



## Indiana Local Government Officials and the Nonprofit Sector Report Series

# Indiana Local Government Officials and Working Relationships with Nonprofits

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Briefing Number Twelve, Spring 2022

### Indiana Intergovernmental Issues Study

In this briefing, we examine how local government officials (LGOs) assess working relationships with nonprofits and various institutions, and how these assessments have changed from 2012 to 2020 (see previous briefings on this topic: [Fall 2015](#), [Spring 2018](#), [Spring 2020](#)). It is part of a series on nonprofit-government relations in Indiana from the [Indiana Nonprofits Project: Scope and Community Dimensions](#).

Other briefings have examined preparedness for major disasters and reliance on nonprofits, government contracts with nonprofits, LGO trust in nonprofits, and payments and services in lieu of taxes (PILOTs and SILOTs).

The data for these briefings come from periodic surveys by the *Indiana Advisory Commission on Intergovernmental Relations* (IACIR) on issues affecting local governments and residents in Indiana. We rely mainly on data from the 2020 survey, but include comparisons to the 2010,

### Quick Facts:

- Local government officials (LGOs) routinely work with nonprofits, businesses, and all forms of government. When asked to assess those relationships, LGOs have consistently (from 2012 to 2020) ranked working relationships with nonprofits as the most positive.
- LGOs consistently view working relationships with nonprofits as significantly more positive than their relationships with federal, state, and city governments (also from 2012 to 2020).
- LGOs rate working relationships with nonprofits generally more positively if they report having a higher level of trust in nonprofits, placing high importance on local governments value to nonprofits, and that their community is headed in a more positive direction.
- LGOs rate working relationships with nonprofits more negatively if they are a school board member or city council member, compared to mayors, and if their community has more problematic conditions (as reported by LGOs).

2012, 2014, and 2017 surveys.<sup>1</sup>

We focus on how LGOs assess working relationships with local nonprofits and businesses, as well as with a wide range of governmental institutions. For LGOs, good working relationships became particularly important in 2020, as they had to deal with the impact of the COVID-19 pandemic. The survey was launched on February 25th, before the COVID-19 pandemic was declared a major disaster for all Indiana counties on April 3rd. It was closed on August 13th, at a time when every community was attempting to deal both with major challenges to local health care systems and devastating economic and social impacts from the pandemic.

As a result, the pandemic undoubtedly tested LGO working relationships with various institutions, possibly strengthening some and weakening others. It is possible, therefore, that LGOs who responded to the survey after April 3rd would evaluate working relationships with other institutions differently than those who responded prior to that date. We explore whether there appears to be significant differences in how LGOs assess various working relationships depending on when they completed the survey.<sup>2</sup> We also include discussion about the COVID-19 pandemic's possible impact on the findings included in this report.

## Why are Working Relationships with Nonprofits Important for LGOs?

A local government official's job frequently involves working with various institutions. This includes working with other units of government, at the local, state, and federal levels. LGOs may need to coordinate activities across their region with other local governments, and they must comply with state and federal laws pertaining to their work. LGOs' work with state and federal governments may also be one of a partnership, where the state and federal governments disperse funding to LGOs to service their communities.

LGOs working relationships are not limited to those with other units of government. Many LGOs also interact with local businesses and nonprofits — relying on their expertise, regulating their activities, sharing services, etc. Thus, LGOs must work with local businesses to promote the local economy, attract well-paying jobs, avoid or minimize business closures (especially by major employers), and ensure business infrastructure needs are met.

Nonprofits are also important to LGOs. They play an increasingly important role in the state's economy — employing more than 301,000 individuals statewide with a payroll of \$15 billion in 2019 (not including volunteers), or about 10 percent of the paid labor force and

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<sup>1</sup> The IACIR surveyed 1,148 local government officials (LGOs) in 2010 (effective response rate of 35%), 1,185 in 2012 (effective response rate of 35%), 2,441 in 2014 (effective response rate of 26%), 1,381 in 2017 (effective response rate of 33%), and 2,002 in 2020 (effective response rate of 31%). See <https://iacir.ppi.iupui.edu/publications.htm>.

<sup>2</sup> We explore two measures of whether the survey was completed before the COVID-19 pandemic: March 6, 2020, the date of the first COVID-19 case in the state and when Governor Holcomb declared a state of public health emergency for COVID-19, and April 3, 2020, when President Trump issued a major disaster declaration for the entire state. For the online version of the survey (56 percent of completed surveys) we used the date when the survey was submitted as the completion date. For paper surveys (the remaining 44 percent), the completion date is less precise because COVID-19 caused some mail backlogs and only the date when the paper survey arrived was recorded, not when it was postmarked. Thus, we added a week grace period to paper surveys to account for these potential delays. Only 9 percent of respondents completed the survey before March 6, 2020, but 50 percent completed the survey before April 3, 2020.

payroll. Both the number of nonprofit employees and nonprofit payroll have increased faster and more consistently than jobs and payroll in private industry in almost every Economic Growth Region since 2000.<sup>3</sup>

In addition, nonprofits mobilize residents on local issues, engage volunteers and strengthen social capital. They also fulfill community needs that may not be met in full by governments and businesses, such as health care, housing, job training, arts and culture, education, and environmental protection. While local governments may provide some of these services directly, almost all LGOs rely on local nonprofits to fill in some gaps. Good working relationships with nonprofits allow for better coordination of these services and faster resolution of problems facing the community. Conversely, nonprofits rely on good working relationships with LGOs — many have grants or contracts with local government to provide services, and continued funding will likely be contingent on maintaining strong working relationships.

Strong cross-sector partnerships between LGOs, nonprofits, and other institutions have become particularly important in the wake of the COVID-19 pandemic. Indeed, “coordinated and collaborative responses” to the pandemic emerged in some communities relatively early in the pandemic.<sup>4</sup> Most of these efforts involved units of local government, United Way organizations, community foundations, and

other important community institutions, such as major employers, hospitals, universities, and chambers of commerce. The emergence of new COVID-19 variants appears likely to continue to present major challenges for all communities across the United States, raising questions about how these collaborations will fare in the long run.

### How do LGOs Assess their Working Relationships with Various Institutions?

The 2020 survey of Indiana LGOs included a question asking LGOs to assess their working relationships with federal, state, county, city, town, township governments, school districts, and local public libraries, as well as local businesses and local charities and other nonprofits. Response options ranged from 1 (very negative) to 5 (very positive).

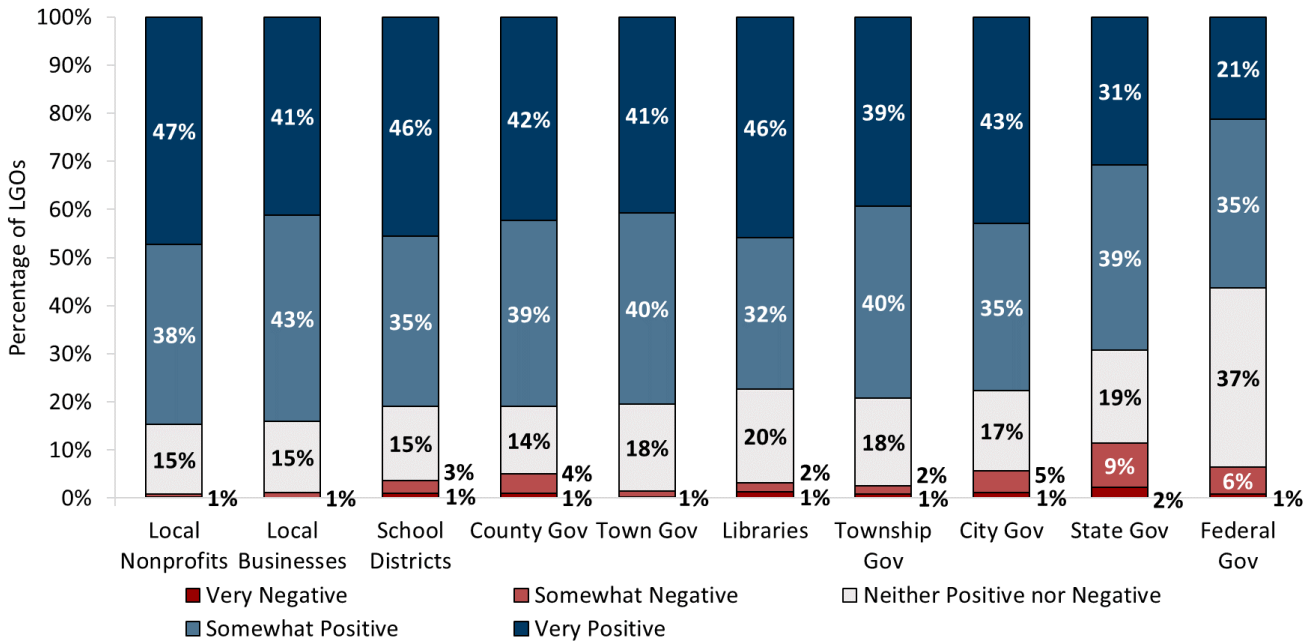
A large majority of LGOs reported very or somewhat positive working relationships with all types of institutions, except the federal government in 2020. As Figure 1 shows, about 85 percent of LGOs reported very or somewhat positive working relationships with nonprofits (85 percent) and local businesses (84 percent). LGOs also reported very positive assessments of working relationships with schools, town governments, and county governments (all at 81 percent). Township governments (79 percent), city governments, and libraries (both 78 percent) also had very positive assessments of working relationships with LGOs.

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<sup>3</sup> The Indiana Department of Workforce Development has divided Indiana into 11 Economic Growth Regions based on economic and social ties. Counties within each economic growth region often experience similar economic trends. (Kirsten A. Grønbjerg and Anjali Bhatt, *Nonprofit Paid Employment in Economic Growth Regions, Indiana, 2000-2019*. (Bloomington, IN: Indiana University O’Neill School of Public and Environmental Affairs, January 2022), available here: <https://nonprofit.indiana.edu/doc/publications/msa-egr/all-egr.pdf>.)

<sup>4</sup> *Indiana Nonprofits and COVID-19: Impact on Services, Finances, and Staffing*, Indiana Survey Series IV, by Kirsten A. Grønbjerg, Elizabeth McAvoy, and Kathryn Habecker (Bloomington, IN: Indiana University O’Neill School of Public and Environmental Affairs, July 2020), available here: <https://nonprofit.indiana.edu/doc/publications/covid-19-impact.pdf>.

**Figure 1: LGOs' Assessment of Working Relationships in 2020 (n=459-511)**



Substantially fewer LGOs' provided similar positive assessments of state governments (70 percent), and even fewer for the federal government (56 percent). On the other hand, LGOs were much more likely to give neutral or ambivalent assessments to working relationships with the federal government (37 percent) than to any other institutions (20 percent or less). This ambivalence may reflect a combination of factors, such as the fact that LGOs may not have much experience working directly with a distant federal government. Or, it may reflect the power that the federal government holds over local governmental units. Not only must LGOs abide by overarching state and federal policies, but they depend on federal (and state) funding for a substantial share of their revenues.<sup>5</sup>

To facilitate further analysis, we computed the average rating for each of the ten institutions

included in Figure 1, where 5 is very positive, 1 is very negative, and 3 is neutral (neither positive nor negative). As Figures 2 shows, nonprofits receive the highest average score on the 5-point working relationship scale at 4.3 (slightly higher than somewhat positive). Local businesses, schools, town governments, libraries, and county governments follow closely with averages of 4.2, then township governments and city governments at 4.1. State and federal governments have the lowest averages (3.9 and 3.7 respectively). Because we are particularly interested in how LGOs rate their working relationships with nonprofits, we examine how the high average score for local nonprofits and charities compares to the average scores for the nine other institutions

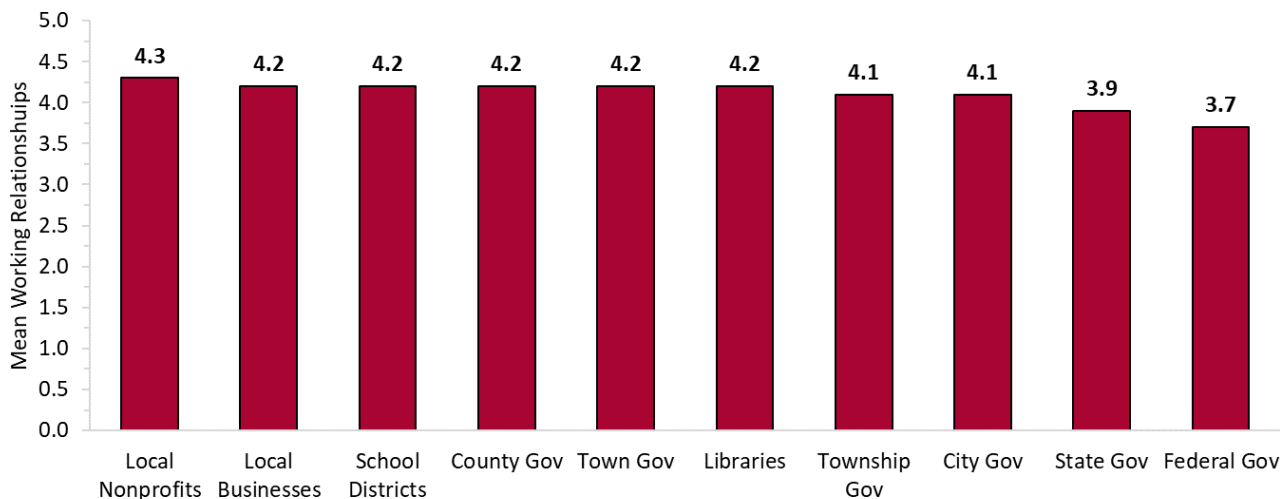
<sup>5</sup> According to the 2019 Annual Survey of State and Local Government Finances, federal and state funding accounted for 34 percent of total revenues available to local governmental units in Indiana, and 38 percent of total general revenue. Retrieved from [2019 State & Local Government Finance Historical Datasets and Tables \(census.gov\)](https://www.census.gov/data/historical-tables/2019-state-local-government-finance-historical-datasets-and-tables.html), November 4, 2021.

included in the survey.<sup>6</sup> There were no significant differences between average ratings for local nonprofits/charities and five other institutions: local businesses, schools, county governments, town governments, and libraries. However, ratings for local nonprofits/charities were significantly higher than for the remaining four institutions: federal, state, city, and township governments.

2012-2020 period, since nonprofits were not included in IACIR surveys until 2012.

