



**NONPROFIT EMPLOYMENT SERIES  
REPORT #1**

# **INDIANA NONPROFIT EMPLOYMENT 2001**

**A JOINT PRODUCT OF**

**THE CENTER ON PHILANTHROPY  
AT INDIANA UNIVERSITY**

**THE SCHOOL OF PUBLIC & ENVIRONMENTAL AFFAIRS  
AT INDIANA UNIVERSITY**

**AND**

**THE JOHNS HOPKINS  
NONPROFIT EMPLOYMENT  
DATA PROJECT**

**JULY 2003**

**KIRSTEN A. GRØNBJERG  
AND  
HUN MYOUNG PARK**

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# **INDIANA NONPROFIT EMPLOYMENT 2001**

## **INDIANA NONPROFITS: SCOPE & COMMUNITY DIMENSIONS**

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## **KEY FINDINGS –**

1. The nonprofit sector is a major economic force in Indiana, accounting for nearly 1 out of every 13 paid workers—more than are employed in the state’s non-durable manufacturing industry, about half again as many as are employed in construction, and at about the average for many other states (see page 2).
2. The 222,000 nonprofit employees in Indiana earned about \$6 billion in wages in 2001 (see page 3).
3. Nonprofit employment is not restricted to any one region of Indiana, but is distributed broadly throughout the state (see pages 4-5).
4. About half (49 percent) of nonprofit employment in the state is in health services, another 17 percent is in social services and 12 percent is in education (see page 6).
5. Most (88 percent) nonprofit employees work for charities, although only 55 percent of nonprofit employers are charities (see page 7).
6. Average weekly wages for nonprofit employees are 19 percent lower than those of for-profit workers and 18 percent lower than those of government workers (see page 7). However, nonprofit weekly wages are similar to for-profit wages in industries where nonprofit employment is concentrated (see pages 7-11).
7. The Indiana nonprofit sector grew notably faster than the for-profit or government sectors between 1995 and 2001 (see page 12).
8. Overall wages for nonprofit employees in Indiana also increased faster than those of employees in for-profit or government organizations, although average weekly wages increased by a smaller amount (see pages 13-14).
9. The growth in nonprofit employment was concentrated in health services, but rates of growth were higher for nonprofit social services and educational services (see pages 14-16).
10. Rates of growth in nonprofit employment varied significantly among Indiana metropolitan regions (see pages 16-17).

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## INTRODUCTION

Nonprofit organizations contribute to the quality of life for all Indiana citizens through the health care, education, job training, nursing home care, access to arts and culture, and opportunities for democratic participation that they offer. What is not widely appreciated, however, is that nonprofit organizations are also a major force in the state's economy, and in the economies of all the state's regions.

This report presents new information on the size, composition, and distribution of paid employment in the private nonprofit sector in Indiana for 1995, 2000, and 2001. It is part of a larger project on **Indiana Nonprofits: Scope and Community Dimensions**, currently underway at Indiana University, designed to provide solid, baseline information about the Indiana nonprofit sector, its composition and structure, its contributions to Indiana, the challenges it is facing, and how these features vary across Indiana communities. For more information about the project, see [www.indiana.edu/~nonprof](http://www.indiana.edu/~nonprof).

The current report draws on data generated by the Indiana Department of Workforce Development through the quarterly survey of Indiana workplaces it carries out under the national ES-202 labor market information program administered by the U.S. Bureau of Labor Statistics as part of the unemployment insurance program. These data are compiled from quarterly reports submitted by employers in compliance with U.S. and Indiana law. The data were prepared for us by the Indiana Business Research Center at Indiana University under a confidentiality agreement with the state.

Under federal law, all nonprofit places of employment are required to complete these quarterly surveys and either be covered by the federal unemployment insurance system or make other arrangements to provide unemployment coverage to laid-off workers. The one major exclusion is religious congregations, which are not required to take part in the unemployment insurance system, although the significance of this exclusion is unknown as some religious organizations nevertheless elect to be covered by unemployment insurance.

For the purpose of this report, we have chosen to focus on nonprofits registered as tax-exempt entities with the U.S. Internal Revenue Service under Section 501(c) of the Internal Revenue Code. This includes private, not-

for-profit hospitals, clinics, colleges, universities, elementary schools, social service agencies, day care centers, orchestras, museums, theaters, homeless shelters, soup kitchens, and many more. It also includes a wide variety of civic organizations, trade associations, unions, and other membership groups.

For portions of our analysis, we are able to separate out nonprofits eligible to receive tax-deductible contributions under Section 501(c)(3) of the Internal Revenue Code. These so-called "charities" account for the bulk of nonprofit employment in Indiana. By reporting separately on this portion of the Indiana nonprofit sector, we are able to make direct comparisons between Indiana and the corresponding analyses for other states completed by the Center for Civil Society Studies at The Johns Hopkins University.

We caution that our estimate of the size of the Indiana nonprofit sector underestimates the sector's role in the Indiana economy because some nonprofits (e.g., congregations) are not required to participate in the ES-202 reporting systems and others cannot be identified as nonprofits. That is the case for nonprofits that are not required to register with the IRS (or don't do so for a variety of reasons).

Some or all of these non-registered nonprofits may actually be included in ES-202 data system, but we can identify as nonprofit only those employers that are registered as tax-exempt entities with the IRS. We have had to assume that all other non-government employers are for-profit, even though we know this overestimates the for-profit share of the state's employment.

In addition, we relied on the IRS tax-exempt status for nonprofits as of February 2002, although our analysis of the ES-202 data goes back to 1995. As a result, our data will most likely underestimate nonprofit employment more for 1995 and 2000 than for 2001, suggesting that our trend analyses will show higher rates of growth for nonprofit employment than actually occurred over the 1995-2001 period.

For further information on the ES-202 data source, our particular definition of the nonprofit sector, and the method used here to extract data on nonprofit organizations from the Indiana ES-202 records, see Appendix A (see also footnote 6).

# DETAILED FINDINGS

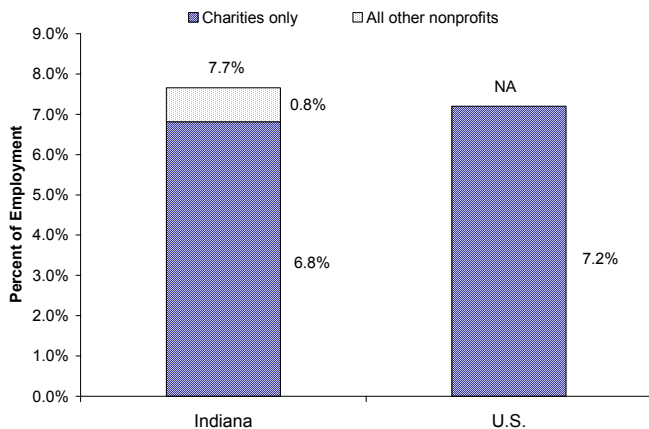
## I. A MAJOR ECONOMIC FORCE

*The private nonprofit sector – comprised of private hospitals, clinics, colleges, universities, elementary schools, day care centers, social service providers, museums, theaters, soup kitchens, civic and fraternal organizations, trade groups, labor unions, and many more – is a major economic force in the state of Indiana.*

**Employment:** Nonprofit organizations employed a minimum of 222,000 paid workers in Indiana in 2001, including 194,000 that worked for registered charities.

- This means that 7.7 percent of Indiana employees worked for a nonprofit organization, or about 1 out of every 13 workers, and that 6.8 percent worked for a charity, or nearly 1 out of every 15 workers. Indiana is slightly below the U.S. average (7.2 percent) in terms of the charitable share of total employment (see Figure 1).<sup>1</sup>

**Figure 1: Nonprofit share of total employment, Indiana vs. the national average**



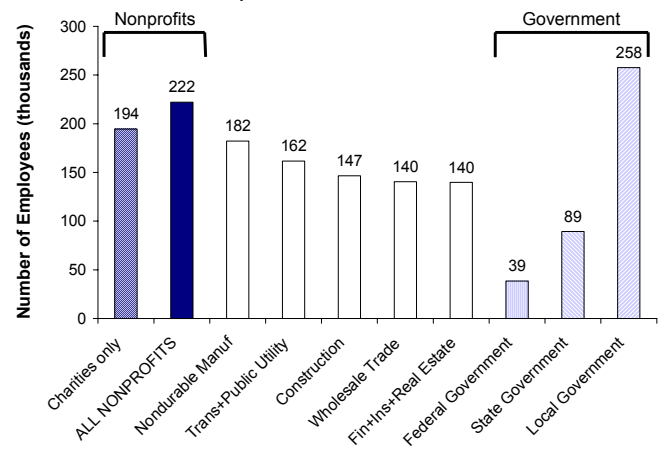
Data sources: U.S. Economic Census (1997) and Indiana ES-202 system (2001).

- The somewhat larger size of the overall nonprofit sector in Indiana may be explained by the large number of employees in the nonprofit hospital field in the state and by our more inclusive definition of nonprofits.

<sup>1</sup> The Census count excludes certain types of nonprofits (e.g., congregations and educational institutions), some of which may be counted in Indiana.

- Nonprofit hospitals account for almost 88 percent of all private hospital employment in Indiana, compared to only 66 percent nationally.<sup>2</sup>
- In contrast, private nonprofit and for-profit higher educational institutions together account for 30 percent of all higher education employment in Indiana, slightly less than the corresponding share at the national level (31 percent).<sup>3</sup>
- As shown in Figure 2, the Indiana nonprofit sector employed:
  - More people than the state’s entire non-durable manufacturing industry.

**Figure 2: Employment in Indiana’s nonprofit sector in comparison to selected industries, 2001 (in thousands)**



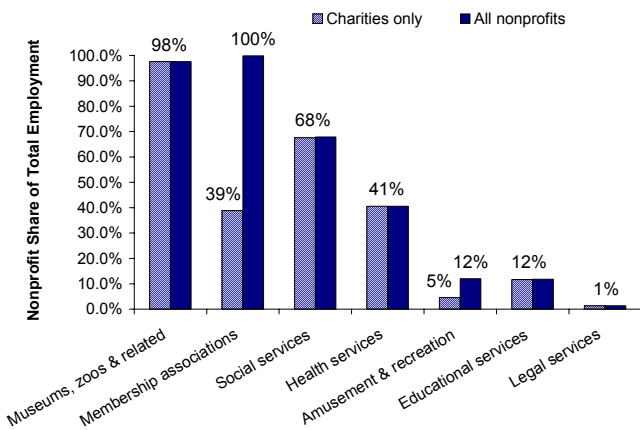
- More people than the state’s entire transportation and public utilities industry.
- More people than the state’s construction industry.
- More people than the state’s entire wholesale trade industry.

<sup>2</sup> Source for U.S. data: 1997 Economic Census.

<sup>3</sup> Data source: National Center for Education Statistics, 1999 Digest of Education Statistics. Data are not available for private nonprofit educational institutions alone. Enrollment in private for-profit degree granting educational institutions accounts for only 7 percent of all enrollment in private degree granting educational institutions nationwide (National Center for Education Statistics).

