

Our ongoing analysis of Indiana nonprofit employment is a joint effort by the Center on Philanthropy, the School of Public and Environmental Affairs, and the Indiana Business Research Center at Indiana University to document the significant impact of nonprofits on Indiana's economy by providing detailed information on the size, composition, and distribution of paid employment in the private nonprofit sector in Indiana.

Key Facts about Nonprofits in Indiana

- Nonprofits employ 1 in 11 workers in Indiana (nearly 250,000 employees).
- Nonprofits include public charities, private foundations and other types of tax-exempt groups such as civic leagues, chambers of commerce, social clubs, lodges, and veterans' organizations.
- The majority of nonprofit organizations are public charities with 501(c)(3) designation from the IRS. Public charities provide social assistance, health care, education, arts and recreation, and religious services in local communities.
- Nonprofit social assistance organizations provide child care, job training and placement, individual and family services, emergency relief, and more. This was the second fastest growing nonprofit industry in Indiana, second only to health care.

Employment in Boone County

- In 2009, slightly greater than 1 out of 25 workers in Boone County was employed by a nonprofit organization, about the same ratio as in 1995.
- Nonprofit establishments employed less than 5 percent of workers in 2009, about the same percentage as in 1995.
- Nonprofit employment grew more than 60 percent from 1995 to 2009, while for-profit employment grew less than 60 percent.
- Over 50 percent of nonprofit employees work in health care, while around 15 percent work in social assistance establishments.

Payroll in Boone County

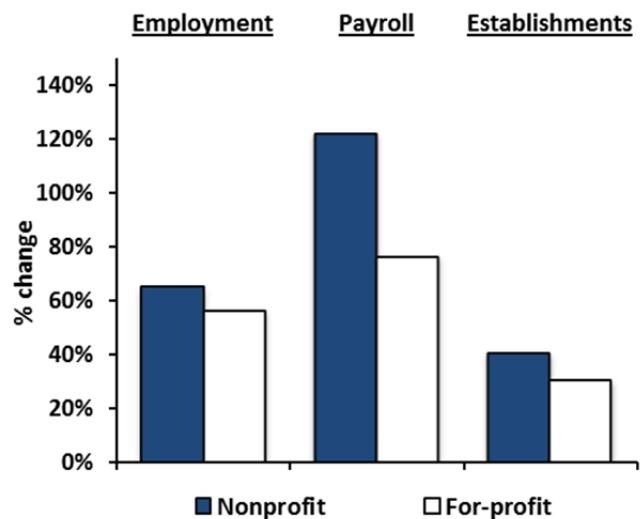
- Nonprofit payroll grew in Boone County from over \$11.5 million in 1995 to close to \$26 million by 2009 (in constant 2009 dollars).

- This change represented an increase of more than 120 percent for nonprofits, while for-profit payroll increased by closer to 75 percent between 1995 and 2009, adjusted for inflation.
- Average annual nonprofit wages grew from around \$23,000 in 1995 to over \$31,000 in 2009, a 35 percent increase, adjusted for inflation. For-profit wages increased by a smaller 13 percent, from under \$30,000 to more than \$33,500.

Establishments in Boone County

- Between 1995 and 2009, the number of nonprofit establishments increased 40 percent from 34 to 48. For-profit establishments increased by 30 percent to more than 1,260 in 2009.
- Nonprofit organizations tended to have staff sizes of around 17 workers in 2009, up from around 15 in 1995. The average for-profit employed 12 workers in 2009, up from 10 in 1995.

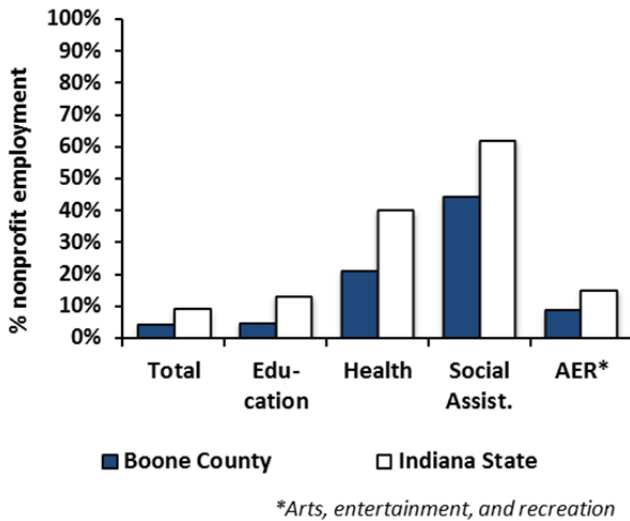
Figure 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Boone County, 1995-2009