Two features stand out from our analysis of the four LGO surveys over the 2012-2020 period. First, the positive assessment of working relationships with nonprofits has remained stable over time — perhaps the assessments were already so positive that no significant improvement was possible or likely. This is often referred to as the “ceiling effect.” However,

**Figure 2:** Average Assessment of LGOs' Working Relationships with Institutions in 2020 (n=459-511)



### How Have LGOs' Working Relationships Changed Over Time?

We are able to track how LGOs assessment of working relationships have changed over time, since the same question was asked in prior LGO surveys. We were particularly interested in whether there were significant changes between 2020 and prior years, given the importance of strong working relationships during the pandemic. We focus mainly on the

there is some evidence that the average nonprofit score for LGOs who responded after April 3, 2020 may be marginally higher than for those who responded before that date (4.35 vs. 4.27), but the difference is too small to meet the usual criteria for statistical significance.<sup>7</sup>

Second, the average LGO assessments of working relationship for all other institutions, for which we have complete data from the four surveys over the 8-year period, have increased

<sup>6</sup> We computed 95 percent confidence intervals for each of the average ratings to determine whether the intervals overlapped for each comparison. If they do, the means are not significantly different from one another.

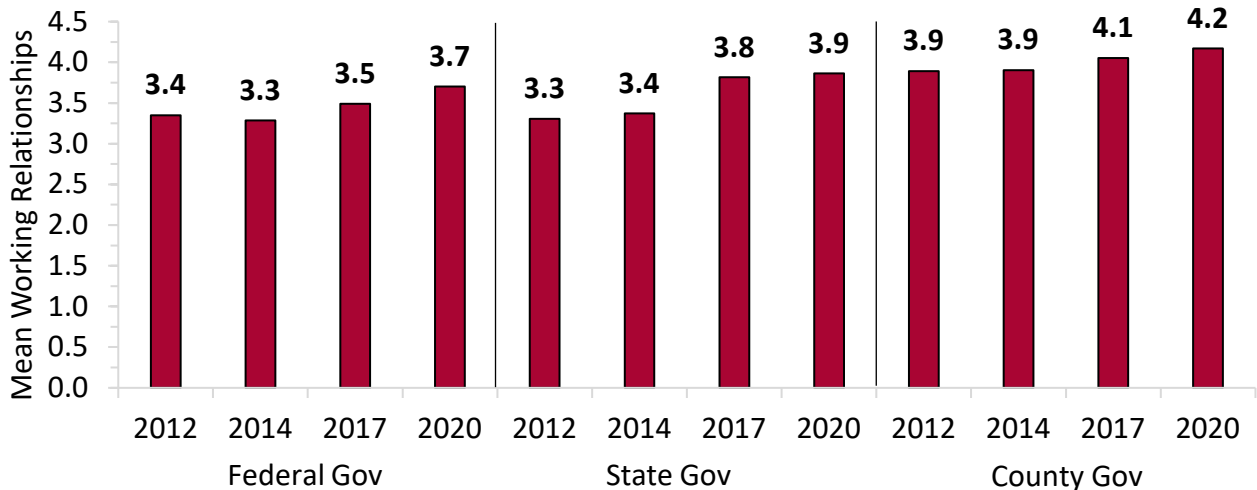
<sup>7</sup> The difference is significant at only the  $p < .096$  level (rather than for the standard level of  $p < .05$ ), and only for the least conservative (one-tailed) test.

significantly. However, there are some differences in the timing and degree of increases. For ease of viewing, we divided the nine institutions with significant change over time into three graphs. We also include the averages for nonprofits in the third graph of this section (Figure 5).

Figure 3 shows how LGOs view of working relationships with the federal, state, and county governments have changed over time. For the

federal government, the assessment of working relationships increased from 3.4 in 2012 (3.3 in 2014) to 3.7 in 2020. Only the increase from 2017 to 2020 was statistically significant. We checked to see whether the improvement in working relationships took place mainly after the pandemic had emerged. However, that was not the case — the score for working relationships with the federal government was virtually unchanged before and after April 2020.

**Figure 3:** LGOs' Average Assessment of Working Relationships Over Time with Federal, State, and County Governments (n=288-514)



For state government, the average score for working relationships also increased over the period, up from 3.3 in 2012 to 3.9 in 2020. The increase between 2014 and 2017 was significant, but differences in scores for prior and later surveys were not. For county government, average assessment scores increase more gradually from 3.9 in 2012 to 4.2 in 2020. The overall increase was significant, but none of the survey-to-survey changes were. Figure 4 shows how LGOs view working relationships with city, town, and township governments. The assessments are not statistically different for the early parts of the period for city and town government. However, they increased significantly

between 2017 and 2020, up from 3.9 to 4.1 for city government, and from 4.0 to 4.2 for town government. Neither increase appears related to the pandemic, since in both cases the working relationship scores are virtually the same for those responding before April 3, 2020 and those after April 3, 2020. For township government, only the overall difference between 2012 and 2020 was significant.

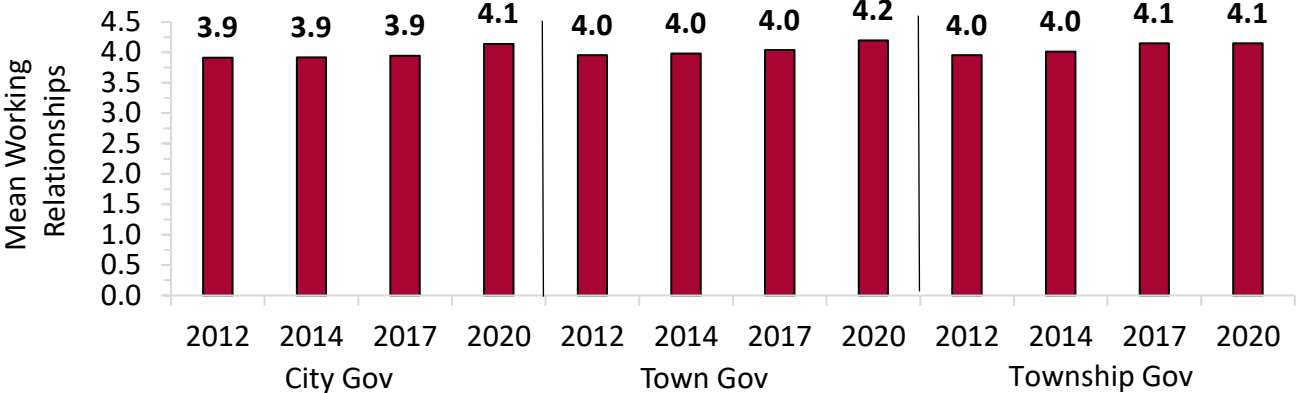
Figure 5 show how LGOs have viewed working relationships with school districts, libraries, local businesses, and nonprofits over time. For school districts, there is a significant increase from 2014 (4.1) to 2017 (4.2). Libraries follow the same pattern, with a significant increase

from 2014 (4.0) to 2017 (4.2). Working relationships with school districts are stable from 2012 to 2014 and from 2017 to 2020. For local businesses, only the overall difference between 2012 (4.1) to 2020 (4.2) was significant. There were no significant differences over time in the already high assessments for nonprofits.

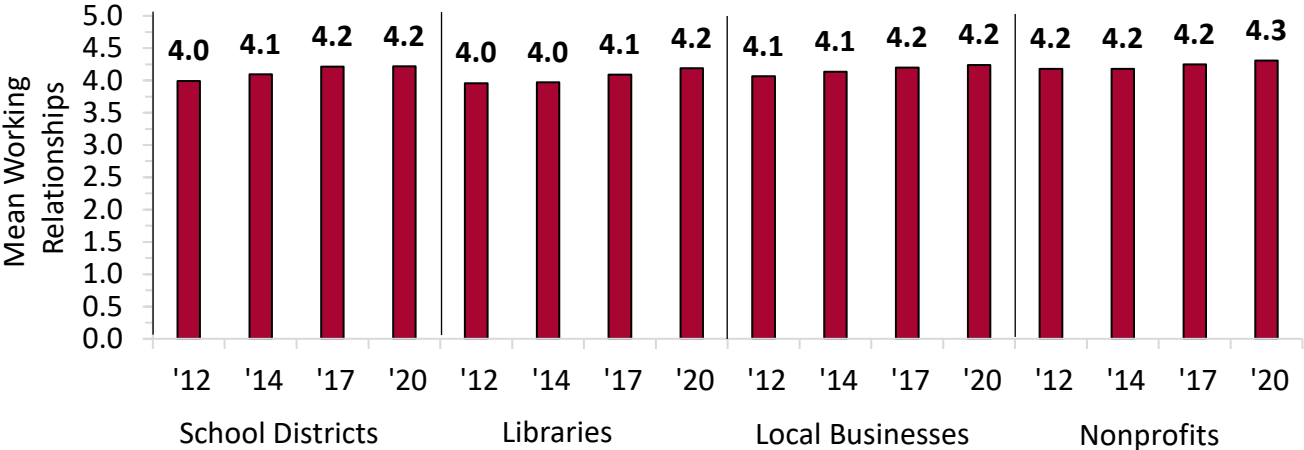
Since this survey was conducted during the initial months of the COVID-19 pandemic, it is interesting to note that the only institution with a significant increase from 2017, when the last survey was conducted under more normal circumstances, to 2020 is with the federal

government. However, as we noted above, the increase does not appear to be related to the pandemic, since those responding after April 3, 2020, have virtually the same scores as those who completed the survey before that date. More likely, the strength of working relationships have increased as a part of the overall progression of improved working relationships with most institutions. Since LGOs reported the least positive working relationship with the federal government in 2012, there were more opportunities to develop stronger relationships over time.

**Figure 4:** LGOs' Average Assessment of Working Relationships Over Time with City, Town, and Township Governments (n=293-488)



**Figure 5:** LGOs' Average Assessment of Working Relationships for 2012, 2014, 2017, and 2020 with School Districts, Libraries, Local Businesses, and Nonprofits (n=309-502)



We note that our data and analysis only pertain to the initial impacts of the pandemic. Quite possibly, two years into the pandemic, working relationships could be more strained as the immediate threats have decline. Or, working relationships may have improved as collaborative pandemic responses strengthened linkages and connections. It will take further research to determine this impact.

As noted earlier, LGOs gave nonprofits the highest scores for working relationships (4.3), and over time, they consistently ranked nonprofits the highest. However, the extent to which LGOs rated nonprofits higher compared to these other institutions changed over time. To identify these patterns, we examined whether LGOs rated nonprofits significantly more positive than each of these other institutions in a given survey cycle. Table 1 shows the results. Each significant difference is denoted by “+” if working relationships with nonprofits are assessed as significantly more positive than working relationships with the other institution. The cell is left blank if the difference is not statistically significant.

Three overarching findings stand out. First, as the table shows, nonprofits and businesses are always rated about equally positive (no pluses in the top row). Second, working relationships with nonprofits have consistently been rated more positively than those with the federal, state, and city government (all pluses in the last three rows). This suggests that the significant increases in scores for working relationships for these three institutions we discussed above, were not sufficient to approach the level of very positive assessments given to nonprofits. Third, for all other institutions, the significant increases in average assessment scores noted

earlier were sufficient to almost match the positive scores received by nonprofits.

**Table 1**  
**Institutions in which Working Relationships with Nonprofits are Significantly More Positive Than**

<b>Other Types of Institutions</b>	<b>2012</b>	<b>2014</b>	<b>2017</b>	<b>2020</b>
Local Businesses				
School Districts	+			
Libraries	+	+		
Township Gov	+	+		+
Town Gov	+	+	+	
County Gov	+	+	+	
City Gov	+	+	+	+
State Gov	+	+	+	+
Federal Gov	+	+	+	+

In short, the comparative advantage LGOs give to working relationships with nonprofits has diminished over time as indicated by number of pluses in each column. Thus, in 2012 scores on the working relationship scale for nonprofits were significantly more positive than for eight of the nine institutions included (the only exception being local businesses). By 2014, the difference with school districts was no longer significant and stayed that way for all remaining survey years. In 2014, nonprofits were rated significantly higher than the remaining seven types of institutions. By 2017, there were only five significant differences, with local libraries and township government dropping out (although the latter difference became significant again in 2020). By 2020, nonprofits ranked significantly higher than only four institutions (out of eight in 2012): state, federal, city, and township governments. As we noted earlier, however, LGOs’ assessment of



nonprofit working relationships was already so high that it likely would not increase significantly (the so-called “ceiling effect”).

We do not have obvious explanations for why LGOs assess working relationships with most of the other institutions more positively now than in the past. Perhaps LGOs — and/or these other institutions — have developed better structures or routines for interacting with one another. We note that many of the institutions examined here have developed websites and electronic platforms for sharing data and disseminating information. Such efforts would likely facilitate stronger working relationships.

### What Explains LGOs’ Assessment of Working Relationships in a Bivariate Analysis?

We turn now to a closer look at which factors help predict how LGOs view working relationships with nonprofits in 2020. We also compare these patterns to how LGOs view working relationships with average scores for two groupings of the ten institutions discussed above.

To form these groups, we began by performing statistical analysis to reveal the underlying groupings for 2020.<sup>8</sup> As expected (see Table 1 above), LGOs assess working relationships with nonprofits very similarly to how they view relationships with local businesses, schools, and libraries. The second grouping consists of federal, state, county, city, town, and township

governments, suggesting that LGOs have similar views of working relationships with these general purpose governments.<sup>9</sup> We refer to the latter grouping as *general purpose governments* and the former as *other local institutions*. In the analysis that follows, we compare working relationships with nonprofits, working relationships with other local institutions (nonprofits, local businesses, schools, and libraries), and working relationships with general purpose governments (federal, state, county, city, town, and township governments).

We consider three groups of explanatory factors: (1) location and characteristics of the LGOs themselves and their personal involvement in nonprofits, (2) community conditions and scope of nonprofits in the county, and (3) the extent and nature of LGO interactions with nonprofits. The latter includes various measures for nonprofit grants and contracting relationships and for how LGOs assess the importance of nonprofits to local governments and of local governments to nonprofits. We also include how LGOs assess nonprofit preparedness for major disasters because our previous research has shown that LGOs who think nonprofits are well-prepared are more likely to rate working relationships with nonprofits as positive.<sup>10</sup>

Finally, we include a measure of how much LGOs trust nonprofits to do the “right thing.” In

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<sup>8</sup> We used factor and reliability analysis to determine the two groupings.

<sup>9</sup> In addition to these two groupings, we ran an alternate scenario. Instead of dividing the ten institutions into two groupings, we created four institutional groupings: Nonprofits, Geographically Larger General Governments (Federal, State, and County), Geographically Smaller General Governments (City, Town, and Township), and Other Local Institutions, excluding Nonprofits (Libraries, School Districts, and Local Businesses). Explaining this scenario would extend the report significantly, and as this is a practitioner’s report and the bivariate and multivariate analysis did not prove significantly different with four groupings, we decided not to include them in this report.