- More people than the state's entire finance, banking, insurance, and real estate industry.
- Nearly twice as many people as are employed by the state and federal government combined and almost as many as local government.
- The Indiana nonprofit sector employed fewer people than the state's durable manufacturing (457,000) industry and retail trade (554,000) industry.
- Nonprofits account for the bulk of employment in many fields (see Figure 3). This includes:
  - Almost all (98 percent) of the employment in museums, zoos and botanical gardens.

**Figure 3: Employment in Indiana's nonprofit sector as a share of total employment for selected industries, 2001**



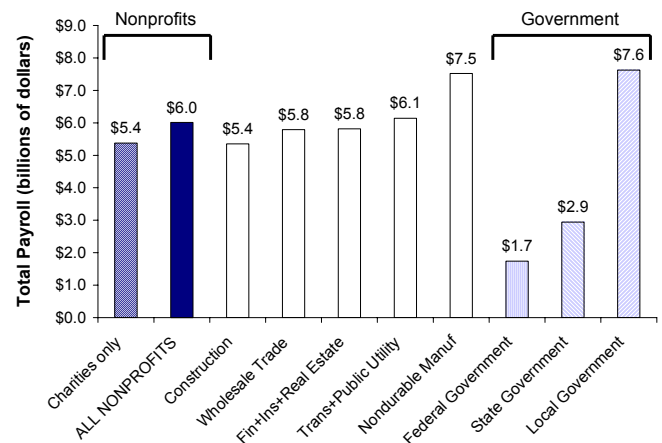
- Virtually all (almost 100 percent) of the employment in membership associations, although only 39 percent of the total are employed by charities.<sup>4</sup> Government employs the remaining .2 percent.
- More than two-thirds (68 percent) of all employment in social services, including:

<sup>4</sup> Religious congregations are not required to register with the IRS. Those that don't will not be defined as charities under our methodology, although some are included in the employment reporting system. Many membership associations (e.g., business, labor, political, social groups and the like) are not charities, but registered as tax-exempt entities under other sub-sections of the IRS code.

- Almost all (96 percent) of those employed in job training and related services.
- The great majority (81 percent) of workers in individual and family service organizations.
- More than half (58 percent) of those employed in residential care organizations.
- Almost two-fifths (39 percent) of those employed in child day care services.
- About two-fifths (41 percent) of total employment in health services, including:
  - About two-thirds (66 percent) of those employed in hospital services.
  - About a quarter (24 percent) of those employed in nursing care or home health services.

**Payroll:** The 222,000 nonprofit employees in Indiana earned an estimated \$6 billion in wages in 2001, with \$5.4 billion of that accounted for by those working for charities. See Figure 4.

**Figure 4: Wages in Indiana's nonprofit sector in comparison to selected industries, 2001 (in billions)**



- Nonprofit employees accounted for 6.6 percent of the state's total payroll (\$92.3 billion).
- The nonprofit payroll of \$6.0 billion exceeded those for:

- All construction jobs (\$5.4 billion).
- All jobs in finance, insurance, and real estate or in wholesale trade (\$5.8 billion each).
- All jobs in state and federal government combined (\$4.6 billion).
- Nonprofit payrolls, however, were less than the combined payrolls for jobs in transportation and public utilities (\$6.1 billion), local government (\$7.6 billion), nondurable manufacturing (\$7.5 billion), retail trade (\$9 billion), or durable manufacturing (\$19.6 billion).

## II. A STATEWIDE PRESENCE

*Nonprofit employment is not restricted to any one region in Indiana, but is found in every region of the state.*

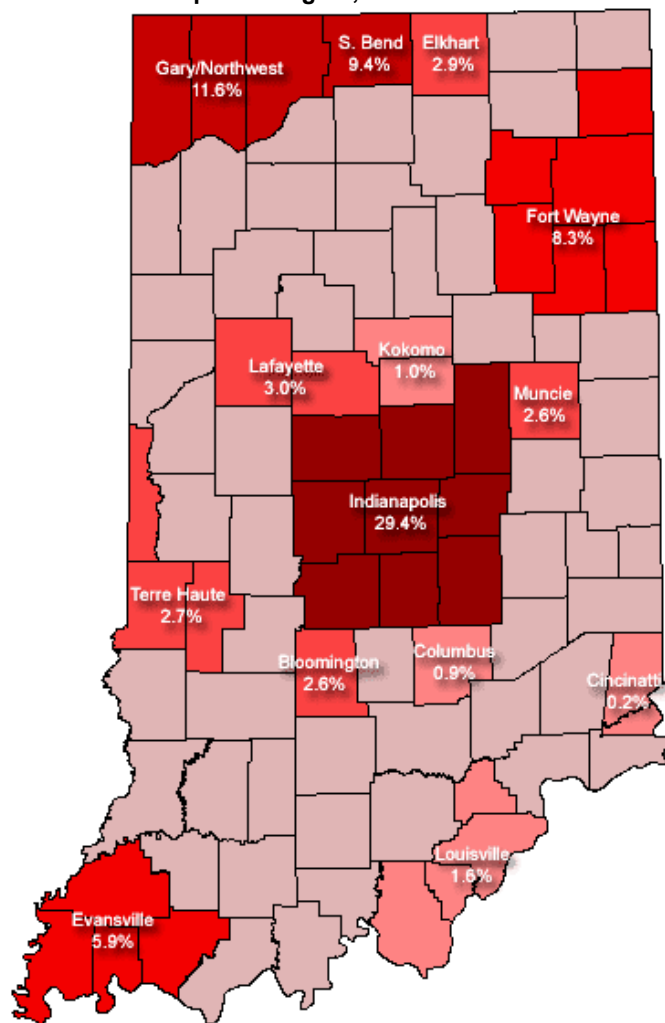
Like Indiana’s population, most of the state’s nonprofit employment is located in the state’s metropolitan regions<sup>5</sup> (see Figure 5 and Appendix B).

- The state’s metropolitan regions jointly account for 80 percent of all nonprofit employment in the state.
  - Figures 5 and 6 show that the nine-county Indianapolis metropolitan area had more than 65,000 nonprofit employees, or almost 30 percent of the total Indiana nonprofit employment in 2001 (see also Appendix B).
  - The Northwest region, including here La Porte County, had almost 26,000 nonprofit employees, or about 12 percent of the state’s nonprofit employment.

<sup>5</sup> For the purpose of this report, we focus on the state’s metropolitan areas in comparison to the rest of the state. We include La Porte County in the Northwest region and Gibson County in the Evansville region, and report also on Columbus/Bartholomew County for consistency with other work underway for the project on the **Indiana Nonprofit Sector: Scope and Community Dimensions** (see [www.indiana.edu/~nonprof](http://www.indiana.edu/~nonprof)).

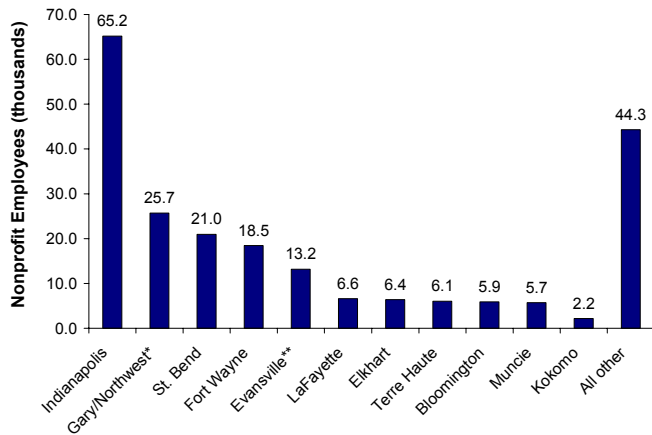
- The South Bend metropolitan area had 21,000 nonprofit employees or more than 9 percent of total nonprofit employment in the state.

**Figure 5: Distribution of Indiana’s nonprofit sector by metropolitan region, 2001**



- The Fort Wayne metropolitan area had more than 18,000 nonprofit employees or about 8 percent of the state’s nonprofit employment.
- The Evansville metropolitan region, including here Gibson County, employed more than 13,000 people in the nonprofit sector, or about 6 percent of the statewide total.
- The state’s five smaller metropolitan areas, Lafayette, Elkhart, Terre Haute, Bloomington, and Muncie, each had 6-7,000 nonprofit employees, with Kokomo trailing behind at about 2,200.

**Figure 6: Employment in Indiana's nonprofit sector by metropolitan region, 2001 (in thousands)**

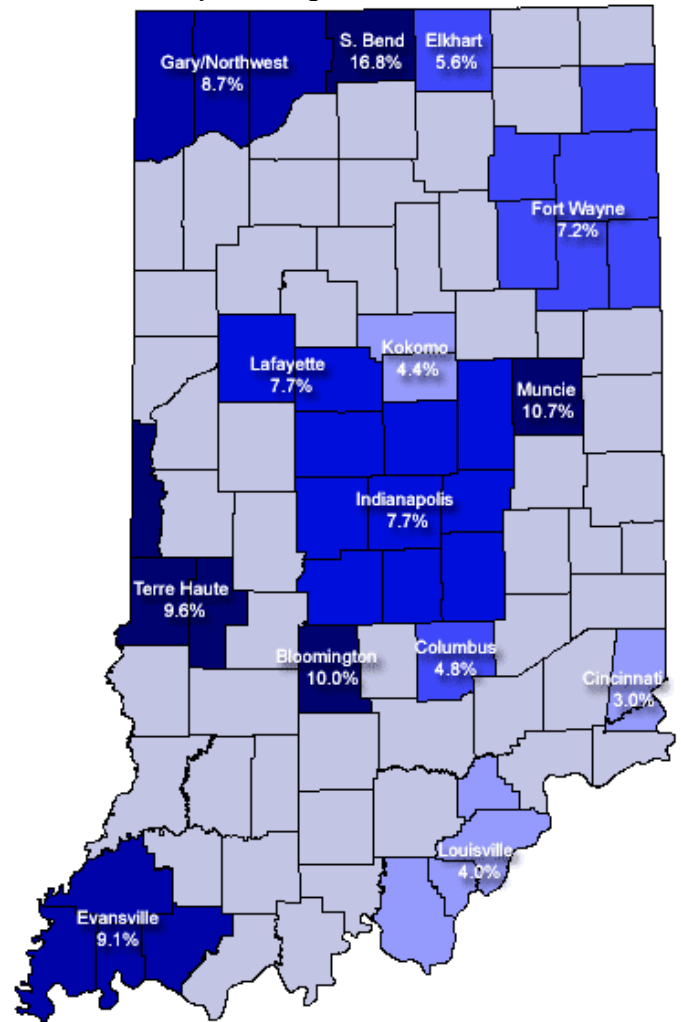


- The rest of the state accounted for 20 percent of the state's nonprofit employment, or about 44,000 employees.

The nonprofit share of total regional employment varies considerably across the state's metropolitan areas (see Figure 7).

- The nonprofit sector is particularly important in the South Bend metropolitan region, accounting for almost 17 percent of total employment, or about one in six employees. This reflects most likely the presence of several large nonprofit health and educational institutions in that community.
- For the remaining major metropolitan regions (and adjoining areas), nonprofit employment accounts for about 10 percent of total employment, ranging from a low of about 7 percent in Fort Wayne to a high of 11 percent in the Muncie metropolitan area.
- Nonprofit employment accounts for just over 6 percent of total employment in the remaining areas of the state.
  - However, even among some of the state's non-metropolitan counties, nonprofit employment exceeds 12 percent of total county employment. This is the case for Grant, Jefferson, Montgomery, and Putnam counties (see Figure 8 and Appendix C).

