98%	10%	8%
2006	19%	8%	95%	97%	9%	8%
2007	20%	8%	96%	97%	10%	8%
2008	19%	7%	96%	97%	10%	8%
2009	18%	8%	97%	98%	10%	8%

Table 6: Average nonprofit and total average annual wages in arts, entertainment industry and sub-industries

Year	All arts, entertainment, & recreation		Performing arts & spectator sports		Museums & historical sites		Amusement, gambling, and recreation	
	Nonprofit	For-profit	Nonprofit	For-profit	Nonprofit	For-profit	Nonprofit	For-profit
1995	\$20,729	\$23,479	\$24,237	\$49,422	\$23,279	\$15,381	\$18,449	\$14,428
1996	\$20,891	\$25,947	\$24,955	\$50,704	\$23,292	\$15,447	\$18,475	\$18,730
1997	\$20,922	\$27,418	\$23,485	\$54,292	\$23,482	\$15,155	\$18,788	\$21,755
1998	\$21,510	\$28,497	\$23,925	\$50,306	\$25,214	\$15,014	\$18,987	\$23,779
1999	\$22,013	\$29,262	\$25,139	\$59,780	\$25,345	\$15,810	\$19,337	\$23,315
2000	\$22,299	\$30,102	\$25,500	\$62,025	\$25,824	\$16,011	\$19,443	\$23,512
2001	\$22,570	\$30,144	\$27,004	\$60,566	\$25,395	\$16,601	\$19,594	\$23,841
2002	\$22,945	\$30,480	\$28,741	\$57,620	\$25,416	\$17,904	\$19,490	\$24,743
2003	\$23,030	\$30,175	\$29,053	\$56,931	\$25,944	\$17,324	\$19,204	\$24,329
2004	\$23,205	\$30,275	\$28,971	\$59,107	\$26,407	\$15,612	\$19,231	\$24,299
2005	\$22,897	\$30,222	\$27,263	\$63,111	\$26,231	\$14,442	\$19,044	\$23,460
2006	\$22,533	\$30,719	\$24,960	\$65,323	\$26,367	\$14,662	\$19,022	\$23,589
2007	\$21,989	\$31,758	\$24,330	\$74,575	\$26,127	\$16,217	\$18,302	\$23,424
2008	\$21,659	\$30,718	\$23,150	\$65,772	\$27,247	\$17,679	\$17,629	\$22,884
2009	\$22,179	\$29,331	\$24,848	\$62,048	\$27,602	\$18,775	\$17,676	\$22,029

All average wages adjusted for inflation and in 2009\$.

Table 7: Average number of employees per establishment in private sector arts, entertainment and recreation industry and sub-industries

Year	All arts, entertainment, & recreation		Performing arts & spectator sports		Museums & historical sites		Amusement, gambling, and recreation	
	Nonprofit	For-profit	Nonprofit	For-profit	Nonprofit	For-profit	Nonprofit	For-profit
1995	28	14	32	15	38	9	24	13
1996	27	17	31	16	38	9	24	17
1997	29	21	35	15	37	8	25	24
1998	29	23	33	17	36	9	25	25
1999	29	25	30	17	37	9	26	28
2000	30	27	31	19	38	9	28	30
2001	29	27	28	19	37	8	27	30
2002	28	27	26	19	36	9	26	30
2003	28	27	25	21	35	9	26	29
2004	27	26	24	20	34	9	25	28
2005	26	25	24	19	34	7	24	27
2006	26	24	24	17	33	9	23	26
2007	27	23	25	15	35	10	24	26
2008	27	24	25	17	32	11	25	26
2009	25	24	23	17	31	10	24	27

APPENDIX C: 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 2012. Online reports, as well as summaries of all other items are available on the project website: 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 Capacity Assessment Analysis

This survey is designed to develop a better understanding of capacity building and technical assistance needs among Indiana nonprofits. For Phase I, the Indiana University School of Public and Environmental Affairs (SPEA) was commissioned by the Indiana Grantmakers Alliance (IGA) in collaboration with the Indiana University Center on Philanthropy and Lumina Foundation for Social Assistance to conduct a survey of Indiana grantees of Lumina Foundation for Social Assistance and/or associated members of IGA. A total of 91 charities completed the Nonprofit Capacity Survey, which asks responding organizations to identify their most significant needs in each of seven broad areas of capacity building area and the best ways to address them. For Phase II, SPEA was commissioned by the Indiana Arts Commission (IAC) in to conduct a survey of arts and culture grant applicants to the IAC or its regional partners. A total of 385 organizations completed the survey.