<sup>10</sup> Grønbjerg, Kirsten and Elizabeth McAvoy, *Indiana Local Government Officials and Major Disasters: Assessing Preparedness and Reliance on Nonprofits*, Indiana Local Government Officials and the Indiana Nonprofit Sector Report Series, Briefing Number Eleven (Bloomington, IN: Indiana University School of Public and Environmental Affairs, 2022).

prior surveys of Indiana LGOs, we found that working relationships and trust are closely related.<sup>11</sup> This is likely a mutually reinforcing process: trusted community partners have an easier time working out issues and working together, and those who work well together may come to trust one another. In either case, trust and positive working relationships allow for smoother communication, less need for oversight, and fewer obstacles.

In order to capture these potential explanatory factors, we rely mainly on responses to the 2020 IACIR survey of LGOs. However, we include also county-level information about the community each LGO represents.

We performed bivariate analysis within each institutional grouping to determine which explanatory factors predict LGOs' assessment of working relationships with nonprofits, other local institutions including nonprofits, and general purpose governments. Below we briefly outline why these factors may be important and summarize our findings.

### LGO Characteristics and Involvement with Nonprofits

We consider the type of position LGOs hold in

local government (e.g., mayor, township trustee, city council member) because some LGO positions are more likely to interact with nonprofits than others. We also include multiple measures of LGOs' service length and the type of community LGOs represent. LGOs in smaller communities may have more familiarity with local nonprofits, but also have fewer nonprofits to interact with.

We also consider LGOs' personal involvement with nonprofits, because those involved with more nonprofits may assess their working relationships with nonprofits more positively than their counterparts. In terms of involvement, we considered whether the LGO is currently or has in the past held a leadership position, been a member of, or volunteered for a nonprofit and explored several variations of such involvement.<sup>12</sup> We also include a variable to capture the variety of nonprofits LGOs are involved in.<sup>13</sup> Finally, we include how important LGOs view their nonprofit involvement is to their work as an LGO.

A number of these factors are significantly related to how positively LGOs view working relationships with nonprofits (see column 1 in

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<sup>11</sup> Grønbjerg, Kirsten and Kellie McGiverin-Bohan, with Angela Gallagher, Lauren Dula, and Rachel Miller, *Indiana Government Officials and Trust in Nonprofits*, Indiana Local Government Officials and the Indiana Nonprofit Sector Report Series, Briefing Number Four (Bloomington, IN: Indiana University School of Public and Environmental Affairs, 2016).

<sup>12</sup> The five different variations of being involved in nonprofits as a leader, member, or volunteer: the mean of being currently active in a nonprofit as a leader, member, or volunteer, the total number of LGOs that are involved in nonprofits through the three roles, whether the LGO is involved in a nonprofit in any role, whether the LGO is involved in nonprofits in two out of the three roles, and whether the LGO is involved in nonprofits as a leader, member and volunteer. For our multivariate analysis, we determined that a dummy variable, whether a LGO is currently involved in a nonprofit through all means (leader, member, and volunteer), was as effective in capturing this dimension as other options we explored.

<sup>13</sup> The survey question captured twelve types of nonprofits: (1) arts and culture, (2) sports, recreational and sports, (3) education and research, (4) health, (5) social services, (6) environment and animal protection, (7) economic and community development, housing, employment and training, (8) law, advocacy and politics, (9) philanthropic institutions and promotion of voluntarism, (10) business and professional associations, including unions, (11) religious institutions, and (12) other. For brevity, we computed the sum to discuss in the report. For brevity, we are only including the summation of all eight variables in the body of this report. To see these specific variables significance, see Appendix B, Section B.

Table 2). For working relationships with non-profits, only one type of LGO position is important: mayors are significantly more likely to report positive working relationships with nonprofits than LGOs holding other types of positions (see Panel A in Table 2 and Appendix A, Figure A.1). We speculate that mayors are more likely to interact with nonprofits, since the latter tend to be located in urban communities where mayors are likely to hold office.

Several indicators of LGO personal involvement with nonprofits are important (see Panel B in Table 2). Thus, LGOs who are currently active as

a volunteer, member, or leader are significantly more likely to report positive working relationships with nonprofits (for details see Appendix A, Table A.1). Additionally, we created four variables to capture the scope of active involvement with nonprofits: in at least one role (volunteer, member, or leader), at least two roles, or all three roles, and the average number of roles they currently have. Regardless of how we measure the scope of involvement, those with more involvement are significantly more likely to report positive working relationships with nonprofits (Appendix A, Figures A.2 and A.3).

**Table 2**  
**Significant Bivariate Predictors of Working Relationships with Various Institutions, 2020:**  
**LGO Characteristics and Nonprofit Involvement**

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<b>A. LGO Characteristics</b>			
<i>County Council Member and County Commissioner</i>			+
<i>Mayor</i>	+	+	
<i>Township Trustee</i>			+
<i>School Board Member</i>			-
<i>Tenure in Current Government Position</i>			+
<i>Tenure in All Elected Positions</i>			+
<b>B. LGO Nonprofit Involvement</b>			
<i>Currently Holds a Leadership Position in a Nonprofit</i>	+	+	+
<i>Currently a Member of a Nonprofit</i>	+	+	+
<i>Currently a Volunteer</i>	+	+	
<i>Past Volunteer of a Nonprofit</i>		-	
<i>Involved in Nonprofits in at Least One Capacity: Member, Volunteer, or Leader</i>	+	+	+

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<i>Involved in Nonprofits in at Least Two Capacities: Member, Volunteer, or Leader</i>	+	+	+
<i>Involved in Nonprofits in All Three Capacities: Member, Volunteer, and Leader</i>	+	+	+
<i>Average Involvement as Member, Volunteer, and/or Leader in Nonprofits</i>	+	+	+
<i>Summation of Involvement in Different Types of Nonprofits</i>	+	+	
<i>Believes that Involvement in Nonprofits is Important to the Job of an LGO</i>	+	+	+

We also checked for involvement with specific types of nonprofits. We find that LGOs are significantly more likely to report positive working relationships with nonprofits if they have been or are currently involved with a more diverse set of nonprofits (for this measure, we count the number of different nonprofits they are involved with, see Appendix A, Table A.2). Lastly, we include a measure of how important LGOs view their nonprofit involvement to be for their role as a local elected official. Those who view their nonprofit involvement as more important to their job as an LGO, are significantly more likely to report positive working relationships with nonprofits (see Appendix A, Figure A.4).

We also look at working relationships with nonprofits as part of other local institutions (local businesses, schools and libraries). As one might expect, many of the same explanatory factors are significant (see column 2 in Table 2). Thus, mayors are significantly more likely to report positive working relationships with these institutions than other types of LGOs (Panel A in Table 2, Appendix A, Figure A.1).

Similarly, almost all the same indicators of LGO personal involvement with nonprofits are important in predicting positive working relationships with these other institutions. This holds for whether the LGO is currently active as a leader, volunteer, or member (see Appendix A, Table A.3) and all the variations of nonprofit involvement as a member, volunteer, or leader (see Appendix A, Figure A.5). Other significant factors include the more nonprofit types LGOs are involved in and importance of their nonprofit involvement (see Appendix A, Table A.2 and Figure A.4, respectively).

The only explanatory factor that is significant for other institutions and not for nonprofits when considered in isolation is whether the LGO has previously been involved in nonprofits as a volunteer. If the LGO was active in a nonprofit previously as a volunteer, they are significantly less likely to report positive working relationships with other local institutions (see Appendix A, Table A.3).

When we consider working relationships with the cluster of general purpose governments,

we find some differences. Almost as many factors are significant, but they are not the same as those that predict positive working relationships with the other institutions. Assessments of working relationships with the group of general government institutions appear to vary by type of LGO position. This is perhaps not surprising, since most LGOs probably have more direct experience working with other units of government than with nonprofits, local business, schools and libraries. In particular, being a mayor is no longer important, but county-level LGOs (county commissioners and council members) and township trustees are all significantly more likely to rate working relationships with general government institutions high than their counterparts, while school board members tend to rate them significantly lower (see Appendix A, Figure A.6).

In addition, time in position appears to be important. If LGOs have served in their current position longer, they are significantly more likely to report positive working relationships (see Appendix A, Figure A.7). Similarly, if they have served in any elected official position longer, they are significantly more likely to report positive working relationships with general purpose governments (see Appendix A, Figure A.7). These findings suggest that LGOs develop good working relationships as they become familiar with other units of local government, or as they acquire experience in managing challenging working relationships.

Many of the indicators of personal involvement with nonprofits remain important in predicting positive working relationships with general government institutions. Thus, LGOs who

currently are a leader or member of a nonprofit, are significantly more likely to report positive working relationships with general purpose governments (see Appendix A, Table A.4). Also, all variations of nonprofit involvement as member, leader, and volunteer are positively significant (Appendix A, Figures A.3 and A.8). The same holds if LGOs see their nonprofit involvement as important to their elected position (see Appendix A, Figure A.4). We speculate that LGOs who are more involved with nonprofits may have more positive working relationships in general, not just with nonprofits.

#### Community Conditions and Scope of Nonprofits

We also consider a variety of community and political factors that may affect how LGOs view working relationships with various institutions. We include the county-level voter participation rate because LGOs in communities with stronger political and civic engagement may seek to work more effectively with a broad range of community institutions.

On the other hand, in communities that face more challenges, LGOs may also find working relationships more challenging since solutions may be difficult to develop. We explored several county-level, external measures of community challenges, including monthly levels of unemployment during the time period when the survey was administered, and percent of adults aged 25 and older without a high school education. We also considered a social vulnerability index (SVI),<sup>14</sup> that seeks to identify communities likely to face major challenges in responding to emergencies or natural disasters. We thought the SVI would be able to capture

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<sup>14</sup> See <https://www.atsdr.cdc.gov/placeandhealth/svi>.

problems LGOs faced as they were addressing the impact of the COVID-19 pandemic in 2020. Similarly, we used IACIR data to explore whether LGOs who reported there had been a major natural disaster in their community during the past three years, would rate working relationships higher.<sup>15</sup>

We include also two measures of community conditions from the perspective of LGOs themselves. The first measures whether LGOs report that community conditions across a broad array of indicators present a major, moderate, or minor/no problem in their community. The second measures how LGOs view the general direction their community is headed, from very pessimistic to very optimistic.

Finally, we consider the scope of nonprofits in the community. The sheer number of nonprofits in the community may make it difficult for LGOs to identify which nonprofits to work with, but also allow more options in identifying good community partners. On the other hand, the presence of large nonprofits may introduce complex power dynamics and make the relationships with local nonprofits and charities more difficult to manage. We explore several measures of these indicators of nonprofit scope,<sup>16</sup> but none are significant in any of the bivariate analyses.

Table 3 summarizes indicators of community conditions that appear to be significantly related to working relationships at the bivariate level analysis. As expected, communities with higher unemployment rates in May and June 2020 are significantly less likely to report positive working relationships with nonprofits (column 1) and with other institutions (column 2) (see also Appendix A, Figures A.9 and A.10). The same pattern holds for LGOs who report that their community faces more severe problems (Appendix A, Figure A.11). Correspondingly, LGOs who report that their community is headed in a positive direction are significantly more likely to report positive working relationships with nonprofits and other local institutions (Appendix A, Figure A.12).

The latter two patterns also hold for working relationships with general purpose governments (Appendix A, Figures A.11 and A.12). However, none of the measures of unemployment are significant for general purpose governments. Instead, those working relationships are rated significantly more positive if the community has a high percent of adults without high school diplomas (Appendix A, Figure A.13). We have no obvious explanation for this pattern.

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<sup>15</sup> For details, see *Indiana Local Government Officials' Assessment of Disaster Preparedness and Reliance on Nonprofits for Response*, by Kirsten A. Grønberg and Elizabeth McAvoy. Briefing Number Eleven, July 2021. Available at <https://nonprofit.indiana.edu/research-results/local-government-officials-survey.html>.

<sup>16</sup> We explore two ways to measure scope of nonprofits: total number of nonprofits charities with reporting addresses in the county, registered under the IRS tax section 501(c)(3), and the average aggregate revenue reported by those charities. The indicators are highly skewed, so we use the natural log value. They are also highly correlated with one another, so we explore alternative models, including first one and then the other. The log value of the average aggregate revenue of C3 nonprofits provides the more powerful predictor of working relationship, so we use that in our final model.

**Table 3**  
**Significant Bivariate Predictors of Working Relationships with Various Institutions, 2020:**  
**Community Conditions and Scope of Nonprofits in County**

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<b>A. Community Conditions</b>			
<i>Monthly Unemployment in May 2020</i>	-	-	
<i>Monthly Unemployment in June 2020</i>	-	-	
<i>Problematic Community Conditions</i>	-	-	-
<i>Direction the Community is Heading</i>	+	+	+
<i>Percentage of Adults Aged 25 or Over Without High School Diploma</i>			+

The Nature of Nonprofit Interactions with Local Government

Next, we consider explanatory factors designed to capture how nonprofits interact with local government. We focus in part on grants and contracting, since these inevitably involve some level of working relationships between LGOs and nonprofits. LGOs reported to what extent they consider the importance of eight factors when awarding grant and contracts to nonprofit institutions.<sup>17</sup> For brevity, we include the average of these eight factors in the bivariate analysis.

We also include several measures designed to capture a broader set of indicators of nonprofit interactions with local government: how important LGOs say nonprofits are to local governments on five different dimensions, and

how important they say local governments are to nonprofits on four of those dimensions, as well as an average score for each set.<sup>18</sup> In this analysis, we use the averages of the measures for importance of nonprofits to local governments and of local governments to nonprofits.

Finally, we consider measures of how LGOs assess nonprofits more generally. We consider the extent to which LGOs trust nonprofits “to do the right thing” and whether LGOs assess nonprofits and churches in their county to be well-prepared for the impact of serious disasters. We assume more positive assessments of nonprofits on these dimensions should be associated with more positive working relationships. Lastly, we consider the relationship between working relationships with nonprofits

<sup>17</sup> The eight considerations asked about were (1) nonprofit service capacity (volume), (2) quality of nonprofit services, (3) effectiveness of nonprofit services, (4) client access to nonprofit services (location, fees), (5) cost efficiency of nonprofit services, (6) costs of creating/managing effective contract systems, (7) challenges in monitoring nonprofit service performance, and (8) difficulties in communicating with nonprofit contractors. They form a single scale, so for brevity, we included the average in the body of the report. To see the specific significance of these variables, see Appendix B, Section D.