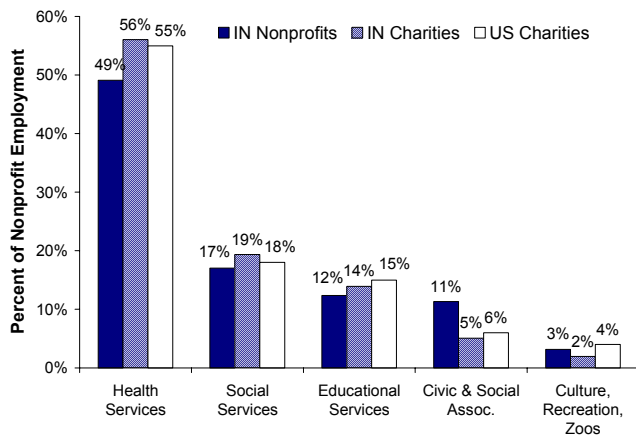
**Figure 7: Indiana nonprofit share of total employment by metropolitan region, 2001**





- As shown in Figure 10, the distribution of nonprofit charitable employment in Indiana is similar to the national average, although Indiana has slightly larger shares of charitable employment in health and social services, but lower shares in education, membership associations, and culture and recreation.

**Figure 10: Distribution of nonprofit and charitable employment, Indiana vs. the nation**



Data sources: U.S. Economic Census (1997) and Indiana ES-202 system (2001).

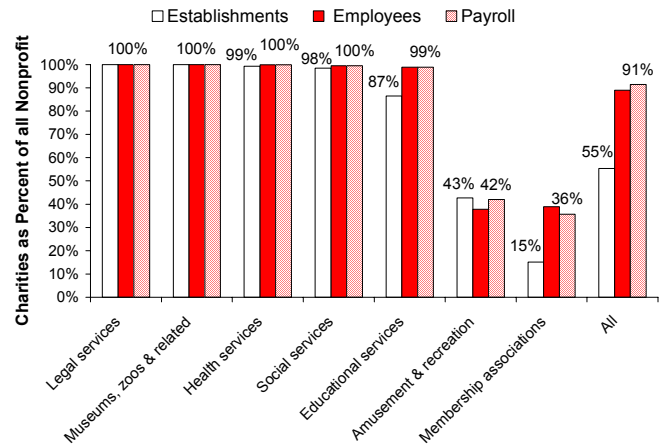
#### IV. MAINLY CHARITABLE EMPLOYMENT

*Most of Indiana's nonprofit employees work for charities rather than for nonprofits registered with the IRS as general social welfare or mutual-benefit nonprofits.*

Charities include private, not-for-profit hospitals, clinics, colleges, universities, schools, social service agencies, orchestras, museums, theaters, homeless shelters, soup kitchens, etc., registered with the IRS under section 501(c)(3) of the Internal Revenue Code. As such, these organizations are eligible to receive tax-deductible donations.

- Charities dominate Indiana nonprofits as shown above in Figures 1-4 and Figure 10.
- As shown in Figure 11, about 55 percent of all Indiana nonprofit establishments are charities. They employ about 88 percent of all nonprofit employees, suggesting that on average they are significantly larger than nonprofits registered under other subsections of the IRS codes (see also Appendices A and F).

**Figure 11: Charities as a percent of total Indiana nonprofit establishments, employment, and payroll, by industry, 2001**



- Virtually all nonprofits in health, education, social services, legal services, and museums, zoos and related organizations are charities rather than nonprofits with other types of tax-exemption status. As noted above, the first three of these fields account for about 80 percent of total nonprofit employment (see Figure 9 above).
- Only 43 percent of amusement and recreation nonprofits are charities. They account for 38 percent of nonprofit employment in that industry, suggesting they are slightly smaller on average than non-charities in this field.
- Charities constitute only 15 percent of membership associations in Indiana, but have 39 percent of the total nonprofit employment, suggesting that they are larger than associations registered under other subsections of the IRS codes.

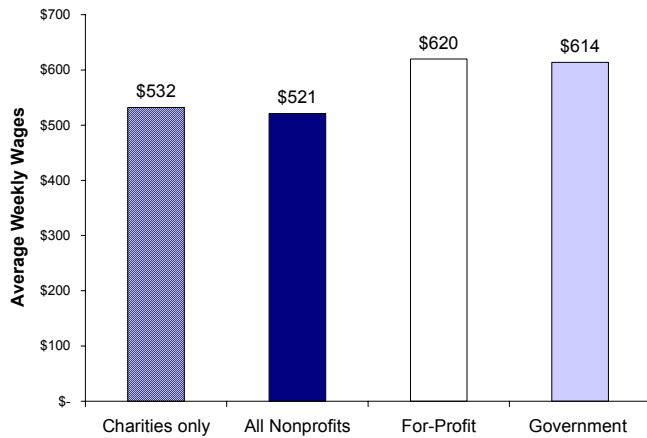
#### V. NONPROFIT WAGES VARY BY INDUSTRY

*The overall average weekly wage for nonprofit employees is lower than that in the for-profit and government sectors. In many service fields, however, nonprofit workers actually earn higher wages than their counterparts in for-profit firms, although usually less than government workers. Nonprofit wages vary considerably among the state's metropolitan regions.*

- Overall, the average weekly wage for nonprofit employees in Indiana is 19 percent lower than that for

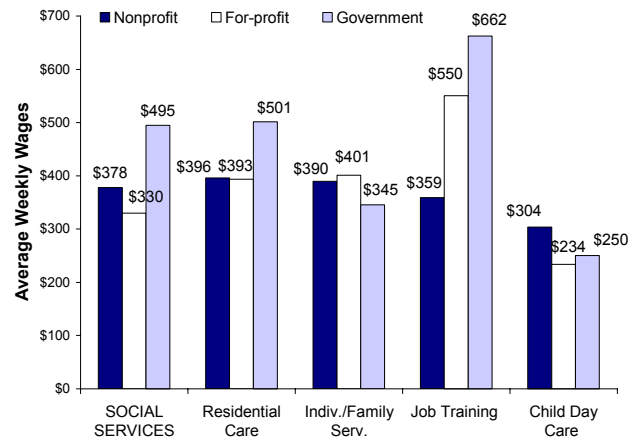
for-profit workers and 18 percent lower than that for government workers, as shown in Figure 12.<sup>7</sup>

**Figure 12: Nonprofit, for-profit, and government average weekly wages in Indiana, 2001**



- However, once we focus on industries where nonprofits are concentrated, such as social services and health, we see that nonprofits offer higher wages than for-profit providers in some service fields, although both are generally lower than average weekly wages paid to government employees.
- As shown in Figure 13, workers in nonprofit social service organizations earn, on average, 15 percent more than workers in for-profit organizations, but 24 percent less than workers in government organizations.
- The four sub-fields shown separately make up about 96 percent of all employment in the social services field.<sup>8</sup>
  - Nonprofit employees in child day care services earn 30 percent higher weekly wages than their for-profit counterparts. They also earn 22 percent more than their relatively few government counterparts.

**Figure 13: Comparative average weekly wages in Indiana social service organizations, 2001**



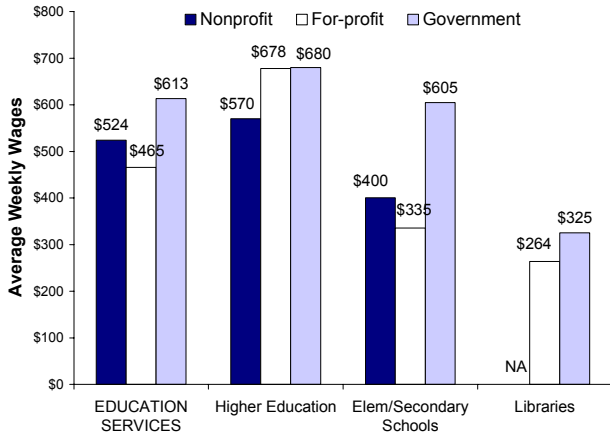
- Nonprofit employees earn fairly similar wages to for-profit workers in residential care organizations, but both groups are significantly below the wages paid to the relatively few government workers in the same industry.
- Workers in nonprofit individual and family service organizations earn 3 percent less, on average, than for-profit workers and 13 percent more than the few government workers in the same field.
- Employees in nonprofit job training organizations earn 35 percent less, on average, than the few for-profit workers in the same field and 46 percent less than the even fewer government workers in that field.
- A similar pattern holds for the education field in Indiana (see Figure 14). Nonprofit education employees, on average, earn 13 percent more than workers in for-profit education institutions, but almost 15 percent less than those in government organizations.
- The three education sub-fields shown separately jointly account for more than 98 percent of total employment in the education services field. However, direct comparisons for nonprofit employees are only

<sup>7</sup> These figures do not reflect differences in fringe benefits or in the reliance on full-time or part-time workers.

<sup>8</sup> Government employees generally constitute less than 1 percent of total employment in these sub-fields, except for residential care, where they account for 5 percent. For-profit employees are about 6 percent of total employees in the job-training field. While we report average wages for these relative few employees, the results should be interpreted with caution.

available for employees of elementary and secondary schools and in higher education.<sup>9</sup>

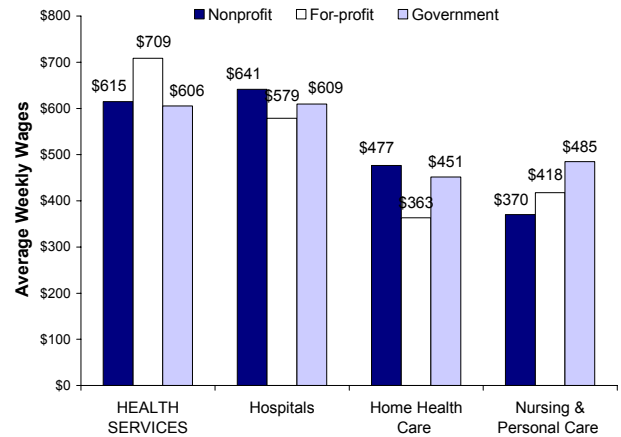
**Figure 14: Comparative average weekly wages in Indiana education organizations, 2001**



NA = Data not available

- Employees in nonprofit institutions of higher education earn 16 percent less, on average, than their counterparts in government institutions and the very few for-profit employees in this field.
- The relatively few nonprofit employees in elementary and secondary schools earn almost 20 percent more than the even fewer workers in similar for-profit organizations, but 34 percent less than those in government owned institutions.
- A somewhat different pattern holds for the health field in Indiana (see Figure 15). Nonprofit health care workers earn 13 percent less, on average, than workers in similar for-profit institutions, but slightly more than government workers in that industry.
- The three sub-fields examined separately in Figure 15, jointly account for 69 percent of total employment in health services, the rest are made up of other types of medical services, e.g., medical specialty professionals.<sup>10</sup>