Published Articles and Conference Papers

- "Do Organizational Characteristics and Activities Influence Organizational Capacities: An Analysis of Indiana's Nonprofit Sector," by Li Chuan Liu and Kirsten A. Grønbjerg. Paper presented at the ARNOVA Annual Conference, Philadelphia, November, 19-22, 2008.
- "Where the Shoe Hurts: Capacity Challenges among Arts and Culture Nonprofits" by Kirsten A. Grønbjerg and Kellie McGiverin-Bohan. Paper presented at the ARNOVA Annual Conference, Toronto, November, 17-29, 2011.

Online Statewide Reports

- *Nonprofit Capacity Assessment: Indiana's Arts and Culture Organizations, Final Report 2010*, Nonprofit Capacity Assessment Survey Series, Report #3, Final Report. Kirsten A. Grønbjerg and Kellie McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter. Online report. Indiana Nonprofit Capacity Survey Series, Report #3. June 2010.
<http://www.indiana.edu/~nonprof/results/npcapacity/artsandculturecapacityfinal.html>
- *Nonprofit Capacity Assessment: Indiana's Arts and Culture Organizations, 2009*, Nonprofit Capacity Assessment Survey Series, Report #2, Preliminary Report. Kirsten A. Grønbjerg and Kellie McGiverin-Bohan with Jenna Cluver, Suzzy Mangas, and Jessica Wechter. Online report. Indiana Nonprofit Capacity Survey Series, Report #2. March 2009.
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- *Nonprofit Capacity Assessment: Indiana Charities, 2007*, by Kirsten A. Grønbjerg and Laney Cheney, with the assistance of Scott Leadingham and Helen Liu. Online report. Indiana Nonprofit Capacity Survey Series, Report #1. May 2007
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2002 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 Statewide Reports

- *Indiana Nonprofits: A Portrait of Religious Nonprofits and Secular Charities*, by Kirsten A. Grønbjerg, Patricia Borntreger Tennen. Online report. Survey Report #7. June 2006.
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- *Indiana Nonprofits: A Profile of Membership Organizations*, by Kirsten A. Grønbjerg and Patricia Borntreger Tennen. Online report. Survey Report #6. September 2005.
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- *Indiana Nonprofits: Affiliation, Collaboration, and Competition*, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #5. November 2004.
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- *Indiana Nonprofits: Managing Financial and Human Resources*, by Kirsten A. Grønbjerg and Richard M. Clerkin. Online report. Survey Report #4. August 2004.
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- *Indiana Nonprofits: Impact of Community and Policy Changes*, by Kirsten A. Grønbjerg and Curtis Child. Online report. Survey Report #3. June 2004.
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- *The Indiana Nonprofit Sector: A Profile*, by Kirsten A. Grønbjerg and Linda Allen. Online report. Survey Report #2. January 2004.
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Online Regional Reports

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- *Miami Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #11, by Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *Dubois Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #10, by Kirsten A. Grønbjerg, Abigail Powell and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *Cass Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #9, by Kirsten A. Grønbjerg, Andrea Lewis and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *Bartholomew Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #8, by Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *South Bend Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #7, by Kirsten A. Grønbjerg, Kerry S. Brock and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *Fort Wayne Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #6, by Kirsten A. Grønbjerg, Abigail Powell, Andrea Lewis and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2006.
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- *Evansville Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #4, by Kirsten A. Grønbjerg, Curtis Child and Patricia Bortrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, June 2006 (revised November 2006)).
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- *Muncie Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #3, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen. Bloomington, IN: Indiana University School of Public and Environmental Affairs, June 2006.
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- *Northwest Nonprofits: Scope and Dimensions*. Nonprofit Survey Series, Community Report #2, by Kirsten A. Grønbjerg and Patricia Bortrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, February, 2006).
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Journal Articles and Book Chapters

- "Infrastructure and Activities: Relating IT to the Work of Nonprofit Organizations," by Richard Clerkin and Kirsten A. Grønbjerg. Pp. 3-20 in *Nonprofits and Technology*, edited by Michael Cortés & Kevin Rafter. Chicago: Lyceum Books. 2007.
- "Nonprofit Advocacy Organizations: Their Characteristics and Activities," by Curtis Child and Kirsten A. Grønbjerg. *Social Science Quarterly* 88 (1, 2007) 259-81.
- "The Capacities and Challenges of Faith-Based Human Service Organizations," by Richard Clerkin and Kirsten Grønbjerg. *Public Administration Review* 67 (1, 2007): 115-126.
- "Nonprofits in Context: Assessing the Regional-level Correlates of Nonprofit Capacity Resources," by Curtis D. Child, Kirsten A. Grønbjerg, and Hun Myoung Park. Paper presented at the annual meetings of ARNOVA, Chicago, IL, November 16-18, 2006.
- "Researching Collaborative Structures and/or Their Outcomes: Challenges of Measurement and Methodology." Paper presented at the annual meetings of the Academy of Management, Atlanta, GA, August 14-16, 2006.
- "Nonprofit Networks and Collaborations: Incidence, Scope and Outcomes," by Kirsten Grønbjerg and Curtis Child. Paper presented at the annual meetings of ARNOVA, Washington, D.C., November 17-19, 2005.