<sup>18</sup> The five variables asked how important nonprofits are (on a 5-point scale) to local government for their (1) financial support, (2) service capacity, (3) expertise, knowledge, and technical assistance, (4) reputation and legitimacy, and (5) policy support and influence. The question about how important local government is to nonprofits asked about the same dimensions, except for service capacity. For brevity, we included the averages in the body of the report. To see the specific significance of these variables, see Appendix B, Section E.

and working relationships with the two institutional groupings.

Table 4 shows which of the explanatory factors related to nonprofit interactions with local government are important at the bivariate level in predicting working relations with nonprofits (first column), other local institutions, including nonprofits (second column), and general purpose government (third column).

For working relationships with nonprofits, Panel A shows that the average of the eight

explanatory factors related to grants and contracts is significant in predicting positive working relationships with nonprofits (see Appendix A, Figure A.14). Panel B shows that LGOs are significantly more likely to report positive working relationships with nonprofits the more important LGOs say nonprofits are to local governments (see Appendix A, Figure A.15), and the more important LGOs view local governments to be to nonprofits (see Appendix A, Figure A.16).

**Table 4**  
**Significant Bivariate Predictors of Working Relationships with Various Institutions, 2020:**  
**The Nature of Nonprofit Interactions with Other Local Government**

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<b>A. Nonprofit Grants and Contracts</b>			
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<b>B. Importance of Nonprofits to Local Governments and Local Governments to Nonprofits</b>			
<i>Average Importance of Nonprofits to Local Governments</i>	+	+	+
<i>Average Importance of Local Governments to Nonprofits</i>	+	+	+
<b>C. Trust and Preparedness</b>			
<i>Trust in Corresponding Institution(s)</i>	+	+	+
<i>Nonprofits Disaster Preparedness</i>	+	+	+
<i>Religious Orgs. Disaster Preparedness</i>	+	+	+
<i>Working Relationships with Nonprofits</i>	<b>NA</b>	+	+

Panel C includes the trust and disaster preparedness explanatory factors. LGOs who report higher trust in nonprofits “to do the right thing,” are significantly more likely to report positive working relationships with nonprofits (see Appendix A, Figure A.17). That is also the case if LGOs report that local nonprofits or

churches are well prepared to handle natural disasters (see Appendix A, Table A.5 and A.6).

All of the explanatory factors significant for working relationships with nonprofits are significant for working relationships with other local institutions and general purpose governments. However, instead of comparing working relationships with other local institutions with



trust in nonprofits, we compare working relationships with other local institutions to trust in other local institutions and working relationships with general purpose governments to trust in general purpose governments.

Finally, we look at whether LGOs who report more positive working relationships with nonprofits also report more positive relationships with other local institutions and with general purpose governments. That is the case (see Appendix A, Table A.7), suggesting that positive working relationships may be at least in part a function of the interpersonal skills of the LGO.

### What Explains LGOs Assessment of Working Relationships in the Overall Analysis?

So far, we have considered whether each explanatory factor by itself helps predict positive working relationships with nonprofits and two groupings of institutions (general government, and other local institutions, including

nonprofits). However, some of these explanatory factors are variations of one another (e.g., importance of each of eight factors in awarding grants and contracts to nonprofits and the average importance across the eight factors). In our final analysis, we therefore include combined scores when available, rather than each of the specific indicators. Keeping the number of explanatory factors as low as possible, allows us to develop a more efficient statistical model.

Table 5 shows which combination of factors remain significant in the final analysis, controlling for all other factors included in the analysis. Column 1 shows factors important for predicting working relationships with nonprofits, column 2 those that predict working relationships with the group of other local institutions (including nonprofits) and column 3 those that predict working relationships with general purpose governments. For full statistical details for all variables included in the multivariate analysis, see Appendix A.

**Table 5**  
**Multivariate Analyses of Working Relationships with Nonprofits and Two Clusters of Institutions; Indiana Local Government Officials, 2020**

<b>Explanatory Factors</b>	<i><b>Local Charities and Other Nonprofits</b></i>	<i><b>Other Local Institutions, Including Nonprofits</b></i>	<i><b>General Purpose Governments</b></i>
School Board Member	—	—	
City Council Member	—		+
Involved in Nonprofit(s) as Member, Volunteer, and Leader			+
Problematic Community Conditions	—	—	
Direction that the Community is Headed	+		+
Importance of Local Governments to Nonprofits	+	+	
Trust in Same Institution(s) to “Do the Right Thing”	+	+	+

<b>Overall Significance Level</b>	P<.001	P<.001	P<.001
<b>Number of Cases</b>	317	331	335
<b>Adjusted Proportion of Variation Predicted</b>	0.237	0.305	0.388

**Notes:** Only factors that are significant at the p.05 level of significance in the overall prediction equation are included in this table. The full set of predictor variables can be found in Appendix C, which also provides details about the regression coefficients and data sources. In this table, coefficients are flagged with + if this factor is positively associated and with - if this factor is negatively associated with LGOs’ working relationships.

Each of the analyses are highly significant (p<.001) and explain between 24 and 39 percent of the variance. A comparison of the three columns shows some consistency across the three types of institutions in terms of which factors remain significant in the final analysis, but also some differences. We review these findings more detail below.

LGO Characteristics and Nonprofit Involvement

For working relationships with nonprofits, LGOs who are school board or city council members are significantly less likely to report positive working relationships with nonprofits compared to mayors.<sup>19</sup> (Recall, that mayors were significantly more likely to report positive working relationships with nonprofits than their counterparts.) For working relationships with other local institutions, a similar pattern holds, but only for school board members, which are significantly less likely (compared to mayors) to report positive working relationships with the group of other local institutions. On the other hand, LGOs who are city council members, are significantly more likely to report positive working relationships with general purpose governments than are mayors.

Surprisingly, LGO personal involvement with nonprofits as a leader, member or volunteer is

only significant in predicting positive working relations with general purpose government, not nonprofits or the group of other location institutions.

Community Conditions and Scope of Nonprofits

We find that LGOs who view their community as heading in a positive direction are more likely to view working relationships with nonprofits and general purpose governments as positive. Conversely, LGOs who see their community as facing more problematic conditions are significantly less likely to see working relationships with nonprofits and other local institutions as positive. None of the more objective measures of community condition (e.g., voter participation, social vulnerability index, or scope of nonprofits) are significant in this final analysis.

The Nature of Nonprofit Interactions with Local Government

In our multivariate analysis for working relationships with nonprofits and other local institutions, two explanatory factors are significant. As expected, LGOs are significantly more likely to report positive working relationships with nonprofits and other local institutions if their average rating of local government importance to nonprofits are high. Also as expected, they

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<sup>19</sup> In our multivariate analysis, we use mayor as the reference category for type of position LGOs hold in local government.

are significantly more likely to report positive working relationships with nonprofits if they indicate a higher level of trusts in the same institutions “to do the right thing.”

For working relationships with general purpose governments, only one of these factors is significant. LGOs are significantly more likely to report positive working relationships with general purpose governments if they report a higher level of trust in general purpose governments.

### Summary and Conclusions

Local government officials play pivotal roles in their communities and must often work with a range of different institutions in order to carry out their responsibilities. In this report, we examined how LGOs rate their working relationships with a broad range of institutions, focusing particularly on their working relationships with local nonprofits and how those compare to other institutions. We also examined how LGOs’ perception of working relationships with local nonprofits and other institutions have changed over time. Lastly, we examined under which conditions LGOs’ working relationships with nonprofits, general purpose governments, and other local institutions appear to be more positive.

Since 2012, LGOs have consistently rated working relationships with local nonprofits as very positive, with higher scores than those for working relationship for all other nine other institutions included in the analysis. The scores for nonprofits ranged between 4.2 and 4.3, out of 5) across the four surveys during that nine-year-period. This very minimal change might be explained by a ceiling effect — LGOs’ average assessment of working relationships with

nonprofits probably as high as such scores can get in a relatively large survey.

On the other hand, over the same time period, LGOs assessment of working relationships with all other institutions increased significantly. In some cases, the scores increased gradually over time, but were significantly different at the end of the period compared to the beginning. In other cases, scores increased significantly from one survey to the next.

As a result of these divergent trends, nonprofits appear to be losing their comparative advantage. In 2012, nonprofit working relationships were significantly more positive than for all institutions except for local businesses. In 2020, nonprofit working relationships were only significantly more positive than for four of the nine institutions: township, city, state, and federal governments.

Our multivariate analysis allows us to identify which combination of factors best explains LGOs’ positive working relationships with nonprofits, general purpose governments, and other local institutions (including nonprofits), controlling for all other factors. Notably, our models are highly significant and explain 24 percent of the variance in LGOs’ working relationships with nonprofits, 30 percent for working relationships with other local institutions (including nonprofits), and 39 percent of the variance for those with general purpose governments. Our models consider key explanatory factors simultaneously while adjusting for the number of explanatory factors.

Our findings point to several factors as significant predictors of working relationships. Community conditions play a significant role as predictors. LGOs’ working relationships with nonprofits and general purpose governments

are significantly more likely to be positive if the LGO reports that their community is headed in a positive direction. Similarly, if LGOs report more problematic community conditions, they are significantly less likely to report positive working relationships with nonprofits and other local institutions.

Additionally, LGOs' working relationships with nonprofits and other local institutions are significantly more likely to be positive if the LGO reports that local governments are important to nonprofits. LGOs' working relationships, regardless of institution, are significantly more likely to be positive if the LGO reports trusting the institution to "Do the Right Thing."

But assessments of working relationships also depend on who is making the assessments. Thus, school board members rate working relationships with nonprofits and other local institutions significantly lower than the comparison group (mayors). City council members are significantly more likely to report positive working relationships with general purpose governments, but significantly less likely to report positive working relationships with nonprofits (compared to mayors). LGOs' working relationships with general purpose governments are significantly more likely to be positive if the LGO is involved in nonprofits as a member, volunteer, and leader.

Our findings have added importance, given the arrival of the COVID-19 pandemic in early spring of 2020. The pandemic developed suddenly and presented major challenges to all institutions. The federal and state governments both played important roles in coordinating activities and providing support. However, the impact of the pandemic was felt most directly in local communities. This was where people

became ill and needed care, where they were closed out of "non-essential" services and jobs, and where normal life and interactions ground to a halt. Local government officials had to address these and other challenges immediately.

LGOs who already had access to positive working relationships with other institutions may possibly have developed more effective ways to manage the crisis. It is also likely that new working relationships emerged (or existing ones were strengthened) as the pandemic unfolded. Clearly, however, the COVID-19 pandemic has put a premium on positive working relationships among a broad range of institutions.

The survey on which this analysis is based was distributed to LGOs in February, before the pandemic was widely recognized. Data collection continued for four months after COVID-19 was declared a major disaster for all Indiana counties on April 3rd, 2020. This gave us an opportunity to see whether assessments of working relationships differed when we compare responses before and after that date. We found only one slight hint. LGOs who responded after April 3rd rated working relationships with nonprofits marginally higher than those who responded before April 3rd. However, the difference is far from robust and may simply reflect sampling error. Importantly, a dummy variable to measure whether the survey was completed after April 3rd was not significant in the multivariate analysis.

As our world becomes better versed in navigating viral pandemics or similar widespread emergencies, LGOs will undoubtedly reflect on their experiences. Most likely, this will include lessons learned about better, more effective

and collaborative responses, including how to create better working relationships with a full range of institutions, including nonprofits.

Our findings about the importance of community conditions for positive working relationships deserve special attention. To the extent that the COVID-19 pandemic worsened community conditions, our findings suggest that LGOs may find working relationships with other institutions more challenging. Potentially, this could leave these communities less well prepared for future challenges, including the likelihood of more severe and frequent weather-related disasters. The results of this survey are most directly relevant to the initial impacts of the COVID-19 pandemic. A future survey of Indiana LGOs is necessary to capture the pandemic's long-term impacts on working relationships.

### Acknowledgements

This analysis of local government and nonprofit sector relations is a joint effort of the [Indiana Nonprofit Sector](#) project, the [Indiana University Public Policy Institute](#), the [Lilly Family School of Philanthropy](#) at Indiana University, and the [O'Neill School of Public and Environmental Affairs](#) at Indiana University Bloomington. It is part of our effort to help community leaders develop effective and collaborative solutions to community needs and to inform public policy decisions by providing baseline information about the Indiana nonprofit sector.

This briefing is made possible by support for the Efroymsen Chair in Philanthropy from the Efroymsen Family Fund at the Central Indiana Community Foundation, the Lilly Family School of Philanthropy's Indiana Research Fund (supported in part by the Lilly Endowment Inc.), and the O'Neill School of Public and Environmental

Affairs at Indiana University Bloomington.

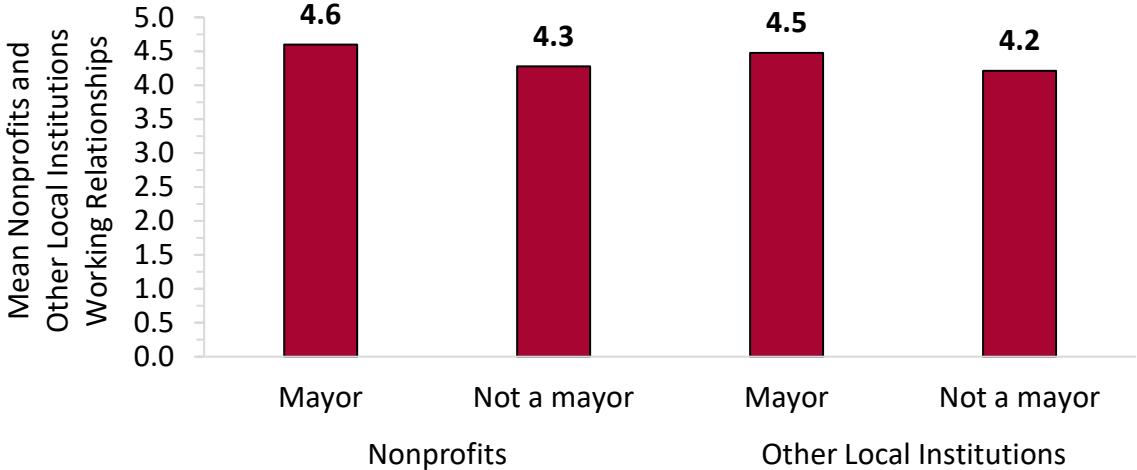
We thank members of the Advisory Board for the Indiana Nonprofits Project for their helpful comments and suggestions. We are grateful to the Indiana Advisory Commission on Intergovernmental Affairs (IACIR) at the Indiana University Public Policy Institute for making the survey data available to us. We are particularly indebted to the Director of IACIR, Jamie Palmer, for helpful comments on this and previous reports.