**Figure 15: Comparative average weekly wages in Indiana health organizations, 2001**



- Workers in nonprofit hospitals earn 11 percent more, on average, than the relatively few workers in for-profit institutions and 5 percent more than government workers.
- Nonprofit home care workers earn 31 percent more, on average, than for-profit workers in similar organizations and 6 percent more than the very few government workers in that field.
- Employees in nonprofit nursing and personal care organizations earn an average of 11 percent less than workers in similar for-profit organizations and 24 percent less than their very few counterparts working for government.
- Nonprofit employees on average earn 22-26 percent less than their for-profit and government counterparts in amusement and recreation organizations and 12-13 percent less than their counterparts in museums, zoos, and related organizations (see Figure 16).
- The sub-fields shown separately in Figure 16, account for respectively only 6 percent of employment in amusement and recreation services but for all of the employment in museums, zoos and related organizations.<sup>11</sup>

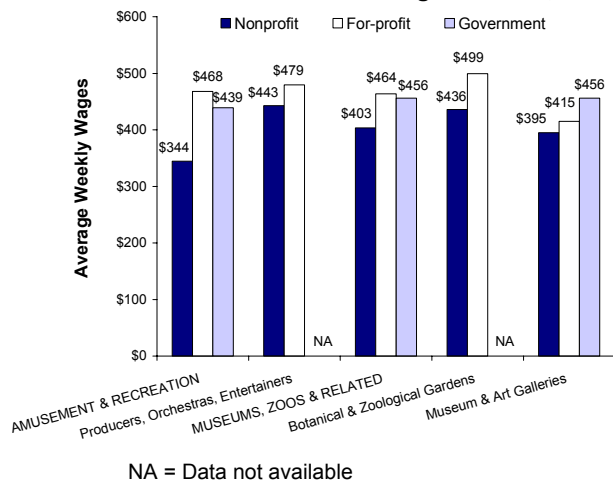
<sup>9</sup> For-profit employees make up only about 1 percent of employees in each of these sub-fields, and nonprofits account for about 4 percent in elementary and secondary education.

<sup>10</sup> Government workers generally account for only 1-2 percent of all workers in home health care and nursing and personal care services.

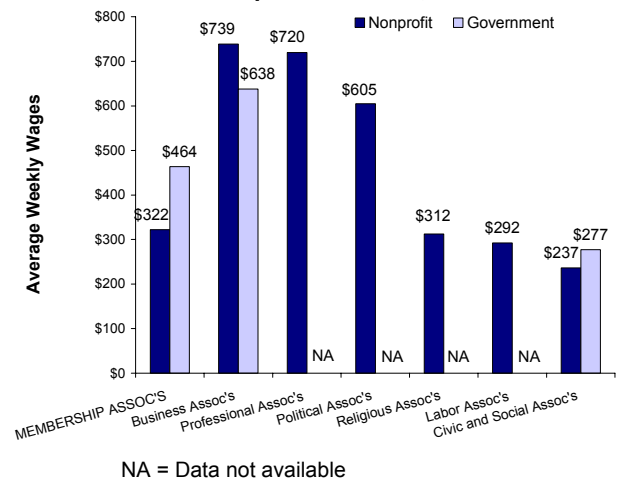
In the hospital field, only 9 percent of all employees work for for-profit firms.

<sup>11</sup> For-profit and government workers jointly account for only 3 percent of all employees in museums and art galleries. For-profit workers make up only 2 percent of all workers in zoos and botanical gardens.

**Figure 16: Comparative average weekly wages in Indiana recreation and culture organizations, 2001**



**Figure 17: Comparative average weekly wages in Indiana membership associations, 2001**



- Employees in nonprofit orchestras and related organizations on average earn 8 percent less than workers in similar for-profit organizations.
- Nonprofit employees of zoos and botanical gardens earn 13 percent less than their very few for-profit counterparts
- Employees in nonprofit museums and art galleries on average earn 5 percent less than their very few counterparts working in for-profit organizations, and 13 percent less than the few government workers in the same industry.
- There are wide variations in wages among different membership associations (see Figure 17). The relatively few government workers in this industry earn less than their nonprofit counterparts in business associations and more than nonprofits in civic associations. For each of these two sub-fields, however, government workers make up at most 1 percent of total employees.
- Our data do not allow us to determine whether the differences in earnings of nonprofit, for-profit, and government employees reflect real differences in wage levels or different rates of using part-time workers.<sup>12</sup>

- Average weekly wages for workers in charitable organizations in Indiana are slightly lower (by 3 percent) than those in about half the states for which corresponding analysis is available (see Table 1).

**Table 1: Average weekly wage in charitable, for-profit, and government firms for selected states**

State	Average charities wage	Average for-profit wage	Average government wage
Connecticut	\$645	\$913	\$798
Illinois	\$632	\$712	\$773
California	\$611	\$762	\$790
Maryland	\$606	\$713	\$786
Indiana	\$532	\$620	\$614
South Carolina	\$510	\$525	\$582
Louisiana	\$482	\$522	\$598
West Virginia	\$480	\$502	\$543
Texas	\$429	\$599	\$532
<b>Nine State Average</b>	\$547	\$652	\$668
<b>Indiana average wages as percent of 9 state average</b>	<b>97%</b>	<b>95%</b>	<b>92%</b>
Indiana (all nonprofits)	\$521		

Data source: Johns Hopkins Nonprofit Employment Bulletin Numbers 2, 3, 4, 5, 6, 7, 8, and 9.

- Average weekly wages for Indiana for-profit firms are 5 percent lower than the average for the nine states for which similar information is available, or by a somewhat greater margin than is the case for employees of charitable establishments.

<sup>12</sup> The average weekly wage reported in the ES-202 survey data makes no adjustment for full-time or part-time work. Industries with a greater number of part-time workers could show up as having lower average weekly wages than those with fewer part-time workers, even if the actual hourly pay rates are higher.

- Average government wages in Indiana are 8 percent lower than government wages in the nine states listed in Table 1.

- Average weekly wage for social services jobs in Indiana charitable establishments are at about the average for nine states (see Table 2).

**Table 2: Average weekly wage by industry in charitable establishments for selected states**

State	Social services	Health	Hospitals	Education
Connecticut	\$456	\$707	\$767	\$775
Illinois	\$431	\$617	\$649	\$662
California	\$421	\$741	\$777	\$589
Maryland	\$411	\$644	\$656	\$661
Indiana (charity)	\$378	\$615	\$641*	\$524
Texas	\$365	NA	NA	NA
South Carolina	\$326	\$633	\$646	\$527
West Virginia	\$283	\$565	\$595	\$465
Louisiana	\$274	\$552	NA	\$610
<b>Nine state average</b>	<b>\$372</b>	<b>\$634</b>	<b>\$676</b>	<b>\$602</b>
<b>Indiana charities as percent of 9 state average</b>	<b>101%</b>	<b>97%</b>	<b>95%</b>	<b>87%</b>
Indiana (all)	\$378	\$615	\$641	\$524

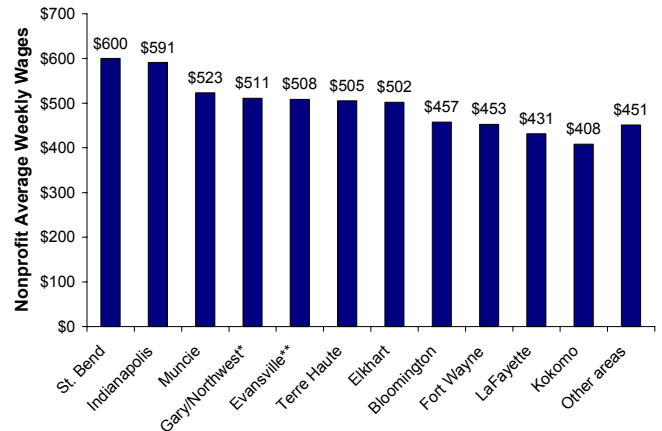
Data source: Johns Hopkins Nonprofit Employment Bulletin Numbers 2, 3, 4, 5, 6, 7, 8, and 9.

\*Data are for nonprofit hospitals. All are assumed to be charities.

- Average weekly wages for employees of charitable establishments were 3 percent lower than for their counterparts in eight states for health services and an estimated 5 percent lower for hospital services.
- Indiana’s overall lower than average wages for employees of charitable establishments are most pronounced in education, where Indiana employees on average earn 13 percent less than the average for eight states.
- Nonprofit wages vary considerably among Indiana’s metropolitan regions (see Figure 18).
  - At \$600, the average weekly wages for nonprofit workers were highest in the South Bend metropolitan region, or \$79 above average nonprofit weekly wages in the entire state in 2001 (\$521).

- Nonprofit average weekly wages were also relatively high in the Indianapolis region (\$591).

**Figure 18: Comparative average weekly wages for nonprofit employees by metropolitan regions in Indiana, 2001**



- Nonprofit wages were about at the statewide average for Muncie (\$523).
- Nonprofit wages were somewhat below the statewide average for the Northwest (\$511), Evansville (\$508), Terre Haute (\$505), and Elkhart (\$502) regions. For purposes of our analysis, we include the La Porte and Gibson counties respectively in the Northwest and Evansville regions.
- Average nonprofit wages were notably below the statewide average for the Bloomington (\$457) and Fort Wayne (\$453) metropolitan areas.
- Average nonprofit weekly wages were significantly below the statewide average in the Lafayette (\$431) and Kokomo (\$408) metropolitan regions – by respectively \$90 and \$113. The wages in these two communities were also below those of the remaining (non-metropolitan) regions of the state (average weekly wages of \$451).
- As noted earlier, our data do not allow us to determine whether the regional differences in average weekly earnings of nonprofit employees reflect real

differences in wage levels or different rates of using part-time workers.<sup>13</sup>

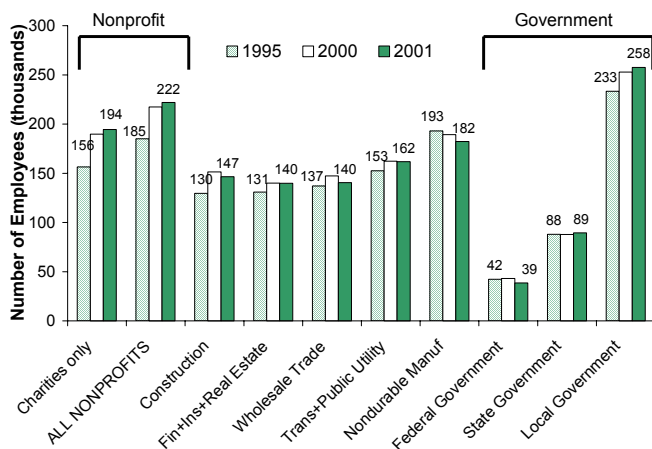
## VI. A GROWING SECTOR

*The Indiana nonprofit sector grew notably faster than the for-profit and government sectors between 1995 and 2001. Although the growth in nonprofit employment was concentrated in health services, the rates of growth were higher for nonprofit social services and educational services. Growth rates also vary by region in Indiana.*

**Employment:** The share of nonprofit employment in Indiana has increased since 1995, reflecting rapid growth during the 1995-2000 period, followed by slower growth over the 2000-2001 period.

- Between 1995 and 2001, employment in the Indiana nonprofit sector increased by 37,000 employees (from 185,000 to 221,993), or by 20 percent (see Figure 19). The number of employees of charitable organizations increased even faster (up by 38,000 or 24 percent).