- "A Portrait of Membership Associations: The Case of Indiana," by Kirsten Grønbjerg and Patricia Borntreger Tennen. Paper presented at the annual meetings of ARNOVA, Washington, D.C., November 17-19, 2005.
- "Examining the Landscape of Indiana's Nonprofit Sector: Does What you Know Depend on Where you Look?" by Kirsten A. Grønbjerg and Richard M. Clerkin. *Nonprofit and Voluntary Sector Quarterly* 34 (June 2005, No. 2): 232-59.
- "The Role of Congregations in Delivering Human Services" by Richard M. Clerkin and Kirsten Grønbjerg. Paper presented at the Independent Sector Spring Research Forum, Washington, D.C., March 6-7, 2003.

Indiana Nonprofit Employment Analysis

An analysis, comparing Covered Wages and Employment (ES-202 employment) reports with IRS registered nonprofits under all sub-sections of 501(c), used 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 Statewide Reports

- *Indiana Nonprofit Employment: Historical Trends in Arts, Entertainment, and Recreation 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Alexandra Buck, Kristen Dmytryk, Katherine Gagnon, and Weston Merrick. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, November 2012). www.indiana.edu/~nonprof/results/inemploy/innonprofemploytrendsacr.htm
- *Indiana Nonprofit Employment: Historical Trends in Social Assistance 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Alexandra Buck, Kristen Dmytryk, Katherine Gagnon, Weston Merrick, and Katherine Novakoski. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, July 2012). www.indiana.edu/~nonprof/results/inemploy/innonprofemploytrendsassocassist.htm
- *Indiana Nonprofit Employment: Historical Trends in Education 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Kristen Dmytryk, Katherine Gagnon, and Katherine Novakoski. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, May, 2012 [Revised June 2012]). <http://www.indiana.edu/~nonprof/results/inemploy/innonprofemploytrendseduc.htm>
- *Indiana Nonprofit Employment: 2009 Update*. Nonprofit Employment Report No. 4 by Kirsten A. Grønbjerg, Kellie L. McGiverin-Bohan, Jacob Knight, Katherine Novakoski, and Virginia Simpson with Kristen Dmytryk and Jason Simons. August, 2011. <http://www.indiana.edu/~nonprof/results/inemploy/innonprofemploy09.htm>
- *Indiana Nonprofit Employment: 2007 Report*. Nonprofit Employment Report No. 3 by Kirsten A. Grønbjerg, Andrea Lewis and Pauline Campbell. September 2007. <http://www.indiana.edu/~nonprof/results/inemploy/innonprofemploy07.htm>

- *Indiana Nonprofit Employment, 2005 Report*. Nonprofit Employment Report No. 2 by Kirsten A. Grønbjerg and Erich T. Eschmann. May 2005.
<http://www.indiana.edu/~nonprof/results/inemploy/innonprofitemploy05.htm>
- *Indiana Nonprofit Employment, 2003 Report*. Nonprofit Employment Report No. 1 by Kirsten A. Grønbjerg and Hun Myoung Park. July 2003.
<http://www.indiana.edu/~nonprof/results/inemploy/innonprofitemploy03.htm>

Online Regional Reports

- *Evansville Economic Region Nonprofit Employment: 2005 Report*. Nonprofit Employment Series No. 2D by Kirsten Grønbjerg and Kerry Brock. May 2006.
<http://www.indiana.edu/~nonprof/results/inemploy/evansvilleempl05.pdf>
- *Muncie Economic Region Nonprofit Employment: 2005 Report*. Nonprofit Employment Series No. 2C by Kirsten Grønbjerg and Kerry Brock. May 2006.
<http://www.indiana.edu/~nonprof/results/inemploy/muncieempl05.pdf>
- *Northwest Economic Region Nonprofit Employment: 2005 Report*. Nonprofit Employment Series No. 2B by Kirsten Grønbjerg and Kerry Brock. February 2006.
<http://www.indiana.edu/~nonprof/results/inemploy/northwestempl05.pdf>
- *Bloomington Economic Region Nonprofit Employment: 2005 Report*. Nonprofit Employment Series No. 2A by Kirsten Grønbjerg and Erich T. Eschmann with Kerry Brock. January 2006.
www.indiana.edu/~nonprof/results/inemploy/bloomingtonempl05.pdf
- *Bloomington Nonprofit Employment, 2001*. Nonprofit Employment Report No. 1, Supplement A, by Kirsten Grønbjerg and Sharon Kioko. August 2003.
<http://www.indiana.edu/~nonprof/results/inemploy/bloomingtonempl03.pdf>