### Suggested Citation

*Indiana Local Government Officials' Opinions on Working Relationships with Nonprofits*, by Kirsten A. Grønbjerg, Zoe Bardon and Elizabeth McAvoy. Indiana Local Government Officials and the Indiana Nonprofit Sector Report Series, Briefing Number Twelve, April 2022. Bloomington, IN: Indiana University O'Neill School of Public and Environmental Affairs. DOI: 10.13140/RG.2.2.18107.69923

Appendix A: Bivariate Analyses Graphs

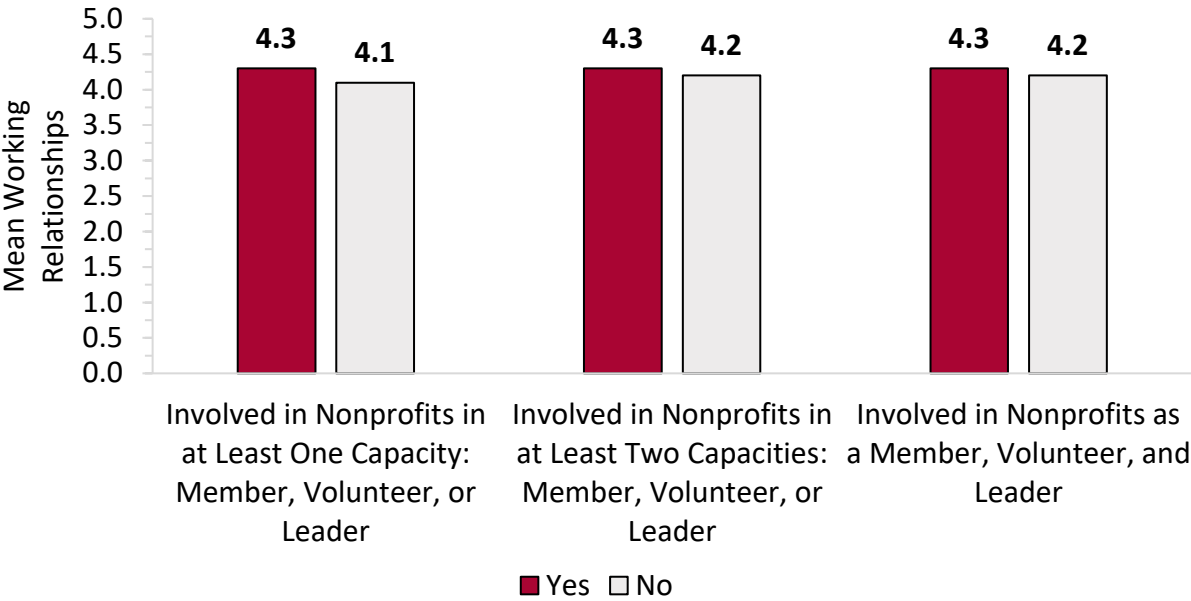
**Figure A.1:** Average Working Relationships with Nonprofits and Other Institutions in 2020 by Whether LGO is a Mayor (n=50-470)



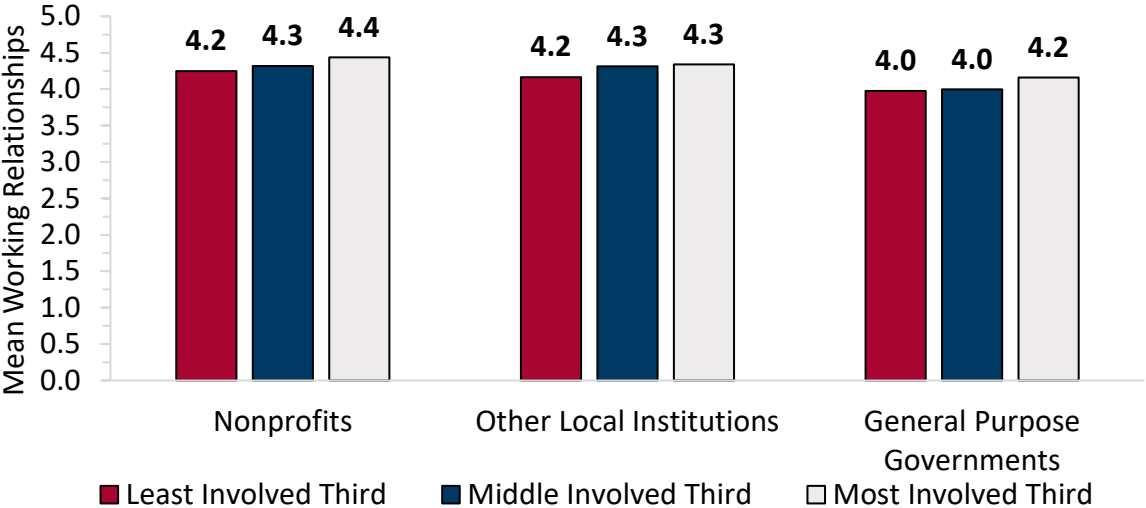
**Table A.1:** Average LGO Working Relationships with Nonprofits in 2020 by Currently Active Nonprofit Involvement (n=174-287)

	<i>Leader</i>	<i>Member</i>	<i>Volunteer</i>
Not Active	4.3	4.2	4.3
Active	4.4	4.4	4.4

**Figure A.2:** Average LGO Working Relationships with Other Local Institutions in 2020 by Variations of Nonprofit Positions LGOs Currently Occupy (n=106-369)



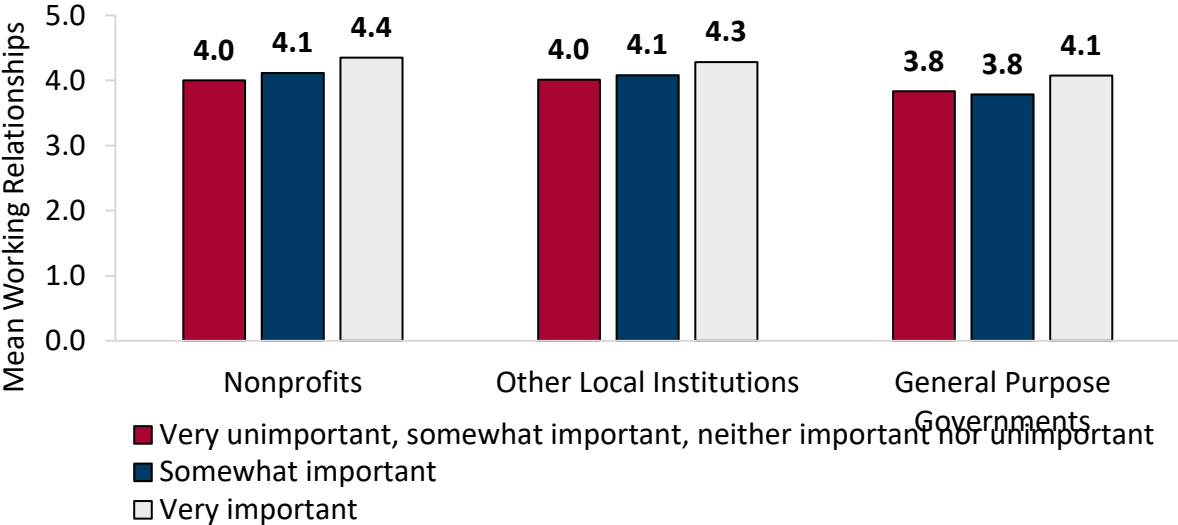
**Figure A.3:** Average LGO Working Relationships with Various Institutions in 2020 by Average Nonprofit Positions LGO is Involved In (n=116-195)



**Table A.2:** Average Working Relationships with Various Institutions in 2020 by Number of Different Types of Nonprofits Involved at (Past or Current) (n=113-180)

Degree of Involvement	Nonprofits	General Purpose Governments	Other Local Institutions
Least involved third	4.2	4.0	4.2
Middle involved third	4.3	4.0	4.2
Most involved third	4.5	4.1	4.4

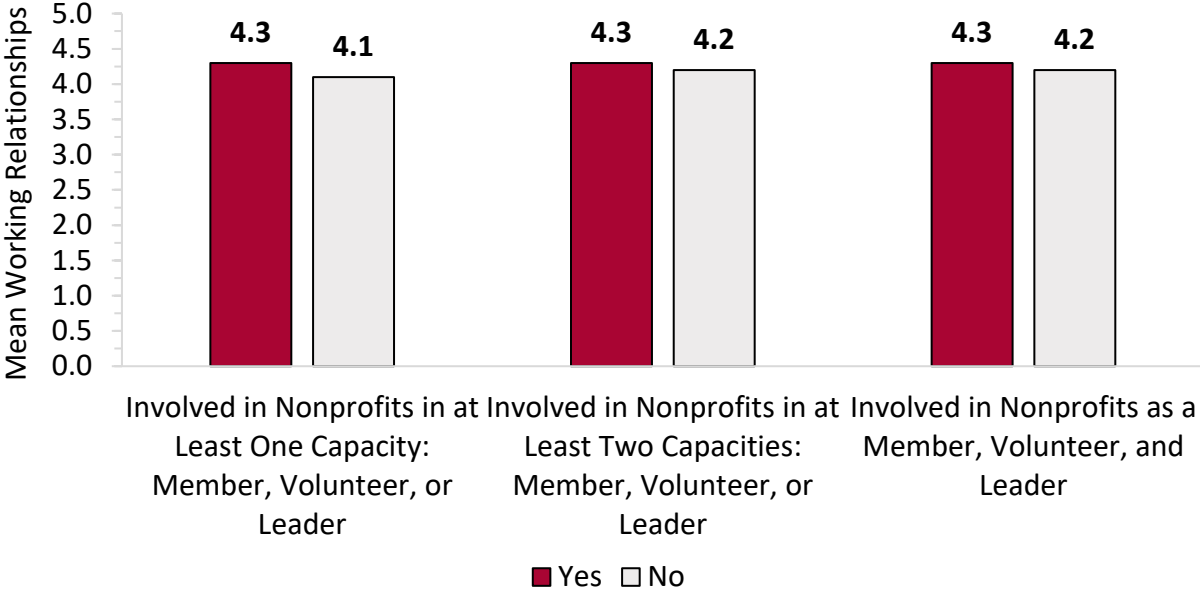
**Figure A.4:** Average Working Relationships with Various Institutions in 2020 by Level of Importance of Nonprofit Involvement to Job as LGO (n=20-409)



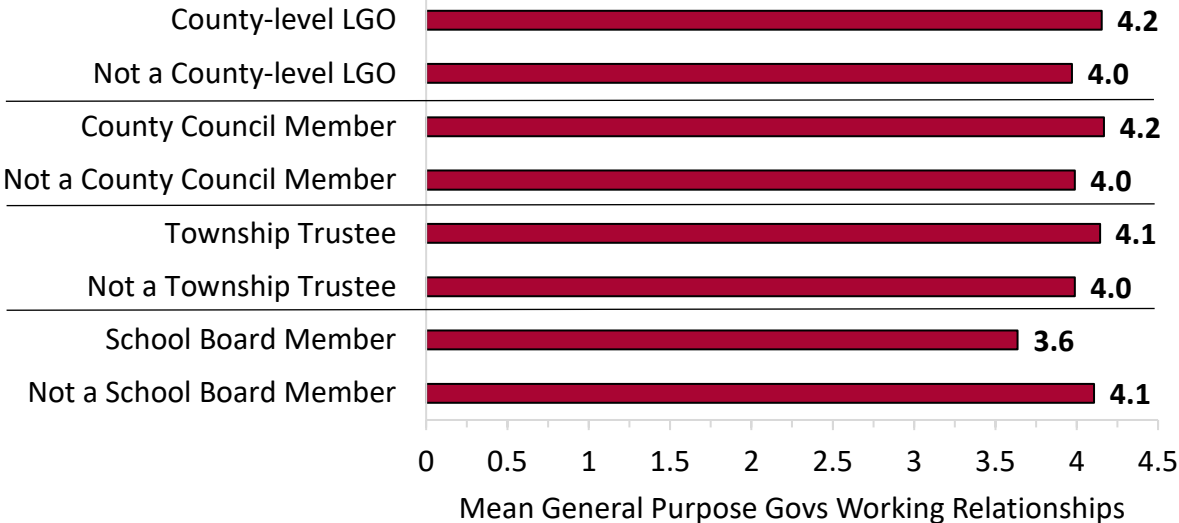
**Table A.3: Average LGO Working Relationships with Other Local Institutions in 2020 by Nonprofit Involvement (n=181-294)**

	<i>Currently Active Leader</i>	<i>Currently Active Member</i>	<i>Currently Active Volunteer</i>	<i>Former Volunteer</i>
No	4.2	4.2	4.2	4.3
Yes	4.3	4.3	4.3	4.2

**Figure A.5: Average LGO Working Relationships with Other Local Institutions in 2020 by Variations of Nonprofit Positions LGOs Currently Occupy (n=106-369)**