**Figure 19: Employment in the nonprofit sector and in key industries, Indiana 1995, 2000, and 2001**

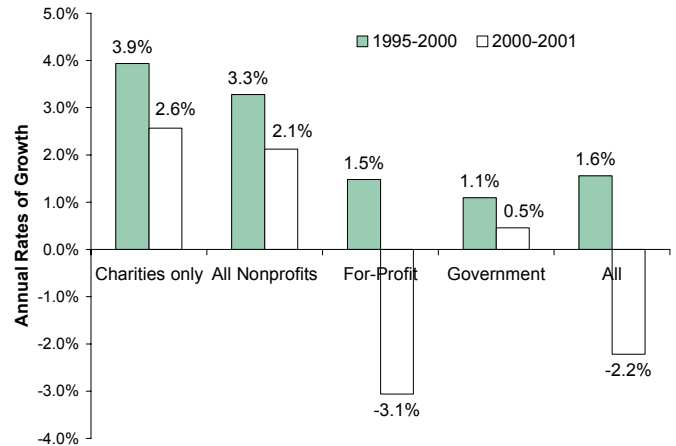


- The growth in overall nonprofit employment more than offset the loss of 33,000 jobs in the durable manufacturing industry.

<sup>13</sup> The average weekly wage reported in the ES-202 survey data makes no adjustment for full-time or part-time work. Regions with a greater number of part-time workers could show up as having lower average weekly wages than those with fewer part-time workers, even if the actual hourly pay rates are higher.

- Exceeded the gain of 25,000 jobs in the trade industry (retail and wholesale combined).
  - Was more than twice the gain of 17,000 jobs in the construction industry.
  - Was more than four times the gain of 9,000 jobs in finance, insurance and real estate firms or in transportation and public utilities.
  - Significantly outpaced the addition of 22,000 jobs in all levels of government (almost all in local government).
- Between 1995 and 2000, nonprofit employment grew at a rapid rate of 3.3 percent per year, more than twice the rate of growth in the for-profit sector (1.5 percent) and three times the rate of growth in government employment (1.1 percent), almost all in local government. See Figure 20.

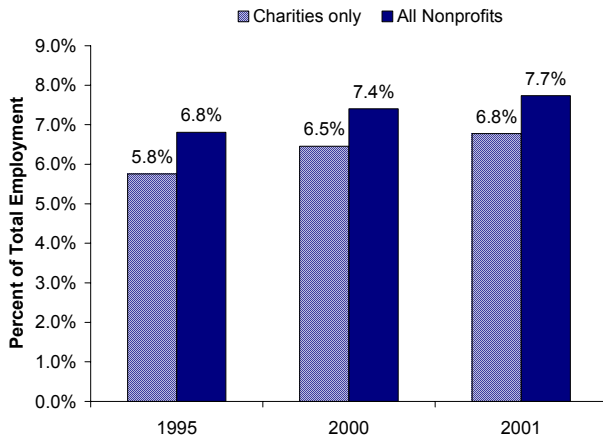
**Figure 20: Average annual rates of growth in Indiana employment by sector, 1995-2000 and 2000-2001**



- Between 2000 and 2001, nonprofit employment grew at a slower rate (2.1 percent) than during the previous five years, while the for-profit sector shrank by 3.1 percent and the government sector grew by only .5 percent.
- As a result of the comparatively high rates of growth in nonprofit employment, the nonprofit share of total Indiana employment grew from 6.8 percent in 1995 to 7.7 percent in 2001 (Figure 21).

- The growth in charitable employment was even greater (38,000 jobs) so that the charities' share of total employment increased by one percentage point, from 5.8 percent in 1995 to 6.8 percent in 2001.

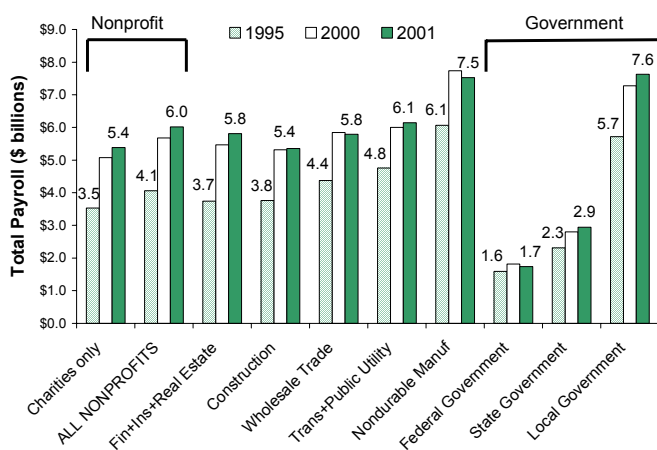
**Figure 21: Nonprofit share of Indiana employment, 1995-2001**



**Payroll:** Overall wages for nonprofit employees in Indiana also increased faster than those of employees in for-profit or government organizations.

- Total payroll for nonprofit employees increased from \$4.1 billion in 1995 to \$6 billion in 2001, or by 48 percent (not adjusted for inflation). See Figure 22.

**Figure 22: Total payroll for Indiana nonprofit employees and for key industries 1995, 2000, and 2001**



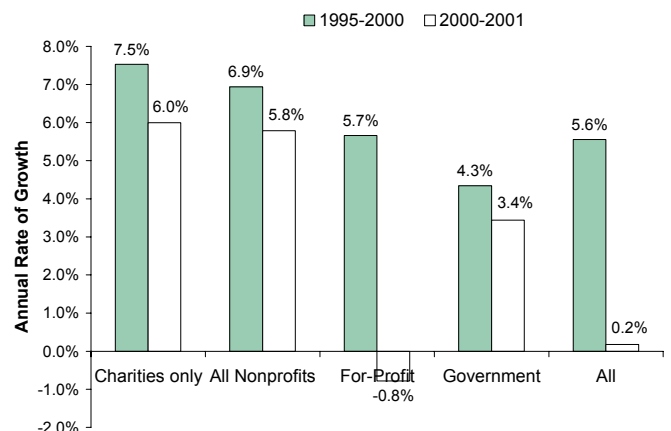
- The gain of \$1.9 billion in nonprofit payroll equaled or exceeded the increase in total payroll for several Indiana industries over the 1995-2001 period: Durable manufacturing (\$1.9 billion), construction (\$1.6 billion), non-durable manufacturing (\$1.5 billion), transportation and public utilities (\$1.4 billion), and wholesale trade (\$1.4 billion).

- The gain in nonprofit payrolls was less than the gains in total payroll in finance, insurance and real estate (\$2.1 billion), manufacturing (\$3.3 billion), and trade (\$3.6 billion) industries over the 1995-2001 period.

- The nonprofit gain in total payrolls was more than twice the gain in the combined federal and state payrolls (\$0.8 billion) and slightly more than the gain in local government payroll (\$1.9 billion).

- Nonprofit payrolls increased at a faster rate than the payrolls of for-profit and government organizations, especially between 2000 and 2001 (see Figure 23).

**Figure 23: Average annual rates of growth in total payroll by sector, Indiana 1995-2000 and 2000-2001**



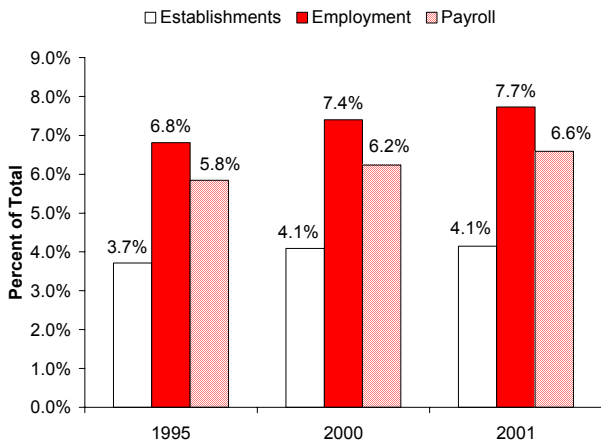
- Total nonprofit payrolls increased at an average annual rate of 6.9 percent between 1995 and 2000, more than annual increase of 5.7 percent for for-profit employees and 4.3 percent for government workers (not adjusted for inflation).

- Total nonprofit payrolls continued to increase between 2000 and 2001, although at a slower

rate (5.8 percent) than for 1995-2000. However, the increase was still significantly higher than the rate of increase in total government payroll (3.4 percent), while total for-profit payroll actually decreased by 0.8 percent during the same period.

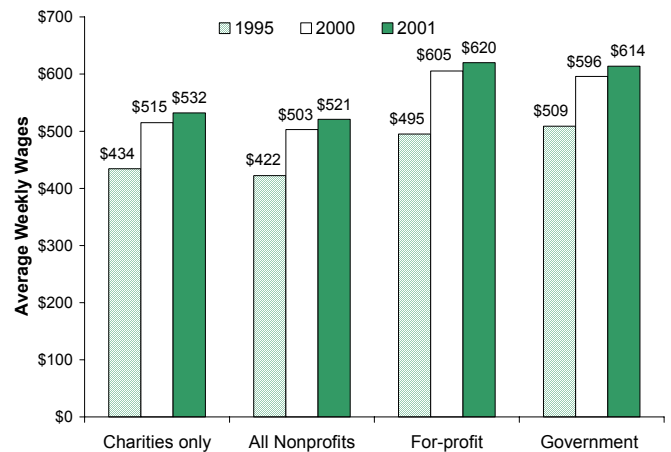
- As a result of these differential growth rates, the nonprofit share of total payroll in Indiana increased from 5.8 percent to 6.6 percent (see Figure 24).

**Figure 24: Nonprofit share of Indiana employment and total payroll, 1995, 2000, and 2001**



- The increase in the nonprofit share of payroll was less than the growth in the sector's share of total employment, suggesting that the average weekly wages of nonprofit employees grew more slowly than those of workers in the for-profit and government sectors.
- Average weekly wages for nonprofit employees increased by \$99 between 1995 and 2001 (not adjusted for inflation). See Figure 25.
- However, average weekly wages for employees of for-profit or government organizations increased even faster, by \$125 and \$105 respectively, during the same period.
  - The \$105 increase in average government wages hides major differences among the various levels of government. Thus wages of federal employees increased by \$142, those of state employees by \$127 and those of local government employees by \$98, the same as for nonprofit employees.

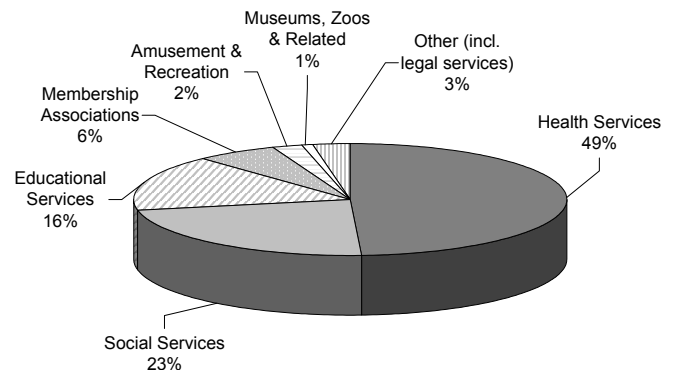
**Figure 25: Average weekly wages by sector, Indiana 1995, 2000, and 2001**



**Industry:** Most of the growth (49 percent) in nonprofit employment in Indiana between 1995 and 2001 took place in the health field, with two other fields accounting for another 39 percent. However, rates of growth were highest for nonprofit employment in social services, education, and museums, zoos, and botanical gardens. Even so, the nonprofit sector gained relative to both overall and for-profit employment in the health industry, and lost in the amusement and recreation industry.