Online County Reports

- *Allen County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Onk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/AllenCountySummary.pdf>
- *Bartholomew County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Onk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/BartholomewCountySummary.pdf>
- *Boone County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Onk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/BooneCountySummary.pdf>

- *Cass County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
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- *Clark County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/ClarkCountySummary.pdf>
- *Dearborn County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/DearbornCountySummary.pdf>
- *Delaware County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/DelawareCountySummary.pdf>
- *Elkhart County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/ElkhartCountySummary.pdf>
- *Floyd County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/FloydCountySummary.pdf>
- *Grant County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/GrantCountySummary.pdf>
- *Hamilton County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/HamiltonCountySummary.pdf>
- *Hancock County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/HancockCountySummary.pdf>

- *Hendricks County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/HendricksCountySummary.pdf>
- *Howard County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
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- *Johnson County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
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- *Kosciusko County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/KosciuskoCountySummary.pdf>
- *Lake County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/LakeCountySummary.pdf>
- *LaPorte County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/LaPorteCountySummary.pdf>
- *Madison County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/MadisonCountySummary.pdf>
- *Marion County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/MarionCountySummary.pdf>
- *Monroe County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/MonroeCountySummary.pdf>

- *Morgan County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/MorganCountySummary.pdf>
- *Porter County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/PorterCountySummary.pdf>
- *St. Joseph County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/StJosephCountySummary.pdf>
- *Tippecanoe County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/TippecanoeCountySummary.pdf>
- *Vanderburgh County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/VanderburghCountySummary.pdf>
- *Vigo County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/HamiltonCountySummary.pdf>
- *Warrick County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/WarrickCountySummary.pdf>
- *Wayne County Nonprofit Employment, 1995-2009*, by Kirsten A. Grønbjerg, with Kellie L. McGiverin-Bohan, Lauren Dula, Katherine Gagnon, Weston Merrick, and Deb Oonk. (Bloomington, IN: Indiana University School of Public and Environmental Affairs, October 2012).
<http://www.indiana.edu/~nonprof/profiles/county/WayneCountySummary.pdf>

Nonprofit Trust Survey Analysis

We completed a survey of 536 Indiana residents in October 2008, to assess whether they trust nonprofits and charities in their communities more or less than they trust the state government in Indianapolis, local government, the federal government, and businesses and corporations in their community. We also asked respondents about their political orientations and about a broad range of socio-demographic characteristics.

Online Report

- *Are Nonprofits Trustworthy?* by Kirsten Grønbjerg. Bloomington, Indiana, School of Public and Environmental Affairs, February 11, 2009.

<http://www.indiana.edu/~nonprof/results/trustsurvey/trustsurvey2008.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 Composition/Database Analysis

Our most recent efforts examine the consequences for Indiana tax-exempt organizations of new federal reporting requirements mandated under the Pension Protection Act of 2006. As of June 2011, 6,152 Indiana nonprofits have lost their exempt status because they failed to meet the new reporting requirements. Earlier, 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/>.

Online Report

- *IRS Exempt Status Initiative: Indiana Nonprofits and Compliance with the Pension Protection Act of 2006* by Kirsten A. Grønbjerg, Kellie McGiverin-Bohan, Kristen Dmytryk, and Jason Simons,. Bloomington, Indiana: School of Public and Environmental Affairs, July 1, 2011.
www.indiana.edu/~nonprof/results/database/IRSRevocation.html

Journal Articles and Conference Presentations

- “Incorporated but not IRS-Registered: Exploring the (Dark) Grey Fringes of the Nonprofit Universe” by Kirsten A. Grønbjerg, Helen Liu and Thomas Pollak. *Nonprofit and Voluntary Sector Quarterly* 39 (No. 5, October, 2010): 925-45; first published online, August 10, 2009. Revised version of paper presented at Academy of Management Annual Conference, Anaheim, CA., August 10-13, 2008 and the Fifth Annual West Coast Nonprofit Data Conference, Phoenix, AZ, April 4-5, 2008.
- “Burrowing Into the Grey Matter of the Nonprofit Universe: Changing Patterns of IRS Registration and State Incorporation, 2001-2005” by Kirsten A. Grønbjerg, Helen Liu, Thomas Pollak and Ginger Elliott-Teague. Revised version of paper presented at the Association of Research on Nonprofit Organizations and Voluntary Action, Atlanta, GA, November 15-17, 2007.
- “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 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.



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