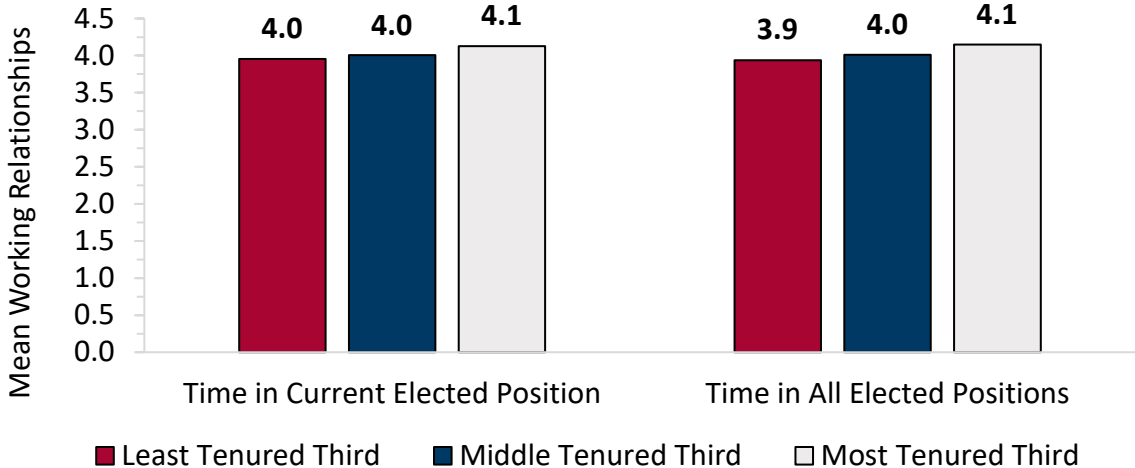


**Figure A.6: Average Working Relationships with General Purpose Governments in 2020 by LGO Position (n=90-434)**





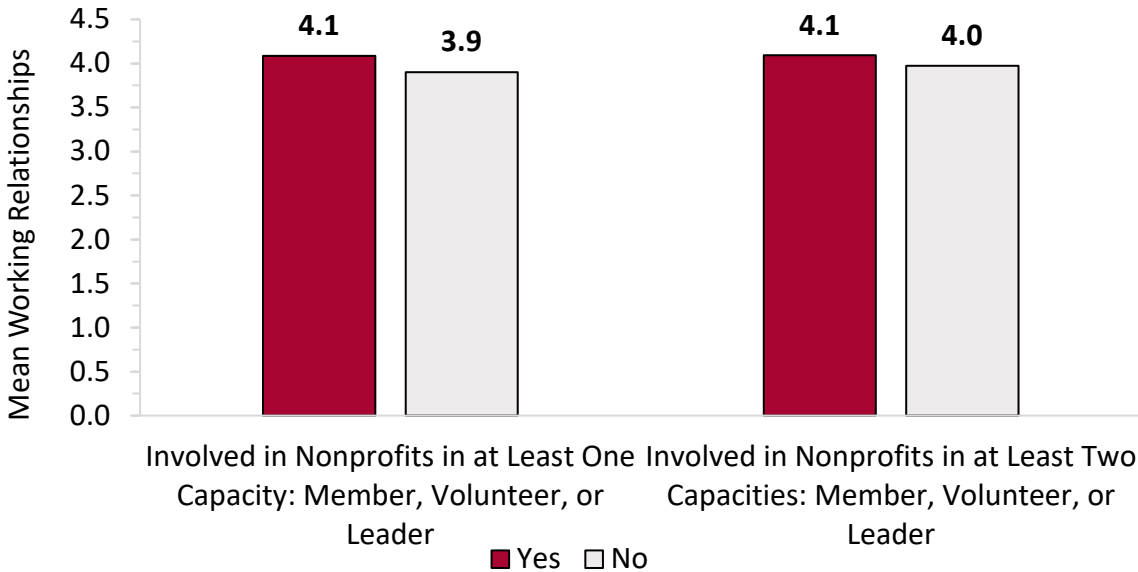
**Figure A.7:** Average Working Relationships with General Purpose Governments in 2020 by the LGO's Tenure (n=154-200)



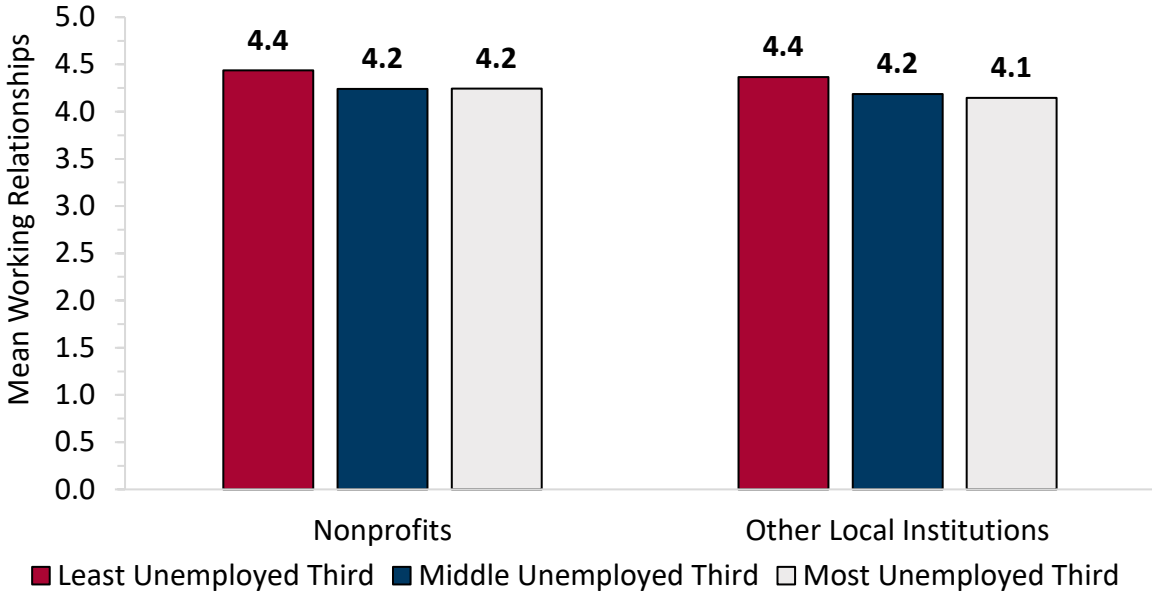
**Table A.4:** Average LGO Working Relationships with General Purpose Governments in 2020 by Currently Active Nonprofit Involvement (n=193-285)

	<i>Leader</i>	<i>Member</i>
Not Active	4.0	3.9
Active	4.1	4.1

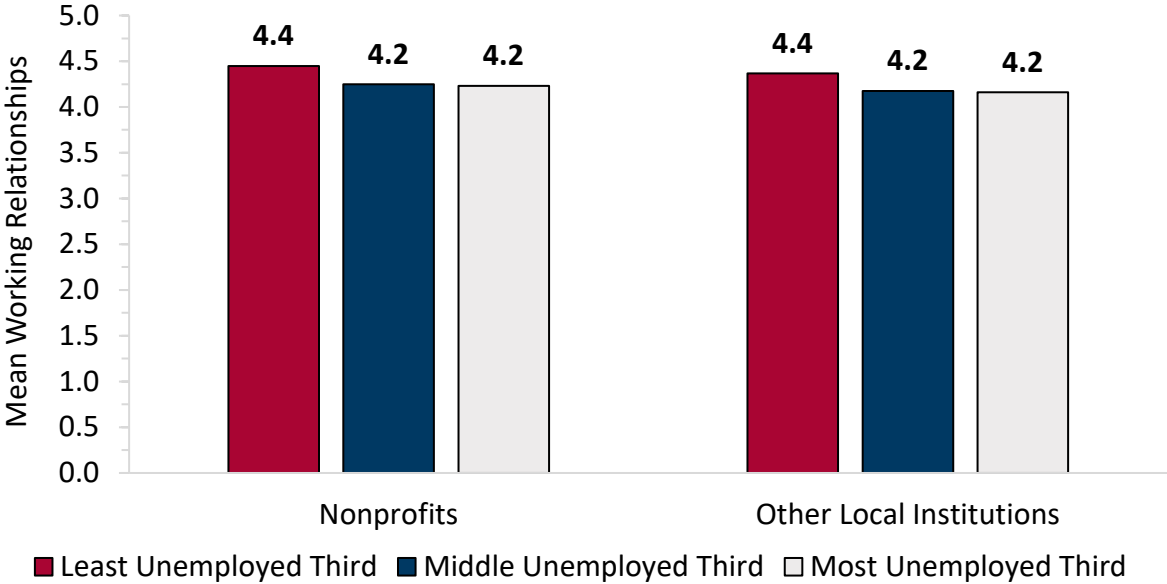
**Figure A.8:** Average Working Relationships with General Purpose Governments in 2020 by Variations of Nonprofit Positions LGOs Currently Occupy (n=107-371)



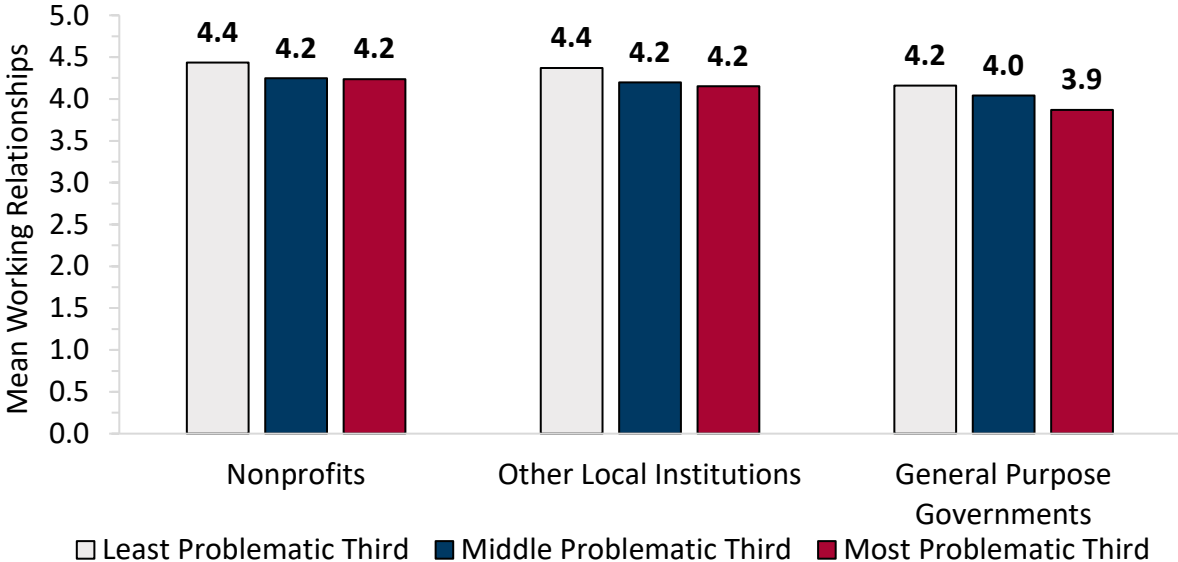
**Figure A.9:** Average Working Relationships with Nonprofits and Other Local Institutions in 2020 by May 2020 Unemployment (n=155-180)



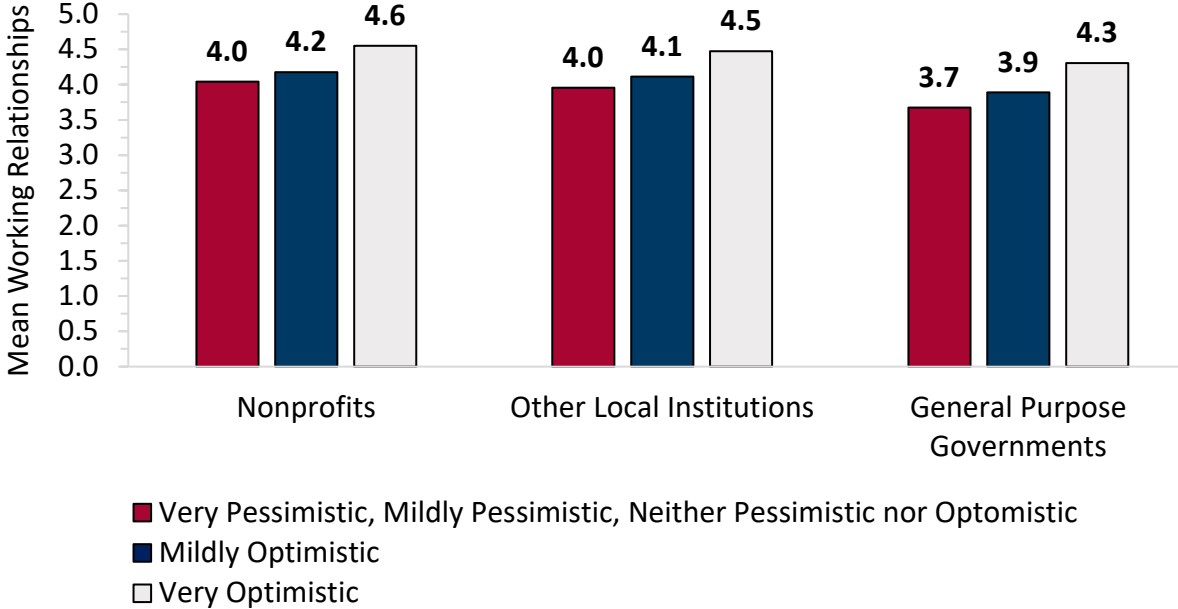
**Figure A.10:** Average Working Relationships with Nonprofits and Other Local Institutions in 2020 by June 2020 Unemployment (n=162-177)



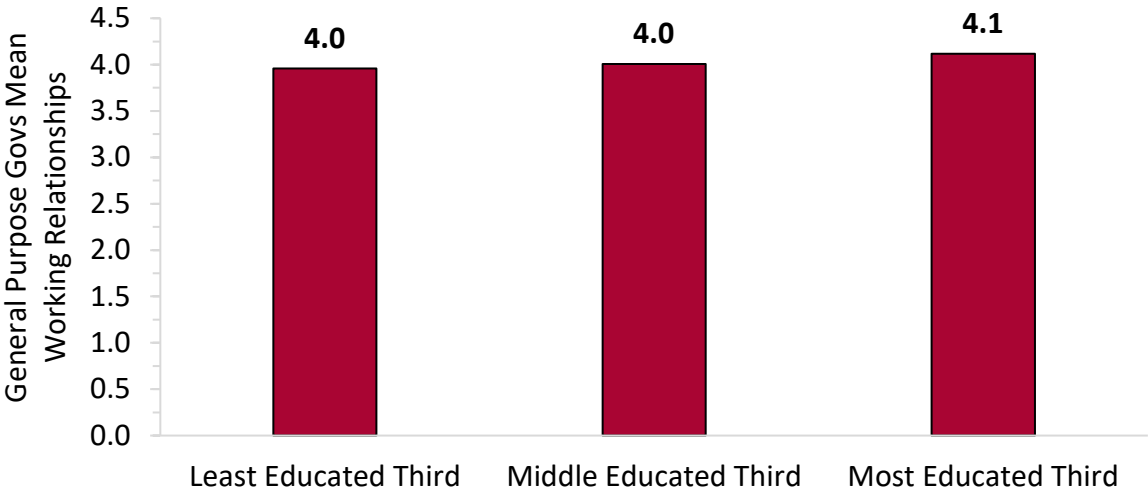
**Figure A.11:** Average Working Relationships with Various Institutions in 2020 by Average Problematic Community Conditions (n=160-177)