County Industry Data

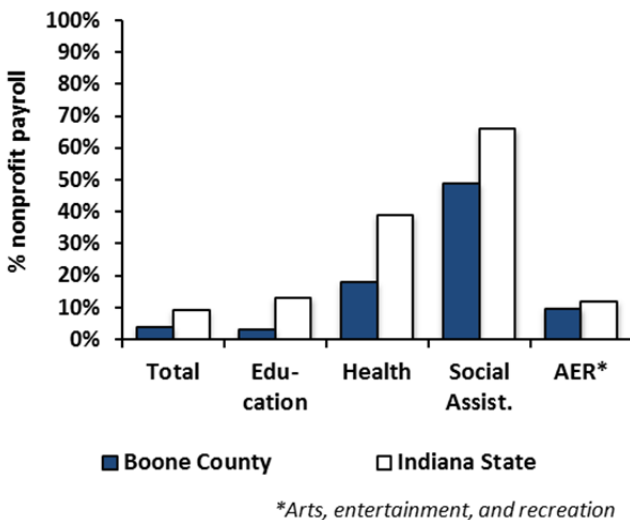
The nonprofit sector is important to the economic well-being of Boone County. As shown in Figures 2-4, nonprofits account for a substantial percentage of employment, payroll, and establishments.

Figure 2: Percentage of nonprofit workers, 2009



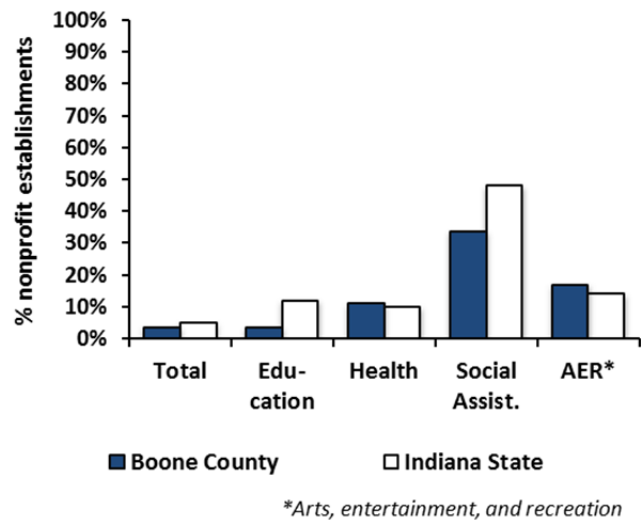
- The percentage of workers employed by nonprofits in Boone County was less than in the state as a whole in 2009 (Figure 2).
- In the education, health, social assistance, and arts, entertainment, and recreation (AER) industries, nonprofits also accounted for a lower percentage of employees than is the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

Figure 3: Percentage of payroll from nonprofits, 2009



- Nonprofit payroll constituted a smaller percentage of total payroll in Boone County in 2009 than in Indiana overall (Figure 3), consistent with establishment and employment percentages.
- Nonprofit establishments accounted for nearly 20 percent of health care payroll and nearly 50 percent of social assistance payroll (Figure 3).

Figure 4: Percentage of nonprofit establishments



- Boone County has had a slightly smaller share of establishments operated by nonprofits in 2009 (Figure 4) than did Indiana overall.
- Boone County had a larger percentage of nonprofit health care and AER establishments than the rest of the state.

Note on Methodology

The report draws data from the national Quarterly Census Employment and Wages (QCEW) filings. However, because of the unique position of nonprofits under federal law, many nonprofits are not required to complete these filings. For example, some religious congregations as well as 501(c)(3) organizations employing fewer than four workers are exempt from QCEW filings. We can also only identify nonprofit employers that are registered with the IRS as exempt entities. Because of these exclusions we are confident that our analysis underestimates nonprofit employment in Indiana. For a full explanation of our methodology, please visit www.indiana.edu/~nonprof.