

*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 Marion County

- In 2009, 1 out of 9 workers in Marion County was employed by a nonprofit organization, compared to only 1 out of 14 workers in 1995.
- Nonprofit establishments employed nearly 62,000 workers in 2009. This compares to around 40,000 workers employed in 1995.
- Nonprofit employment grew 55 percent from 1995 to 2009, while for-profit employment shrank 6 percent.
- Over 60 percent of nonprofit employees work in health care, while another 11 percent work in social assistance establishments. Education and arts, entertainment, and recreation (AER) employ nine and four percent respectively.

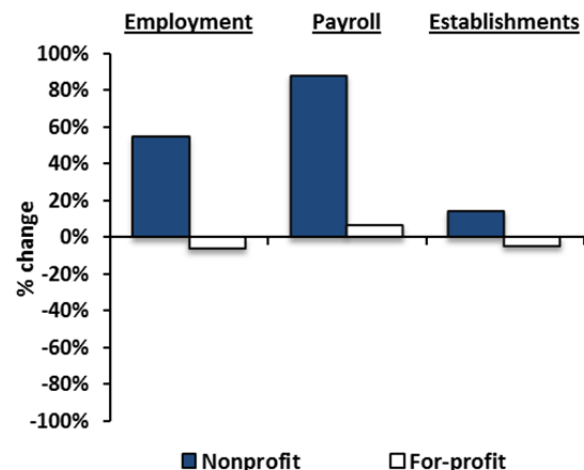
### Payroll in Marion County

- Nonprofit payroll grew in Marion County from almost \$1.5 billion in 1995 to just over \$2.7 billion in 2009 (in constant 2009 dollars).
- This change represented an 88 percent increase in nonprofit payroll. Meanwhile, for-profit payroll increased only 6 percent from 1995 to 2009.
- Average annual nonprofit wages grew from near \$36,200 in 1995 to about \$44,000 in 2009, a 22 percent increase, adjusted for inflation. For-profit wages increased 14 percent, from \$41,000 in 1995 to \$46,600 in 2009.

### Establishments in Marion County

- Between 1995 and 2009, the number of nonprofit establishments increased 14 percent from 990 to more than 1130. In contrast, for-profit establishments decreased from near 21,000 in 1995 to 20,000 in 2009, a 5 percent decrease.
- Nonprofit establishments tended to employ around 55 workers on average in 2009.

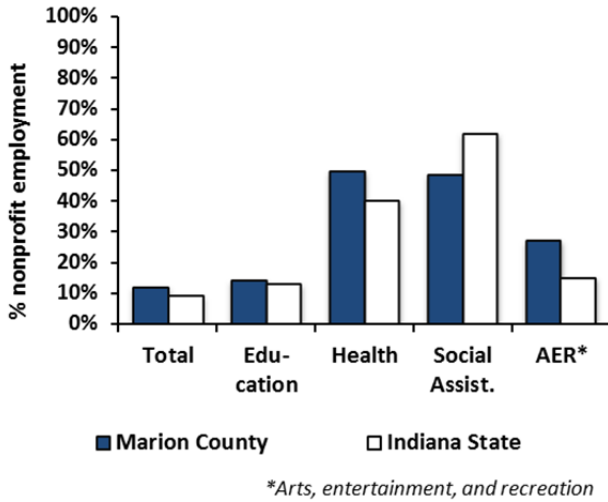
**Figure 1: Percent change of nonprofit and for-profit employment, payroll, and establishments in Marion County, 1995-2009**



County Industry Data

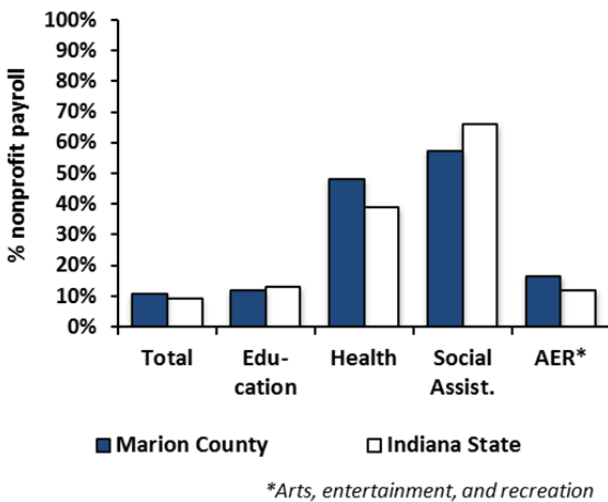
The nonprofit sector has a large role in the economic well-being of Marion County. As is shown in Figures 2-4, nonprofits here account for a larger percentage of employment, payroll, and establishments than holds true for the state as a whole.

Fig. 2: Percentage of NP Workers, 2009



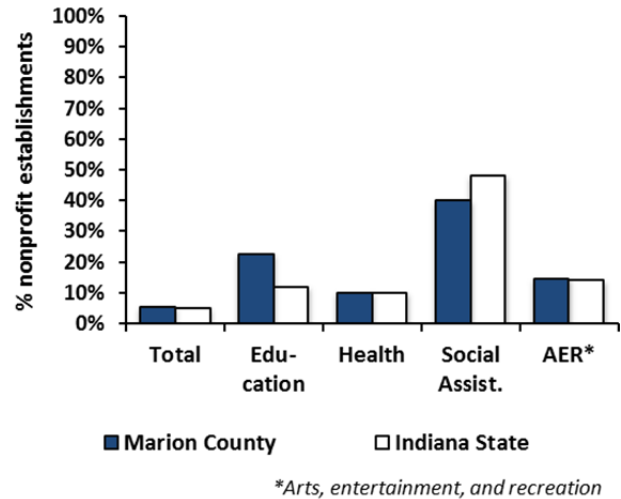
- The percentage of workers employed by nonprofits in Marion County is higher than for the state as a whole in 2009 (Figure 2).
- In the health care, education, and AER industries, nonprofits accounted for a higher percentage of employees than is the case for these industries in the state overall (Figure 2).

Fig. 3: Percentage of Payroll from NPs, 2009



- Nonprofit payroll constitutes a larger percentage of total payroll in Marion County in 2009 than in Indiana overall (Figure 3), consistent with establishment and employment percentages.
- Nonprofits account for nearly 60 percent of total payroll in social assistance and about 50 percent in health care (Figure 3).
- The nonprofit education industry payroll in Marion County accounts for about the same percent as for the state overall, 13 percent.

Fig. 4: Percentage of NP Establishments, 2009



- Marion County has a similar share of establishments operated by nonprofits in 2009 (Figure 4) as for Indiana overall.
- Marion County has a larger percentage of nonprofit education and AER establishments than at the state level.

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](http://www.indiana.edu/~nonprof).