- Most of the overall growth in nonprofit employment was concentrated in just three industries (33,000 jobs, or 88 percent of the total). See Figure 26.

**Figure 26: Indiana nonprofit employment growth shares by industry, 1995-2001**

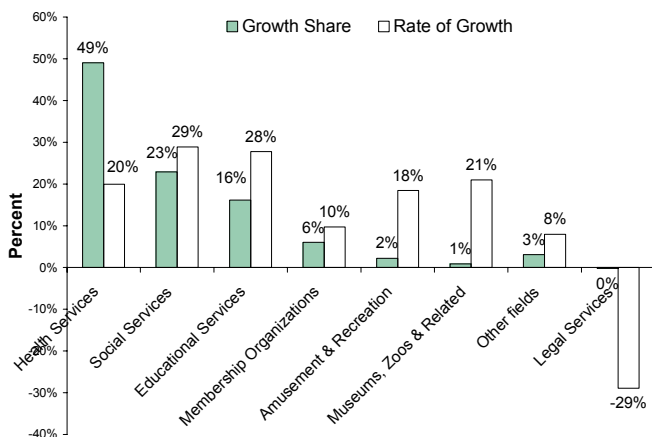


- Health accounted for almost half (49 percent) of the overall growth in the Indiana nonprofit sector between 1995 and 2001. This reflects the

large share that health has of overall nonprofit employment (see Figure 9 earlier).

- Social services accounted for almost a quarter (23 percent) of the overall growth in nonprofit employment during the period.
- Educational services absorbed another 16 percent of the overall growth in nonprofit employment.
- Three other fields (membership associations, recreation and culture, and museums, zoos and botanical gardens) jointly accounted for 9 percent of the overall growth in nonprofit employment between 1995 and 2001.
- Rates of growth, however, varied considerably among nonprofit industries (see Figure 27), compared to the overall growth rate of 20 percent between 1995 and 2001.

**Figure 27: Indiana nonprofit employment: share of total growth and rates of growth by industry, 1995-2001**

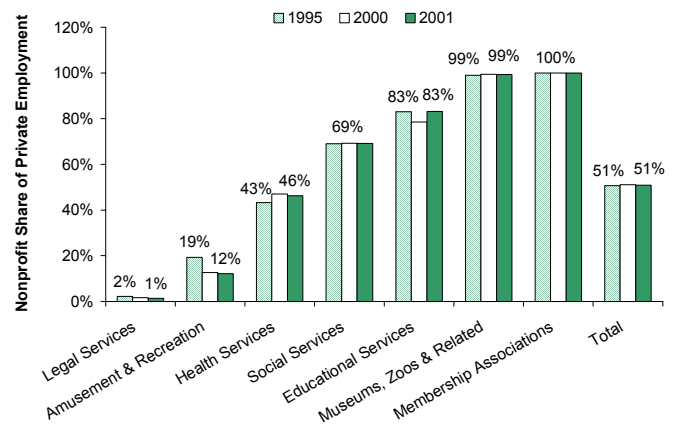


- While health absorbed 49 percent of the overall growth in nonprofit employment, the number of employees working for nonprofit health organizations increased by 20 percent between 1995 and 2001, the same as the overall increase in nonprofit employment for the period (20 percent).
- Growth was highest for social services (29 percent) and education services (28 percent) – or

almost 10 percentage points higher than for the sector overall.

- Growth was slightly above average for museum, zoos, and related services (21 percent).
- Growth was below average for amusement and recreation services (18 percent), membership organizations (10 percent), and other fields too small to report on separately (8 percent).
- The number of nonprofit employees in legal services actually declined by 29 percent over the 1995-2001 period.
- However, in some of these industries, for-profit employment grew even faster so that the nonprofit share of total non-government employment declined between 1995 and 2001 while in other fields, the nonprofit share increased (see Figure 28).

**Figure 28: Nonprofit share of non-government Indiana employment by industry, 1995-2001**

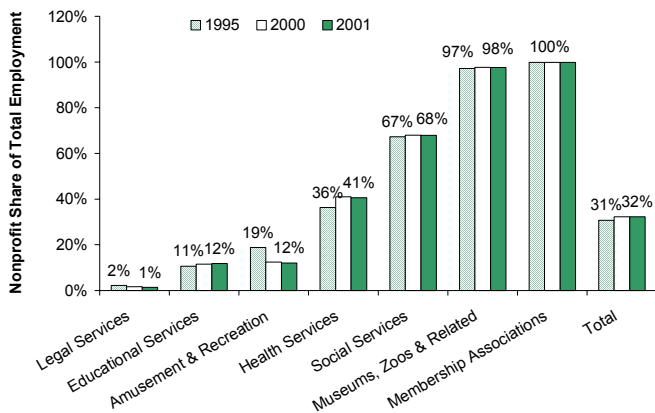


- Nonprofit employment in legal services declined by 29 percent, while for-profit employment increased by 16 percent.
- Although nonprofit employment in amusement and recreation grew by 18 percent between 1995 and 2001, for-profit employment grew more than five times as fast (up by 105 percent). Consequently, the nonprofit share of this industry declined from 19 percent of non-government employment in 1995 to 12 percent in 2001.

- Nonprofit employment in health services grew overall by 20 percent between 1995 and 2001, about at the average for the entire nonprofit sector in Indiana. However, employment in the for-profit sector grew by only 6 percent.
- For all remaining industries, growth in nonprofit employment over the 1995 to 2001 period was roughly similar to that of for-profit employment. Consequently, the nonprofit shares of total private employment remained essentially unchanged for these fields: 69 percent for social services, 83 percent for educational services, 99 percent for museums, botanical gardens and zoos, and 100 percent for membership associations.

- Employment in government grew only moderately or declined in most fields, so that the nonprofit employment gained an even greater share of total employment in several fields (see Figure 29).

**Figure 29: Nonprofit share of total Indiana employment by industry, 1995-2001**



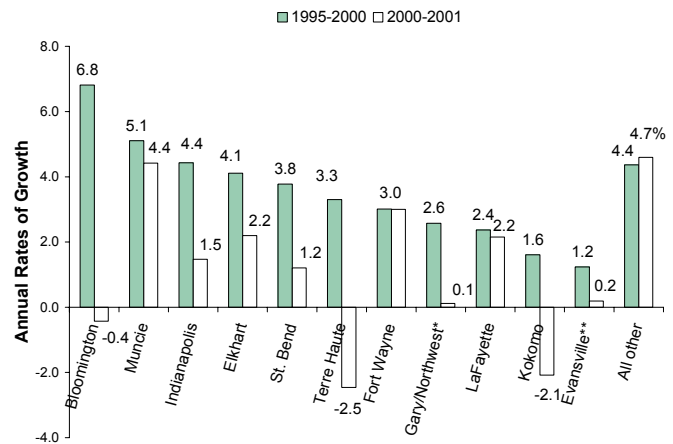
- Government employment declined in health (down 17 percent) and social services (down 12 percent) while nonprofit employment increased at a faster rate than for-profit employment. As a result nonprofit employment increased its overall share of employment in these fields.
- Government employment also declined (down 7 percent) in amusement and recreation services, while nonprofit employment grew slowly compared to for-profit employment, so that the non-

profit share of total employment declined overall.

- Government employment grew only 13 percent in education services, much less than the growth in nonprofit or for-profit education services employment (28 percent).

**Region:** Indiana's metropolitan regions differed significantly in their average annual rate of growth in nonprofit employment between 1995 and 2000 and also between 2000 and 2001 (see Figure 30).

**Figure 30: Indiana nonprofit employment: average annual rates of growth for metropolitan regions, 1995-2000 and 2000-2001**



- Five of the state's metropolitan regions saw rates of average annual growth in nonprofit employment that exceeded the statewide average of 3.3 percent for the 1995-2000 period.

- The highest rate of average annual growth in nonprofit employment over the 1995-2000 period occurred in Bloomington (6.8 percent), at more than twice the statewide rate. However, nonprofit employment declined in Bloomington between 2000 and 2001 (-.4 percent), while it continued to increase statewide (by 2.1 percent) and in all but two other metropolitan regions (Terre Haute and Kokomo).
- Average annual rates of growth in nonprofit employment between 1995 and 2000 were also significantly above the statewide average for Muncie (5.1 percent) and continued at almost as fast

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a rate of growth between 2000 and 2001 (4.4 percent).

- The Indianapolis (4.4 percent), Elkhart (4.1 percent), and South Bend (3.8 percent) metropolitan regions also saw above average annual increases in total nonprofit employment between 1995 and 2001. In the case of Indianapolis and South Bend, the rates of growth declined and fell below the statewide average for 2000-2001, while Elkhart followed the overall statewide pattern.
- Nonprofit employment in the Fort Wayne metropolitan region increased at the average annual rate of 3 percent between 1995 and 2000, below the state overall. However, the Fort Wayne nonprofit sector increased more rapidly (3 percent) than the state nonprofit sector between 2000 and 2001.
- Nonprofit employment in Terre Haute was on pace with the statewide increase of 3.3 percent annually for the 1995-2000 period, but declined by 2.5 percent between 2000 and 2001.
- All of the remaining metropolitan regions (Gary/Northwest, Evansville, Lafayette, and Kokomo) had below average rates of growth in nonprofit employment for both periods. In the case of Kokomo, nonprofit employment actually declined by a full 2.1 percent between 2000 and 2001.
- The remaining portions of the state saw rapid growth in nonprofit employment between 1995 and 2000 (4.4 percent) and again between 2000 and 2001 (4.7 percent).

opment and education and training efforts that could prove extremely beneficial to it in the long term. Hopefully, the data presented here will promote greater understanding of the impact of the nonprofit sector and demonstrate the immense stake that Indiana citizens have in its continued health

## CONCLUSION

The nonprofit sector not only contributes to the quality of life for all Indiana citizens through the health care, education, counseling, job training, nursing home care, access to arts and culture, and opportunities for democratic participation it offers, but it is also a major economic force in the state's economy, and in the economies of all the state's regions.

Regrettably, however, this point is not well understood by policymakers, the press, or the public at large. As a result, this sector is often overlooked in economic devel-

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## **APPENDIX A: THE ES-202 UNEMPLOYMENT INSURANCE LABOR MARKET INFORMATION PROGRAM**

### **SOURCE OF DATA**

The major source of data for this report is the Covered Employment and Wages Program, commonly referred to as the ES-202 program, a cooperative initiative involving State Employment Security Agencies and the Bureau of Labor Statistics. The ES-202 program produces a comprehensive tabulation of employment and wage information for workers covered by state Unemployment Insurance (UI) laws and Federal workers covered by the Unemployment Compensation for Federal Employees Program. Data contained in this report represent all employees covered by the Unemployment Insurance (UI) Law of Indiana as well as federal workers covered by the Unemployment Compensation of Federal Employees Program. The data on state-insured workers are compiled from quarterly contribution reports submitted by employers subject to Indiana law. Employment data pertaining to the federal government are obtained from similarly required reports submitted by the various government installations in Indiana.

