

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 Hancock County

- Nonprofit establishments in Hancock County employed about 250 workers in 2009. This is a slight decline from the nearly 280 workers employed in 1995.
- Nonprofit employment shrank 10 percent from 1995 to 2009, while for-profit employment increased 38 percent.

Payroll in Hancock County

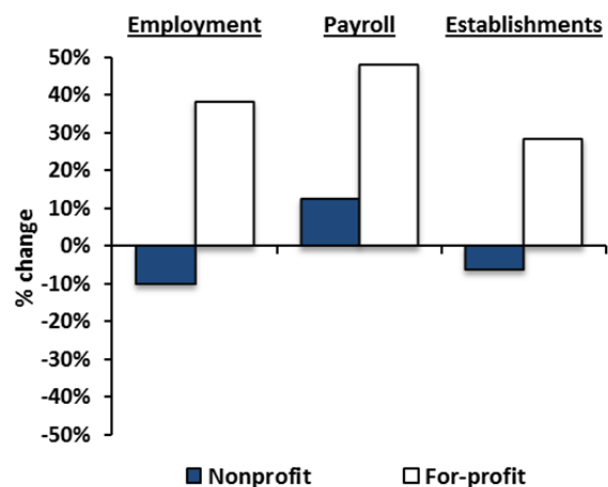
- Nonprofit payroll grew in Hancock County from just over \$7 million in 1995 to nearly \$8 million in 2009 (in constant 2009 dollars).

- This change represented a 13 percent increase in nonprofit payroll. Meanwhile, for-profit payroll increased 48 percent from 1995 to 2009.
- Average annual nonprofit wages grew from over \$25,400 in 1995 to about \$31,800 in 2009, a 25 percent increase, adjusted for inflation. For-profit wages increased 7 percent, from nearly \$33,800 in 1995 to about \$36,100 in 2009.

Establishments in Hancock County

- Between 1995 and 2009, the number of nonprofit establishments decreased 6 percent. In contrast, for-profit establishments increased 29 percent.
- Nonprofit establishments tended to employ around 8 workers on average in 2009, while for-profits employed about 12.

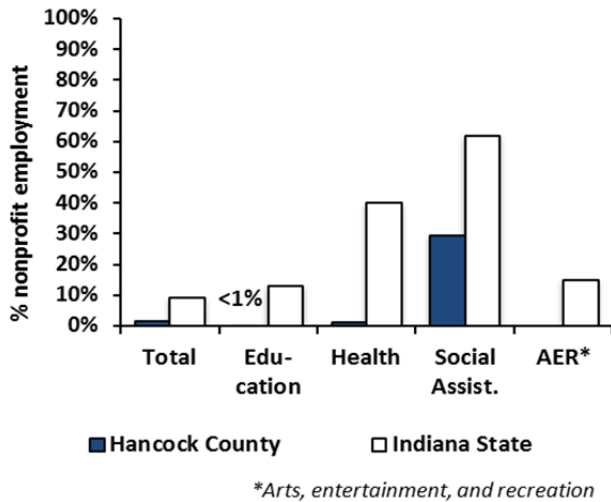
Figure 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Hancock County, 1995-2009



County Industry Data

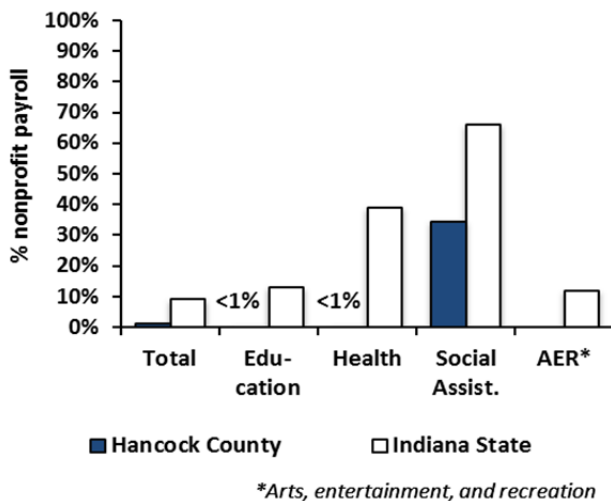
The nonprofit sector plays a small but meaningful role in the economic well-being of Hancock County. There is potential for growth in this sector, as we can see through the state comparisons in figures 2 through 4.

Figure 2: Percentage of nonprofit workers, 2009



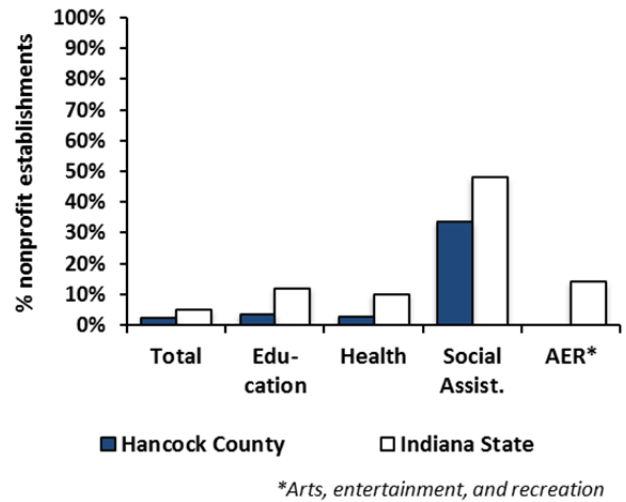
- Just under one third of social assistance workers were employed by nonprofits (Figure 2).
- The percentage of workers employed by nonprofits in Hancock County was lower than for the state as a whole in 2009. This holds true for every major nonprofit sector in the county (Figure 2).
- There was no nonprofit art, entertainment, and recreation employment in Hancock County in 2009 (Figure 2).

Figure 3: Percentage of payroll from nonprofits, 2009



- Nonprofit payroll constituted a much smaller portion of total payroll in Hancock County in 2009 than in Indiana overall (Figure 3), consistent with establishment and employment percentages.
- Nonprofits accounted for more than a third of total payroll in social assistance (Figure 3).

Figure 4: Percentage of nonprofit establishments, 2009



- Hancock County had about half the share of establishments operated by nonprofits in 2009 (Figure 4) compared to Indiana overall.
- Hancock County’s for-profit sector dominated establishments in the selected industries, although nonprofits accounted for just over a third of establishments in the social assistance industry (Figure 4).
- There were no nonprofit art, entertainment, and recreation establishments in Hancock County in 2009 (Figure 4).

Note on Methodology

The report draws data from the national Quarterly Census Employment and Wages (QCEW) filings. However, because of the unique position of nonprofits under federal law, many nonprofits are not required to complete these filings. For example, religious congregations as well as 501(c)(3) organizations employing fewer than four workers are exempt from QCEW filings. 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.