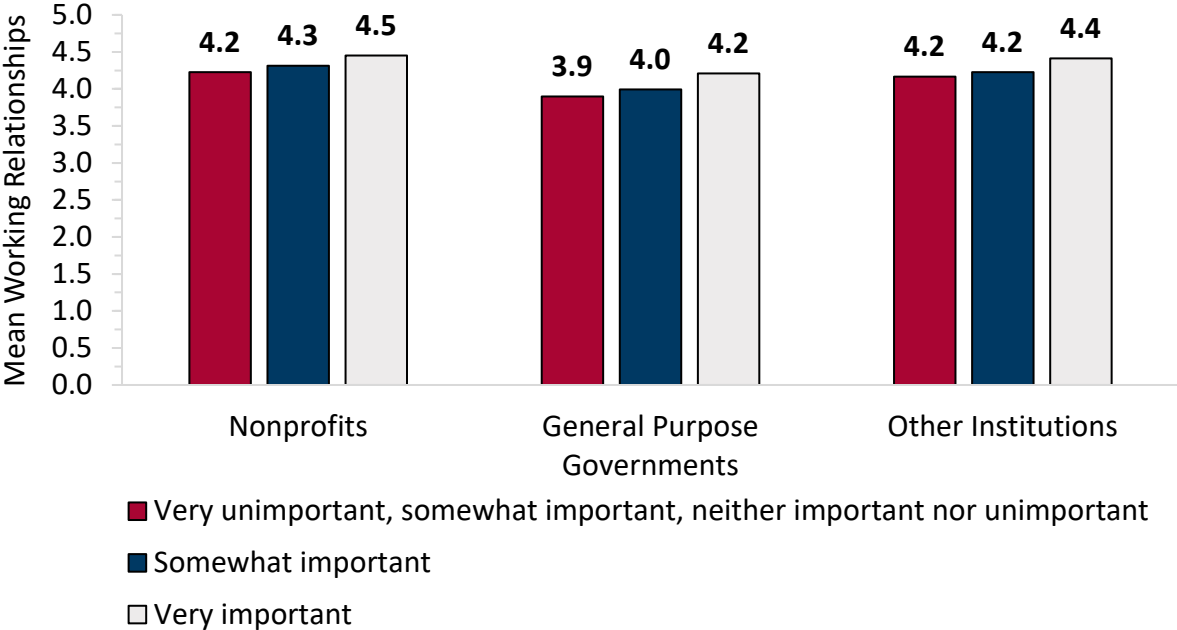
**Figure A.12:** Average Working Relationships with Various Institutions in 2020 by the Direction that the Community is Headed (n=72-226)



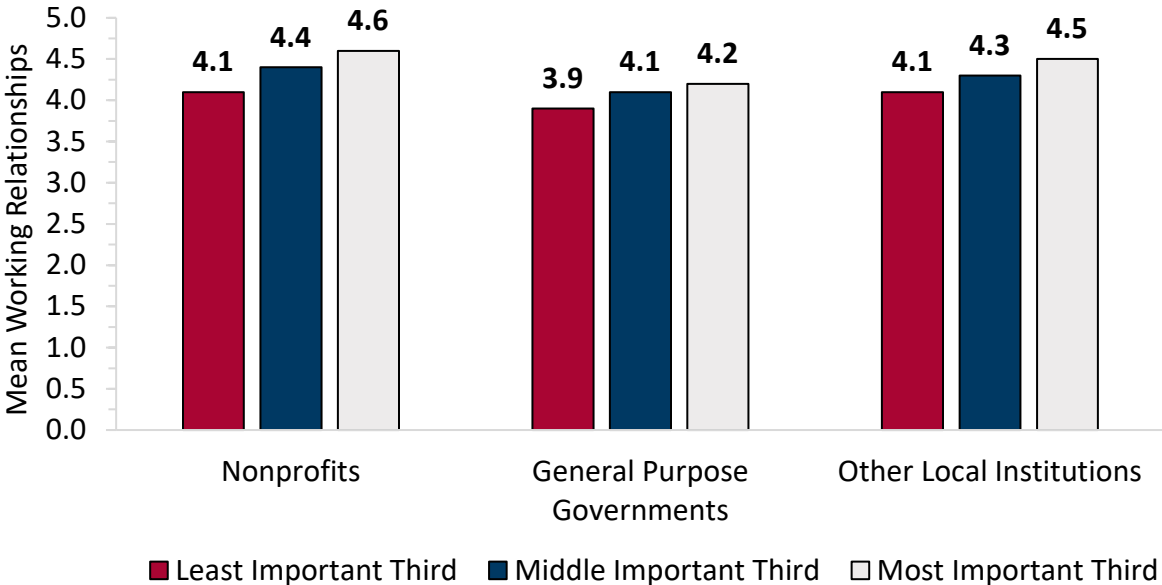
**Figure A.13:** Average Working Relationships with General Purpose Governments in 2020 by the Percentage of the Community with a High School Diploma (n=168-179)



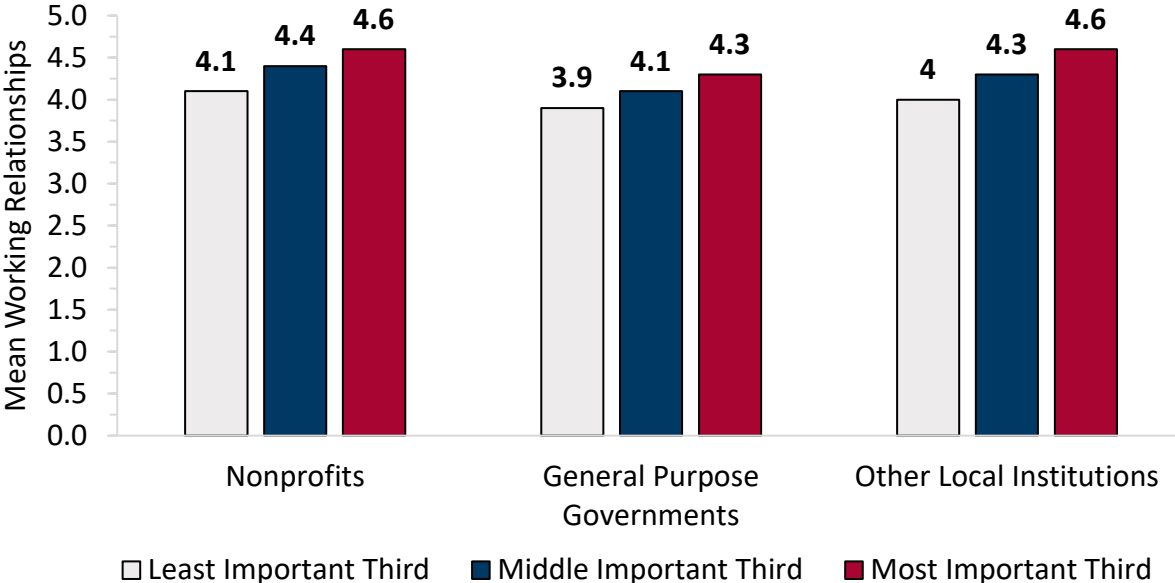
**Figure A.14:** Average Working Relationships with Various Institutions in 2020 by Importance of All Eight Values When Awarding Grants to Nonprofits (n=124-139)



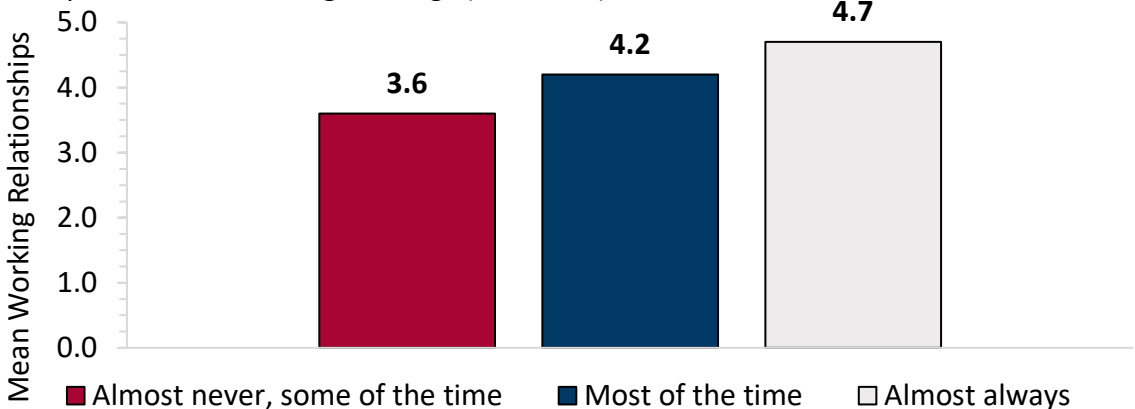
**Figure A.15:** Average Working Relationships with Various Institutions in 2020 by Average Importance of Nonprofits to Local Governments (n=102-183)



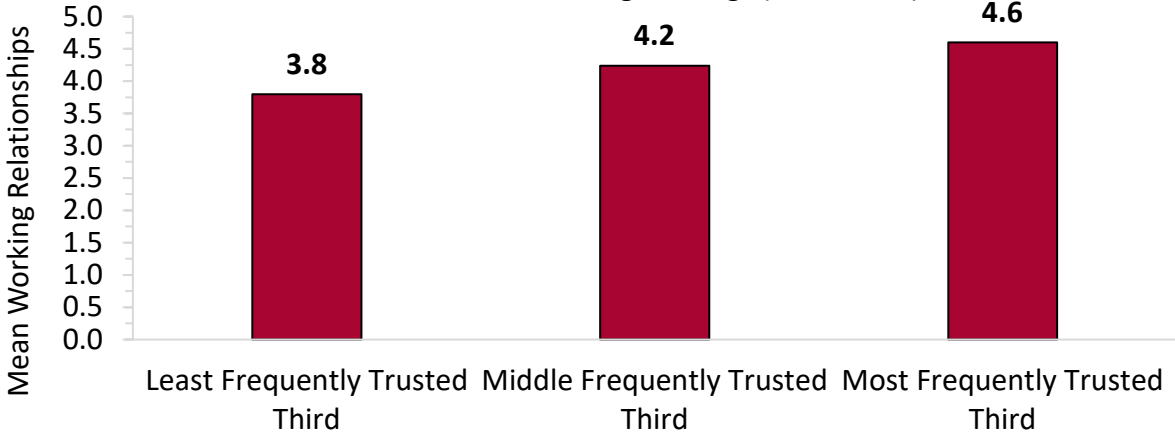
**Figure A.16:** Average Working Relationships with Various Institutions in 2020 by Importance of Local Governments to Local Nonprofits (n=84-190)



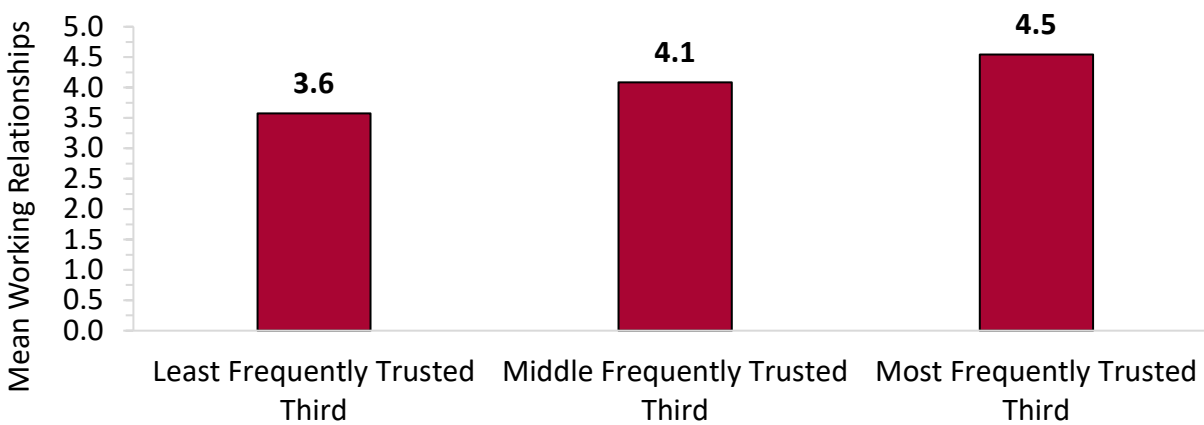
**Figure A.17:** Average Working Relationships with Nonprofits in 2020 by Trust in Nonprofits "to do the Right Thing" (n=44-274)



**Figure A.18:** Average Working Relationships with Other Local Institutions in 2020 by Trust in Other Local Institutions "to do the Right Thing" (n=138-160)



**Figure A.19:** Average Working Relationships with General Purpose Governments in 2020 by Trust in General Purpose Governments "to do the Right Thing" (n=13-229)



**Table A.5: Average Working Relationships with Various Institutions in 2020 by Disaster Preparedness of Nonprofits (n=20-301)**

<b>Degree of Preparedness</b>	<b><i>Nonprofits</i></b>	<b><i>Other Local Institutions</i></b>	<b><i>General Purpose Governments</i></b>
Not at all prepared	4.2	4.0	3.5
Little preparedness, somewhat prepared	4.2	4.2	4.0
Well prepared, very well prepared	4.4	4.4	4.2

**Table A.6: Average Working Relationships with Various Institutions in 2020 by Disaster Preparedness of Churches (n=25-304)**

<b>Degree of Preparedness</b>	<b><i>Nonprofits</i></b>	<b><i>Other Local Institutions</i></b>	<b><i>General Purpose Governments</i></b>
Not at all prepared	4.3	4.2	3.7
Little preparedness, somewhat prepared	4.2	4.2	4.0
Well prepared, very well prepared	4.5	4.4	4.2

**Table A.7: Average Working Relationships with Other Local Institutions and General Purpose Governments in 2020 by Working Relationships with Nonprofits (n=77-237)**

<b>Degree of Negativity/Positivity</b>	<b><i>Other Local Institutions</i></b>	<b><i>General Purpose Governments</i></b>
Very negative, somewhat negative, neither positive nor negative	3.3	3.5
Somewhat positive	4.0	3.8
Very positive	4.8	4.4

Appendix B: Expanded Bivariate Table

Significant Bivariate Predictors of Working Relationships with Various Institutions, 2020:  
LGO Characteristics and Nonprofit Involvement

Explanatory Factors	Nonprofits	Other Local Institutions	General Purpose Governments
<b>A. LGO Characteristics</b>			
County Council Member and County Commissioner			+
Mayor	+	+	
School Board Member			-
Township Trustee			+
Tenure in Current Government Position			+
Tenure in All Elected Positions			+
<b>B. LGO Nonprofit Involvement</b>			
Average Involvement as Member, Volunteer, and/or Leader in Nonprofits	+	+	+
Believes that Involvement in Nonprofits is Important to the Job of an LGO	+	+	+
Currently Holds a Leadership Position in a Nonprofit	+	+	+
Currently a Member of a Nonprofit	+	+	+
Currently a Volunteer of a Nonprofit	+	+	
Involved in Nonprofits in at Least One Capacity: Member, Volunteer, or Leader	+	+	+
Involved in Nonprofits in at Least Two Capacities: Member, Volunteer, or Leader	+	+	+
Involved in Nonprofits in All Three Capacities: Member, Volunteer, and Leader	+	+	
*Involved with a Health Nonprofit	+		
*Involved with an Economic & Community Development, Housing, Employment & Training Nonprofit	+	+	+