### **SCOPE OF COVERAGE**

The ES-202 program accounts for approximately 98 percent of all wage and salary civilian employment nationally (the program does not cover self-employed and family workers). The principal exclusions from the ES-202 data set are employees of religious organizations, railroad workers, small-scale agriculture, domestic service, crew members on small vessels, state and local government elected officials, and insurance and real estate agents who receive payment solely by commission. In terms of nonprofit employment, the exclusion of religious organizations is the most significant; however, religious organizations may elect to be covered by the UI program and those that do are covered in the data and most are classified as membership associations. At this time the level of non-coverage is unknown, although it appears to be extensive for religious organizations.<sup>14</sup>

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<sup>14</sup> Thus only 129 religious associations were included in the ES-202 data for 2001, with a total of 1,458 employees. Statewide there are about 9,000 congregations listed in the yellow pages and while many of these do not have paid employees, it seems likely that the number

The number of employees is measured by the number of filled jobs for the pay period that includes the 12<sup>th</sup> day of each month as reported by the employer. Both part-time and full-time employees are included in the data set, without distinction between the two groups. If a person holds two jobs, that person would be counted twice in the data set. Wages include bonuses, stock options, the cash value of meals and lodging, and tips and other gratuities, but not the value of fringe benefits, such as employer contributions to health insurance or pensions.

The employment data for nonprofit organizations were identified by matching the Federal Employer Identification Numbers (FEINs) of firms in the Indiana ES-202 system with the FEINs of entities that have registered with the IRS for tax-exempt status. This work was performed by the Indiana Business Research Center, Kelley School of Business, Indiana University, under a confidentiality agreement with the State of Indiana. Only aggregated data, filtered using federal and state disclosure rules, were used for this study.

Indiana tax-exempt firms were identified using the Exempt Organization Master File (EOMF), which is a listing of all organizations exempt from taxation under section 501(c) of the Internal Revenue Code. The file is cumulative; information on new organizations is added to the file on an ongoing basis and an effort is made to delete defunct organizations. By matching the FEINs in the EOMF with those on the ES-202 data set, it is possible to identify all nonprofit entities that are registered with the IRS if they have employees working at an establishment in the state covered by the ES-202 record system. This is the case, even if they are not using an Indiana address for purposes of reporting to the IRS since we matched the entire IRS EOMF listing for the U.S. against the Indiana ES-202 data set.

The EOMF includes the name, address, and zip code of the organization, the Federal Employer Identification Number, and the exact Internal Revenue Code subsection under which the organization has claimed tax exemption. This includes most notably the so-called “charitable” portion of the tax-exempt universe, those registered with the U.S. Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code – private, not-for-profit hospitals, clinics, colleges, universities, elementary schools, social service agencies, day

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included in the ES-202 record system constitute only a small fraction of the total.

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care centers, orchestras, museums, theaters, homeless shelters, soup kitchens, and many more.

In addition to Section 501(c)(3), the Internal Revenue Code contains twenty-five other subsections under which organizations can claim exemption from federal income taxation as nonprofit organizations, such as social clubs, labor unions, business associations, and civic organizations.

For the purpose of this report, we have included all organizations exempt from federal income tax under section 501(c). Section 501(c)(3) is by far the most important sub-section of these. It covers the bulk of nonprofit organizations and includes the organizations most commonly associated with the nonprofit sector.

Appendix F reports on Indiana nonprofit employment for several key IRS reporting characteristics (some details were suppressed to protect confidentiality):

- Exemption status (3 types): charities exempt under Section 501(c)(3), social welfare nonprofits exempt under Section 501(c)(4), and all other types of nonprofits exempt under remaining sections of 501(c). For 2001, more than half (55 percent) of all nonprofit establishments were charities and these accounted for 88 percent of all nonprofit employment and 90 percent of total nonprofit payroll. Social welfare nonprofits accounted for less than 3 percent of all nonprofit establishments and less than 1 percent of nonprofit employment and payroll. Other types of nonprofits constituted 42 percent of nonprofit establishments, but only about 10 and 8 percent respectively of nonprofit employment and payrolls.
- Location status (2 types): nonprofits using an Indiana address for purposes of reporting with the IRS and all other nonprofits. Nonprofit reporting addresses may be that of an accountant, board president, or headquarter organization and therefore is not necessarily where the organization carries out all, or even some, of its activities. In 2001, about 94 percent of all IRS registered nonprofits that participate in the Indiana ES-202 system used an Indiana address for purposes of reporting to the IRS. These nonprofits accounted for 95 percent of total Indiana nonprofit employment and nonprofit payroll.
- Filing status (2 types): nonprofits filing financial information on Form 990 or Form 990 PF (private

foundations) with the IRS and all other nonprofits. Nonprofits with \$25,000 in annual revenues are required to file financial information with the IRS on Form 990/990 PF, unless the organization's finances are included as part of a group exemption report (e.g., a headquarter organization and local affiliates) or the organization uses another nonprofit as a fiscal agent. Some nonprofits with revenues of less than \$25,000 also file Form 990. In 2001, 94 percent of Indiana nonprofit entities filed financial information with the IRS. They accounted for 95 percent of total nonprofit employment and nonprofit payroll in the state.

Some nonprofit establishments are not captured in this report. These include entities that have not registered with the IRS for tax exempt status and therefore do not have a record in the national EOMF. Also, there may be a significant number of multiple establishment commercial firms that have nonprofit subsidiaries; these nonprofit subsidiaries would not be identified as nonprofit firms in the state ES-202 records. On the other hand, there may be some multiple establishment nonprofit firms that have commercial subsidiaries. The precise number of uncaptured nonprofit establishments is unknown.

Finally, we obtained the EOMF in February of 2002. That means we are unable to identify correctly the nonprofit status of employers that were nonprofit in 1995 or 2000, but were deleted from the IRS tax-exempt list by February of 2002 because they had ceased to operate or converted to for-profit or government status. Because these organizations did not appear in the EOMF file from February 2002, they were not identified as nonprofits in the ES-202 dataset. If they had employees and payroll in 1995 or 2000, they would by default be considered for-profit establishments. Consequently, our estimates in this report most likely underestimate the nonprofit share of the Indiana economy for 1995 and 2000.

The Johns Hopkins Center for Civil Society Studies' Nonprofit Employment Data Project is now working with State Employment Security Agencies throughout the country drawing on this ES-202 data source to generate similar data on nonprofit employment in other states. For more information, visit the CCSS Web site ([www.jhu.edu/~ccss](http://www.jhu.edu/~ccss)). For more information on the project on **Indiana Nonprofits: Scope and Community Dimensions**, see [www.Indiana.edu/~nonprof](http://www.Indiana.edu/~nonprof).

## APPENDIX B: NONPROFIT EMPLOYMENT IN INDIANA, BY REGION, 2001

Region <sup>15</sup>	Total non-profit employment in region	Total employment in region	Nonprofit employment as % of total nonprofit employment in state	Nonprofit employment as % of total employment in region	Construction as % of total employment in region	Manufacturing as % of total employment in region
Indianapolis	65,208	848,216	29.4%	7.7%	5.6%	14.6%
Gary/Northwest <sup>16</sup>	25,711	294,951	11.6%	8.7%	6.0%	18.6%
St. Bend	20,950	124,985	9.4%	16.8%	5.6%	16.1%
Fort Wayne	18,467	256,341	8.3%	7.2%	5.1%	25.7%
Evansville <sup>17</sup>	13,163	144,169	5.9%	9.1%	6.7%	19.5%
Lafayette	6,616	86,036	3.0%	7.7%	4.5%	25.5%
Elkhart	6,391	113,496	2.9%	5.6%	3.9%	49.8%
Terre Haute	6,058	63,254	2.7%	9.6%	5.1%	15.8%
Bloomington	5,850	58,395	2.6%	10.0%	4.5%	13.9%
Muncie	5,725	53,289	2.6%	10.7%	4.4%	16.5%
Kokomo	2,178	49,107	1.0%	4.4%	3.3%	36.9%
Columbus <sup>18</sup>	1,967	41,104	0.9%	4.8%	11.9%	49.5%
Rest of state	43,597	657,670	19.6%	6.6%	3.5%	29.2%
Non-distributable (statewide)	114	79,877	0.1%	0.1%	7.5%	13.4%
<b>Grand Total for State</b>	<b>221,993</b>	<b>2,870,888</b>	<b>100.0%</b>	<b>7.7%</b>	<b>5.1%</b>	<b>22.3%</b>

<sup>15</sup> Standard metropolitan area (SMA), unless otherwise noted.

<sup>16</sup> Includes La Porte County

<sup>17</sup> Includes Gibson County

<sup>18</sup> Not a metropolitan area, included here as part of Indiana Nonprofit Sector: Scope and Community Dimensions.

## APPENDIX C: NONPROFIT EMPLOYMENT IN INDIANA, BY COUNTY, 2001

County	Total nonprofit employment in county	Total employment in county	Nonprofit employment as percent of total employment in county	Nonprofit employment as percent of total nonprofit employment in state
Adams	526	13,726	3.8%	0.2%
Allen	13,998	183,329	7.6%	6.3%
Bartholomew	1,967	41,104	4.8%	0.9%
Benton	88	2,642	3.3%	0.0%
Blackford	80	4,323	1.9%	0.0%
Boone	758	14,801	5.1%	0.3%
Brown	82	2,910	2.8%	0.0%
Carroll	236	5,678	4.2%	0.1%
Cass	713	17,165	4.2%	0.3%
Clark	1,803	46,000	3.9%	0.8%
Clay	218	6,659	3.3%	0.1%
Clinton	850	11,133	7.6%	0.4%
Crawford	83	2,184	3.8%	0.0%
Daviess	618	9,909	6.2%	0.3%
Dearborn	457	14,351	3.2%	0.2%
Decatur	392	13,494	2.9%	0.2%
De Kalb	905	20,987	4.3%	0.4%
Delaware	5,725	53,289	10.7%	2.6%
Dubois	1,932	28,785	6.7%	0.9%
Elkhart	6,391	113,496	5.6%	2.9%
Fayette	907	9,840	9.2%	0.4%
Floyd	1,164	26,346	4.4%	0.5%
Fountain	131	5,572	2.4%	0.1%
Franklin	80	4,085	2.0%	0.0%
Fulton	139	6,840	2.0%	0.1%
Gibson	1,001	12,548	8.0%	0.5%
Grant	4,163	29,314	14.2%	1.9%
Greene	596	7,571	7.9%	0.3%
Hamilton	2,433	78,974	3.1%	1.1%
Hancock	331	15,901	2.1%	0.1%
Harrison	401	11,827	3.4%	0.2%
Hendricks	527	31,406	1.7%	0.2%
Henry	629	14,109	4.5%	0.3%
Howard	2,178	44,546	4.9%	1.0%
Huntington	1,661	15,646	10.6%	0.7%
Jackson	685	20,402	3.4%	0.3%
Jasper	498	10,724	4.6%	0.2%

