HENDRICKS COUNTY
NONPROFIT EMPLOYMENT, 1995-2009

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 Hendricks County

- In 2009, about 1 out of every 45 workers in Hendricks County was employed by a nonprofit organization, compared to about 1 out of 26 in 1995.
- Nonprofit establishments employed about 1,100 workers in 2009. This compares to less than 900 workers employed in 1995.
- Nonprofit employment grew 24 percent from 1995 to 2009. For-profit employment grew 146 percent over the time period.
- About 17 percent of nonprofit employees worked in health care.

Payroll in Hendricks County

- Overall nonprofit payroll grew slightly in Hendricks County from almost $24 million in 1995 to nearly $27 million in 2009 (in constant 2009 dollars).
- This change represented a 14 percent increase in nonprofit payroll. Meanwhile, for-profit payroll increased by 140 percent from 1995 to 2009.
- Average annual nonprofit wages shrank from $27,500 in 1995 to just above $25,000 in 2009, an 8 percent decrease, adjusted for inflation. For-profit wages also decreased, by 2 percent, from $31,700 in 1995 to about $31,000 in 2009.

Establishments in Hendricks County

- Between 1995 and 2009, the number of nonprofit establishments increased by 70 percent, from 37 to 63 establishments. The number of for-profit establishments increased 58 percent from over 1,500 in 1995 to slightly less than 2,400 in 2009.

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

The nonprofit sector of Hendricks County is smaller than in many other counties of similar size. As is shown in Figures 2-4, nonprofits here accounted for a smaller percentage of employment, payroll, and establishments than held true for the state as a whole.

Figure 2: Percentage of nonprofit workers, 2009

- The proportion of workers employed by nonprofits in Hendricks County was less than half that of the state as a whole in 2009 (Figure 2).
- In the arts, entertainment, and recreation (AER) industry, however, nonprofits accounted for a higher percentage of employees than is the case for AER in the state overall (Figure 2).

Figure 3: Percentage of payroll from nonprofits, 2009

- Nonprofit payroll constituted a smaller percentage of total payroll in Hendricks County in 2009 than in Indiana overall (Figure 3), consistent with employment and establishment percentages.
- Nonprofits accounted for over 40 percent of total payroll in social assistance in Hendricks County (Figure 3), still less than for the state overall.

Figure 4: Percentage of nonprofit establishments, 2009

- Hendricks County had a smaller share of establishments operated by nonprofits in 2009 than did the state of Indiana overall (Figure 4).
- Though the county had a larger share of workers employed by AER nonprofits compared with the state as a whole, the nonprofit share of establishments was significantly smaller. This suggests that the nonprofit AER establishments in Hendricks County employ more people on average than is true statewide (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, 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.

For more information, visit the Indiana Nonprofits: Scope and Community Dimensions Project at www.indiana.edu/~nonprof