<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<i>*Involved with an Education &amp; Research Nonprofit</i>	+		
<i>*Involved with a Philanthropic Nonprofit</i>	+	+	
<i>*Involved with a Religious Institution</i>	+	+	+
<i>*Involved with a Social Services Nonprofit</i>	+		
<i>Past Volunteer of a Nonprofit</i>		-	
<i>Summation of Involvement in Different Types of Nonprofits</i>	+	+	
<b>C. Community Conditions</b>			
<i>Direction the Community is Heading</i>	+	+	+
<i>Monthly Unemployment in June 2020</i>	-	-	
<i>Monthly Unemployment in May 2020</i>	-	-	
<i>Percentage of Community Without High School Diploma</i>			+
<i>Problematic Community Conditions</i>	-	-	-
<b>D. Nonprofit Grants and Contracts</b>			
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Challenges in Monitoring Nonprofit Service Performance when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Client Access to Nonprofit Services when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Cost Efficiency of Nonprofit Services when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Costs of Creating or Managing Effective Contract Systems when</i>		+	+

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<i>Awarding Grants and Contracts to Nonprofits</i>			
<i>*Importance of Difficulties in Communicating with Nonprofit Contractors when Awarding Grants and Contracts to Nonprofits</i>	+		+
<i>*Importance of Nonprofit Effectiveness when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Nonprofit Service Capacity when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<i>*Importance of Nonprofit Service Quality when Awarding Grants and Contracts to Nonprofits</i>	+	+	+
<b><i>E. Importance of Nonprofits to Local Governments and Local Governments to Nonprofits</i></b>			
<i>Average Importance of Local Governments to Nonprofits</i>	+	+	+
<i>Average Importance of Nonprofits to Local Governments</i>	+	+	+
<i>*Importance of Local Government's Financial Support to Nonprofits</i>	+	+	+
<i>*Importance of Local Government's Knowledge to Nonprofits</i>	+	+	+
<i>*Importance of Local Government's Policy Support and Influence to Nonprofits</i>	+	+	+
<i>*Importance of Local Government's Reputation and Legitimacy to Nonprofits</i>	+	+	+
<i>*Importance of Nonprofit's Financial Support to Local Government</i>	+	+	+
<i>*Importance of Nonprofit's Knowledge to Local Government</i>	+	+	+
<i>*Importance of Nonprofit's Policy Support and Influence to Local Government</i>	+	+	+

<b>Explanatory Factors</b>	<b>Nonprofits</b>	<b>Other Local Institutions</b>	<b>General Purpose Governments</b>
<i>*Importance of Nonprofit's Reputation and Legitimacy to Local Government</i>	+	+	+
<i>*Importance of Nonprofit's Service Capacity to Local Government</i>	+	+	+
<b>F. Trust and Preparedness</b>			
<i>Nonprofits Disaster Preparedness</i>	+	+	+
<i>Religious Orgs. Disaster Preparedness</i>	+	+	+
<i>Trust in Corresponding Institution(s)</i>	+	+	+
<i>Working Relationships with Nonprofits</i>	<b>NA</b>	+	+

\*Explanatory Factors are those that were not included in the body of the report.

Appendix C: Multivariate Analyses Tables

C.1: Multivariate Analyses of Working Relationships with Nonprofits and Two Clusters of Institutions; Indiana Local Government Officials, 2020

Explanatory Factors	<i>Local Charities and Other Nonprofits</i>	<i>Other Local Institutions, Including Nonprofits</i>	<i>General Purpose Governments</i>
<b>A. LGO Characteristics and Involvement in Nonprofits</b>			
<i>Believes that Involvement in Nonprofits is Important to the Job of an LGO</i>	-0.014	.021	.021
<i>City Council Member</i>	<b>-.604</b>	-.273	<b>.447</b>
<i>County Council Member or County Commissioner</i>	-.240	-.086	.116
<i>Involved in Nonprofit(s) as Member, Volunteer, and Leader</i>	.099	.080	<b>.137</b>
<i>School Board Member</i>	<b>-.364</b>	<b>-.281</b>	-.206
<i>Survey Complete Before April 3<sup>rd</sup>, 2020</i>	-.067	-.010	.009
<i>Tenure in All Elected Positions</i>	.001	.001	.004
<i>Town Council Member</i>	-.191	-.085	.082
<i>Township Trustee</i>	-.142	-.170	.160
<b>B. Community Conditions and Scope of Nonprofits</b>			
<i>Average Revenue of IRS-registered 501(c)(3) Charities</i>	-.009	-.003	-.053
<i>Central Metropolitan County</i>	-.064	-.030	-.137
<i>Direction that the Community is Headed</i>	<b>.092</b>	.069	<b>.126</b>
<i>Problematic Community Conditions</i>	<b>-.250</b>	<b>-.242</b>	-.172
<i>Ring Metropolitan County</i>	-.133	-.056	-.054
<i>Social Vulnerability Index</i>	-.296	-.172	.154
<b>C. The Nature of Nonprofit Interactions with Local Government</b>			
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	-.026	-.062	.015
<i>Average Importance of Local Governments to Nonprofits</i>	<b>.110</b>	<b>.133</b>	.025
<i>Average Importance of Nonprofits to Local Governments</i>	.073	.032	.056
<i>Nonprofit Disaster Preparedness</i>	.015	.004	.017

<b>Explanatory Factors</b>	<b>Local Charities and Other Nonprofits</b>	<b>Other Local Institutions, Including Nonprofits</b>	<b>General Purpose Governments</b>
<i>Trust in Same Institution(s) to “Do the Right Thing”</i>	<b>.421</b>	<b>.526</b>	<b>.494</b>
<b>Overall Significance Level</b>	P<.001	P<.001	P<.001
<b>Number of Cases</b>	317	331	335
<b>Adjusted Proportion of Variation Predicted</b>	0.237	0.305	0.388

Notes: Factors that are significant at the p.05 level of significance in the overall prediction equation are **bolded in red**. All other data are based on responses to the 2020 survey of Indiana local government officials conducted by the Indiana Advisory Commission for Intergovernmental Relations. For information about the survey, see [www.iacir.spea.iupui.edu/](http://www.iacir.spea.iupui.edu/) and follow link to “Intergovernmental Issue in Indiana: 2020 IACIR Survey.”

**Table C.2 – Multivariate Analyses of Working Relationships with Nonprofits; Indiana Local Government Officials, 2020**

<b>Explanatory Factors</b>	<b>B</b>	<b>S.E.</b>	<b>Sig.</b>	<b>STD COEF</b>
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	-0.026	0.049	0.594	-0.033
<b><i>Average Importance of Local Governments to Nonprofits</i></b>	<b>0.110</b>	<b>0.054</b>	<b>0.043</b>	<b>0.136</b>
<i>Average Importance of Nonprofits to Local Governments</i>	0.073	0.053	0.173	0.089
<i>Average Revenue of IRS-registered 501(c)(3) Charities</i>	-0.009	0.038	0.811	-0.014
<i>Believes that Involvement in Nonprofits is Important to the Job of an LGO</i>	-0.014	0.050	0.780	-0.015
<i>Central Metropolitan County</i>	-0.064	0.127	0.611	-0.029
<b><i>City Council Member</i></b>	<b>-0.604</b>	<b>0.233</b>	<b>0.010</b>	<b>-0.147</b>
<i>County Council Member or County Commissioner</i>	-0.240	0.132	0.071	-0.146

Explanatory Factors	B	S.E.	Sig.	STD COEF
<b><i>Direction that the Community is Headed</i></b>	<b>0.092</b>	<b>0.044</b>	<b>0.037</b>	<b>0.116</b>
<i>Involved in Nonprofits in All Three Capacities: Member, Volunteer, and Leader</i>	0.099	0.081	0.226	0.063
<i>Nonprofit Disaster Preparedness</i>	0.015	0.045	0.741	0.018
<b><i>Problematic Community Conditions</i></b>	<b>-0.250</b>	<b>0.120</b>	<b>0.038</b>	<b>-0.112</b>
<i>Ring Metropolitan County</i>	-0.133	0.090	0.140	-0.084
<b><i>School Board Member</i></b>	<b>-0.364</b>	<b>0.141</b>	<b>0.010</b>	<b>-0.188</b>
<i>Social Vulnerability Index</i>	-0.296	0.203	0.144	-0.088
<i>Survey Complete Before April 3<sup>rd</sup>, 2020</i>	-0.067	0.076	0.382	-0.044
<i>Tenure in All Elected Positions</i>	0.001	0.005	0.885	0.007
<i>Town Council Member</i>	-0.191	0.145	0.190	-0.094
<i>Township Trustee</i>	-0.142	0.142	0.319	-0.075
<b><i>Trust in Nonprofits to “Do the Right Thing”</i></b>	<b>0.421</b>	<b>0.066</b>	<b>0.000</b>	<b>0.335</b>
Constant	2.953	0.661	0.000	

Notes: Coefficients significant at the p<0.05 level are **bold red**. The model is significant at p=0.000. The Adjusted R-Squared= 0.237 (the proportion of variance in the dependent variable (working relationships with nonprofits) explained by the independent variables). N=317.

**Table C.3 – Multivariate Analyses of Working Relationships with Other Local Institutions; Indiana Local Government Officials, 2020**

Explanatory Factors	B	S.E.	Sig.	STD COEF
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	-0.062	0.041	0.133	-0.087
<b><i>Average Importance of Local Governments to Nonprofits</i></b>	<b>0.133</b>	<b>0.046</b>	<b>0.004</b>	<b>0.183</b>

<b>Explanatory Factors</b>	<b>B</b>	<b>S.E.</b>	<b>Sig.</b>	<b>STD COEF</b>
<i>Average Importance of Nonprofits to Local Governments</i>	0.032	0.044	0.470	0.045
<i>Average Revenue of IRS-registered 501(c)(3) Charities</i>	-0.003	0.032	0.935	-0.004
<i>Believes that Involvement in Nonprofits is Important to the Job of an LGO</i>	0.021	0.042	0.614	0.026
<i>Central Metropolitan County</i>	-0.030	0.105	0.774	-0.016
<i>City Council Member</i>	-0.273	0.200	0.174	-0.072
<i>County Council Member or County Commissioner</i>	-0.086	0.113	0.449	-0.058
<i>Direction that the Community is Headed</i>	0.069	0.037	0.060	0.098
<i>Involved in Nonprofits in All Three Capacities: Member, Volunteer, and Leader</i>	0.080	0.069	0.247	0.056
<i>Nonprofit Disaster Preparedness</i>	0.004	0.038	0.913	0.005
<b><i>Problematic Community Conditions</i></b>	<b>-0.242</b>	<b>0.100</b>	<b>0.016</b>	<b>-0.123</b>
<i>Ring Metropolitan County</i>	-0.056	0.075	0.456	-0.040
<b><i>School Board Member</i></b>	<b>-0.281</b>	<b>0.121</b>	<b>0.020</b>	<b>-0.161</b>
<i>Social Vulnerability Index</i>	-0.172	0.170	0.311	-0.058
<i>Survey Complete Before April 3<sup>rd</sup>, 2020</i>	-0.010	0.064	0.879	-0.007
<i>Tenure in All Elected Positions</i>	0.001	0.004	0.738	0.016
<i>Town Council Member</i>	-0.085	0.125	0.496	-0.046
<i>Township Trustee</i>	-0.170	0.120	0.160	-0.102
<b><i>Trust in Other Local Institutions to “Do the Right Thing”</i></b>	<b>0.526</b>	<b>0.062</b>	<b>0.000</b>	<b>0.427</b>
Constant	2.534	0.562	0.000	

Notes: Coefficients significant at the p<0.05 level are **bold red**. The model is significant at p=0.000. The

Adjusted R-Squared= 0.305 (the proportion of variance in the dependent variable (working relationships with other local institutions) explained by the independent variables). N=331.

**Table C.4 – Multivariate Analyses of Working Relationships with General Purpose Governments; Indiana Local Government Officials, 2020**

<b>Explanatory Factors</b>	<b>B</b>	<b>S.E.</b>	<b>Sig.</b>	<b>STD COEF</b>
<i>Average Importance of the Eight Factors When Awarding Grants and Contracts to Nonprofits</i>	0.015	0.040	0.714	0.020
<i>Average Importance of Local Governments to Nonprofits</i>	0.025	0.044	0.578	0.033
<i>Average Importance of Nonprofits to Local Governments</i>	0.056	0.042	0.182	0.078
<i>Average Revenue of IRS-registered 501(c)(3) Charities</i>	-0.053	0.031	0.090	-0.086
<i>Believes that Involvement in Nonprofits is Important to the Job of an LGO</i>	0.021	0.038	0.587	0.026
<i>Central Metropolitan County</i>	-0.137	0.101	0.176	-0.069
<b><i>City Council Member</i></b>	<b>0.447</b>	<b>0.189</b>	<b>0.018</b>	<b>0.118</b>
<i>County Council Member or County Commissioner</i>	0.116	0.110	0.293	0.075
<b><i>Direction that the Community is Headed</i></b>	<b>0.126</b>	<b>0.036</b>	<b>0.000</b>	<b>0.173</b>
<b><i>Involved in Nonprofits in All Three Capacities: Member, Volunteer, and Leader</i></b>	<b>0.137</b>	<b>0.067</b>	<b>0.042</b>	<b>0.092</b>
<i>Nonprofit Disaster Preparedness</i>	0.017	0.037	0.636	0.022
<i>Problematic Community Conditions</i>	-0.172	0.098	0.079	-0.084
<i>Ring Metropolitan County</i>	-0.054	0.073	0.458	-0.037
<i>School Board Member</i>	-0.206	0.118	0.082	-0.112
<i>Social Vulnerability Index</i>	0.154	0.166	0.354	0.050
<i>Survey Complete Before April 3<sup>rd</sup>, 2020</i>	0.009	0.062	0.881	0.007



<b>Explanatory Factors</b>	<b>B</b>	<b>S.E.</b>	<b>Sig.</b>	<b>STD COEF</b>
<i>Tenure in All Elected Positions</i>	0.004	0.004	0.310	0.045
<i>Town Council Member</i>	0.082	0.121	0.500	0.042
<i>Township Trustee</i>	0.160	0.117	0.171	0.094
<b><i>Trust in General Purpose Governments to “Do the Right Thing”</i></b>	<b>0.494</b>	<b>0.060</b>	<b>0.000</b>	<b>0.410</b>
Constant	2.517	0.549	0.000	

Notes: Coefficients significant at the  $p < 0.05$  level are **bold red**. The model is significant at  $p = 0.000$ . The Adjusted R-Squared = 0.388 (the proportion of variance in the dependent variable (working relationships with general purpose governments) explained by the independent variables). N=335.

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