<b>County</b>	<b>Total nonprofit employment in county</b>	<b>Total employment in county</b>	<b>Nonprofit employment as percent of total employment in county</b>	<b>Nonprofit employment as percent of total nonprofit employment in state</b>
Jay	346	7,305	4.7%	0.2%
Jefferson	1,671	12,584	13.3%	0.8%
Jennings	415	8,562	4.8%	0.2%
Johnson	1,789	39,035	4.6%	0.8%
Knox	1,028	16,930	6.1%	0.5%
Kosciusko	3,287	32,842	10.0%	1.5%
Lagrange	277	12,007	2.3%	0.1%
Lake	18,626	194,593	9.6%	8.4%
La Porte	3,137	46,852	6.7%	1.4%
Lawrence	1,250	14,997	8.3%	0.6%
Madison	4,846	45,168	10.7%	2.2%
Marion	53,330	591,418	9.0%	24.0%
Marshall	1,519	18,942	8.0%	0.7%
Martin	70	6,953	1.0%	0.0%
Miami	321	10,745	3.0%	0.1%
Monroe	5,850	58,395	10.0%	2.6%
Montgomery	2,566	16,881	15.2%	1.2%
Morgan	873	14,640	6.0%	0.4%
Newton	130	4,086	3.2%	0.1%
Noble	960	20,372	4.7%	0.4%
Ohio	36	1,853	1.9%	0.0%
Orange	610	6,579	9.3%	0.3%
Owen	118	4,333	2.7%	0.1%
Parke	205	3,472	5.9%	0.1%
Perry	267	5,787	4.6%	0.1%
Pike	134	3,035	4.4%	0.1%
Porter	3,948	53,507	7.4%	1.8%
Posey	237	9,029	2.6%	0.1%
Pulaski	222	4,515	4.9%	0.1%
Putnam	1,602	12,387	12.9%	0.7%
Randolph	284	8,054	3.5%	0.1%
Ripley	920	13,213	7.0%	0.4%
Rush	192	5,719	3.4%	0.1%
St. Joseph	20,950	124,985	16.8%	9.4%
Scott	277	7,318	3.8%	0.1%
Shelby	324	16,875	1.9%	0.1%
Spencer	603	7,161	8.4%	0.3%
Starke	287	4,386	6.5%	0.1%
Steuben	902	16,028	5.6%	0.4%
Sullivan	95	5,494	1.7%	0.0%

<b>County</b>	<b>Total nonprofit employment in county</b>	<b>Total employment in county</b>	<b>Nonprofit employment as percent of total employment in county</b>	<b>Nonprofit employment as percent of total nonprofit employment in state</b>
Switzerland	140	2,693	5.2%	0.1%
Tippecanoe	5,765	74,903	7.7%	2.6%
Tipton	Not available	4,561	Not available	Not available
Union	113	1,544	7.3%	0.1%
Vanderburgh	11,244	109,432	10.3%	5.1%
Vermillion	266	4,766	5.6%	0.1%
Vigo	5,575	51,829	10.8%	2.5%
Wabash	1,574	14,247	11.0%	0.7%
Warren	Not available	1,743	Not available	Not available
Warrick	682	13,160	5.2%	0.3%
Washington	159	6,700	2.4%	0.1%
Wayne	3,531	34,366	10.3%	1.6%
Wells	471	11,491	4.1%	0.2%
White	340	9,774	3.5%	0.2%
Whitley	907	11,161	8.1%	0.4%
Non-distributable (statewide)	1,203	79,877	1.5%	0.5%
<b>Grand Total for State</b>	<b>221,993</b>	<b>2,870,888</b>	<b>7.7%</b>	<b>100.0%</b>

Note: data on nonprofit employment for some counties were not available for reasons of confidentiality.

## APPENDIX D: DISTRIBUTION OF NONPROFIT EMPLOYMENT BY INDUSTRY IN INDIANA , 2001

SIC Codes <sup>19</sup>	Industry	Type of organizations	Nonprofit employment		Charity employment	
			Number of employees	Percent of total non-profit employment	Number of employees	Percent of total charity employment
80	Health	Hospitals, nursing and personal care facilities, home health care organizations	109,052	49%	108,929	56%
81	Legal Services	Legal services, legal aid, conflict resolution programs	181	0%	181	0%
82	Education	Private colleges and universities, elementary and secondary schools	27,429	12%	27,117	14%
83	Social Services	Child day care services, residential care, job training and related services, individual and family services	37,854	17%	37,670	19%
79,84	Culture and Recreation	Museums, zoos, botanical gardens, theaters, art galleries, orchestras, membership sport and recreation clubs, amateur sports clubs, day camps	7,025	3%	3,766	2%
86	Civic and Social	Business associations, professional associations, neighborhood associations, social clubs, hiking clubs, environmental organizations	23,134	10%	9,813	5%
All other	Other	Research, development, and testing firms; legal services; printing and publishing firms; religious, educational, and charitable trusts, and others	17,318	8%	6,987	4%
<b>Total</b>			<b>221,993</b>	<b>100%</b>	<b>194,463</b>	<b>100%</b>

<sup>19</sup> SIC codes are based on the 1987 Standard Industrial Classification system. The SIC codes are used by the state Labor Market Information Office to identify different industries.

## APPENDIX E: NONPROFIT EMPLOYMENT AND WAGES FOR SELECT INDUSTRIES IN INDIANA, 2001

SIC code <sup>20</sup>	Industry group	Total nonprofit employment	Average weekly wage	Estimated average annual wage
<b>79</b>	<b>Amusement and Recreation</b>	<b>5,243</b>	<b>\$344</b>	<b>\$17,912</b>
792	Producers, Orchestras, Entertainers	1,165	\$443	\$23,030
<b>80</b>	<b>Health Services</b>	<b>109,052</b>	<b>\$615</b>	<b>\$31,965</b>
805	Nursing and Personal Care Facilities	12,024	\$370	\$19,257
806	Hospitals	83,274	\$641	\$33,351
808	Home Health Care Services	2,308	\$477	\$24,790
<b>81</b>	<b>Legal Services</b>	<b>181</b>	<b>\$687</b>	<b>\$35,707</b>
<b>82</b>	<b>Education Services</b>	<b>27,429</b>	<b>\$524</b>	<b>\$27,259</b>
821	Elementary and Secondary Schools	6,810	\$400	\$20,825
822	Colleges and Universities	19,788	\$570	\$29,649
823	Libraries	Not available	Not available	Not available
<b>83</b>	<b>Social Services</b>	<b>37,854</b>	<b>\$378</b>	<b>\$19,648</b>
832	Individual and Family Services	9,849	\$390	\$20,261
833	Job Training and Related Services	10,899	\$359	\$18,668
835	Child Daycare Services	4,836	\$304	\$15,790
836	Residential Care	10,160	\$396	\$20,588
<b>84</b>	<b>Museums, Botanical Gardens</b>	<b>1,782</b>	<b>\$403</b>	<b>\$20,970</b>
841	Museums and Art Galleries	1,427	\$395	\$20,545
842	Botanical and Zoological Gardens	355	\$436	\$22,677
<b>86</b>	<b>Membership Organizations</b>	<b>25,206</b>	<b>\$322</b>	<b>\$16,749</b>
861	Business Organizations	1,706	\$739	\$38,418
862	Professional Organizations	336	\$720	\$37,430
863	Labor Organizations	5,592	\$292	\$15,202
864	Civic and Social Organizations	13,987	\$237	\$12,300
865	Political Organizations	63	\$605	\$31,445
866	Religious Organizations	1,458	\$312	\$16,243
<b>All other SIC codes and suppressed</b>		<b>15,246</b>	<b>\$598</b>	<b>\$31,088</b>
<b>Total</b>		<b>221,993</b>	<b>\$521</b>	<b>\$27,078</b>

Note: data on some detailed industry groups were not available for reasons of confidentiality.

<sup>20</sup> SIC codes are based on the 1987 Standard Industrial Classification system. The SIC codes are used by the state Labor Market Information Office to identify different industries.

## APPENDIX F: DISTRIBUTION OF INDIANA NONPROFIT EMPLOYMENT BY IRS REPORTING STATUS, 1995, 2000, AND 2001

IRS Nonprofit Status	Establishments <sup>21</sup>	Employment <sup>22</sup>	Total Payroll	Weekly pay	Percent Distribution		
					Establishments	Employment	Total Payroll
<b>1995</b>							
501c3 - charities	2,510	156,332	\$3,531,430,502	\$434	50.2%	84.5%	86.9%
501c4 - social welfare	155	1,222	\$20,289,900	\$319	3.1%	0.7%	0.5%
All other	2,317	21,661	\$342,493,753	\$304	46.3%	11.7%	8.4%
Indiana address	4,706	172,503	\$3,746,855,430	\$418	94.1%	93.2%	92.2%
Out of state	275	6,711	\$147,358,725	\$422	5.5%	3.6%	3.6%
Filing Form 990	4,649	165,160	\$3,575,254,900	\$416	93.0%	89.3%	88.0%
Non-filers	332	14,054	\$318,959,254	\$436	6.6%	7.6%	7.8%
Suppressed	19	5,786	\$169,085,840	\$562	0.4%	3.1%	4.2%
<b>All</b>	<b>5,000</b>	<b>185,000</b>	<b>\$4,063,299,994</b>	<b>\$422</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>2000</b>							
501c3 - charities	3,065	189,596	\$5,075,485,968	\$515	54.4%	87.2%	89.3%
501c4 - social welfare	162	1,259	\$30,322,178	\$463	2.9%	0.6%	0.5%
All other	2,392	22,966	\$443,126,548	\$371	42.4%	10.6%	7.8%
Indiana address	5,291	206,246	\$5,364,422,790	\$500	93.9%	94.9%	94.4%
Out of state	327	7,575	\$184,511,904	\$468	5.8%	3.5%	3.2%
Filing Form 990	5,300	206,315	\$5,397,391,309	\$503	94.0%	94.9%	95.0%
Non-filers	318	7,505	\$151,543,385	\$388	5.6%	3.5%	2.7%
Suppressed	19	3,556	\$133,570,433	\$722	0.3%	1.6%	2.4%
<b>All</b>	<b>5,637</b>	<b>217,377</b>	<b>\$5,682,505,127</b>	<b>\$503</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>2001</b>							
501c3 - charities	3,132	194,463	\$5,379,680,092	\$532	55.2%	87.6%	89.5%
501c4 - social welfare	159	1,297	\$36,595,491	\$543	2.8%	0.6%	0.6%
All other	2,366	22,816	\$467,780,139	\$394	41.7%	10.3%	7.8%
Indiana address	5,316	211,285	\$5,700,020,038	\$519	93.6%	95.2%	94.8%
Out of state	340	7,291	\$184,035,684	\$485	6.0%	3.3%	3.1%
Filing Form 990	5,306	210,476	\$5,718,816,706	\$523	93.5%	94.8%	95.1%
Non-filers	350	8,100	\$165,239,016	\$392	6.2%	3.6%	2.7%
Suppressed	22	3,416	\$127,111,964	\$716	0.4%	1.5%	2.1%
<b>All</b>	<b>5,677</b>	<b>221,993</b>	<b>\$6,011,167,686</b>	<b>\$521</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Note: data on some IRS status categories were not available for reasons of confidentiality.

<sup>21</sup> Average quarterly number of establishments for 1995, 2000, and 2001.

<sup>22</sup> Average quarterly number of employees for 1995, 2000, and 2001.