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Prepared by
Kirsten A. Grønbjerg, Project Director
and
Deb Seltzer
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Copies of this report are available on the Indiana Nonprofits project web site (www.indiana.edu/~nonprof) and the Johns Hopkins Center for Civil Society Studies website (ccss.jhu.edu).

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Carol O. Rogers
Deputy Director & Chief Information Officer
Indiana Business Research Center

Patrick Rooney
Associate Dean for Academic Affairs and Research
Indiana University Lilly Family School of Philanthropy

Rev. Timothy Shapiro
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Indianapolis Center for Congregations

William Stanczykiewicz
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The Indiana Youth Institute

Glenn Tebbe
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Indiana Catholic Conference

Melissa Todd
Chief Operating Officer and Chief of Staff
Greater Indianapolis Chamber of Commerce

Pamela Velo
Principal
Velo Philanthropic Advising

Dr. Rev. Angelique Walker-Smith
Executive Director
The Church Federation of Greater Indianapolis
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**KEY FINDINGS**

Nonprofit organizations make significant contributions to the quality of life for the residents of Indiana and are a major force in the state’s economy. In particular, membership and related organizations (including religious, grantmaking, civic, professional, and political organizations), offer Indiana residents the opportunity to join with others who share their interests and to experience democracy firsthand. This report from the *Indiana Nonprofits: Scope and Community Dimensions* project presents new data on the size, composition, and distribution of paid employment in Indiana’s private nonprofit membership and related organizations over the 1995-2011 period. All dollars are adjusted for inflation and are reported in constant 2009 dollars.

### Major Findings in Membership and Related Organizations

- **Membership and related organizations employed an average of 12 percent of all nonprofit employees in Indiana from 1995 through 2011.** This represents an average of 26,800 workers over the time period. Membership employment grew 8 percent from 1995 to 2011, from 24,500 to 26,500. Of the major nonprofit industries in Indiana, membership and related organizations were the third-largest in terms of employment, second only to health care and education. For more information, see page 12.

- **Membership and related organizations made up the greatest segment (43 percent) of nonprofit establishments in Indiana from 1995 to 2011 with an average of 2,630.** The number of membership and related organizations grew by less than half of a percent (10 establishments) over the time period and averaged only 10 employees, the smallest establishment size of all major nonprofit industries. For more information, see page 15.

- **Payroll in membership and related organizations averaged $591 million from 1995 through 2011 and grew 32 percent over the time period.** Membership and related organizations accounted for an average of 8 percent of all nonprofit payroll in Indiana over the time period. For more information, see page 16.

- **From 1995 through 2011, wages in membership and related organizations averaged $22,000.** Of the major nonprofit industries, these wages were the second lowest, surpassing only those in social assistance and about equivalent to wages in arts, entertainment, and recreation. Low wages in membership organizations may reflect a high number of part-time staff, as many organizations in this industry are largely volunteer-driven. For more information, see page 17.

### Major Findings in Membership and Related Organizations Industry Groups

- **Measured in terms of employment, civic and social organizations is the largest industry group with an average of 13,800 employees between 1995 and 2011.** Business, professional, labor, political, and similar organizations was the next largest industry group with an average of 8,500 employees. These groups each had more employees on average over the time period than the remaining three industry groups combined. For more information, see page 19.
• **Business, professional, labor, political and similar organizations** was the largest industry group in terms of number of establishments, averaging **1,160**. Civic and social organizations averaged 1,070 establishments, while the other three industry groups all averaged between 130 and 140. All industry groups averaged fewer than 15 employees per establishment over the time period. For more information, see page 20.

• **Business, professional, labor, political and similar organizations** had the largest payroll of any industry group, averaging **$247 million from 1995 through 2011**. Civic and social organizations ranked second, averaging $202 million in payroll, while all other industry groups averaged less than $100 million in payroll each. For more information, see page 22.

• **Grantmaking and giving services** had the highest average annual wages over the time period at **$42,500**. These wages were more than $13,000 higher than in the next highest-paying industry group of business, professional, labor, political, and similar organizations, which offered average wages of $29,300. For more information, see page 23.

• **In terms of employment, civic and social organizations** was the only industry group with a relatively even split between known charities and other nonprofits. Employment in grantmaking and giving services and social advocacy organizations were mostly found in known charities, while business, professional, labor, political, and similar organizations were dominated by employees in other nonprofits. For more information, see page 25.
I. INTRODUCTION

Nonprofit organizations make significant contributions to the quality of life of Indiana residents by offering opportunities for civic engagement, health care, social assistance, job training, and culture and recreation. They are also a major force in the state’s economy and in the well-being of all regions of the state.

This report presents new information on the size, composition, and distribution of paid, private, nonprofit employment in Indiana’s membership and related organizations. The tenth report in a series of statewide employment analyses, it focuses on membership employment trends from 1995 through 2011. Data over this time period provide insights into how recessions and economic growth periods impact nonprofit employment and these trends differ across nonprofit industries. Reports on trends in nonprofit education, social assistance, health care, and arts, entertainment, and recreation employment have been published and are available at: www.indiana.edu/~nonprof/results/innonprofitemploy.php.

The research is part of a larger project on Indiana Nonprofits: Scope and Community Dimensions, currently underway at Indiana University. The project is designed to provide solid, baseline information about the Indiana nonprofit sector, its composition and structure, its contributions to Indiana, and the challenges it is facing. For additional information about the project and to access this and other project reports, please visit www.indiana.edu/~nonprof.

A. Why Nonprofit Membership Employment Matters to Indiana

Analysis of employment in Indiana’s nonprofit sector serves at least three purposes. First, it demonstrates the nonprofit sector’s contributions to the state’s economic development. For example, nonprofit employment in membership and related organizations increased by 8 percent from 1995 to 2011, while overall state employment grew less than 2 percent. Nonprofit membership and related organizations had the third largest number of employees on average of all major nonprofit industries in Indiana.

Second, analysis of employment trends helps us better understand the nonprofit sector overall and its economic impact on our communities. While there are important insights to be gained by focusing on volunteers or other aspects of nonprofit organizations, employment data offer a unique opportunity to understand the extent and complexity of the nonprofit sector. For example, the timeliness, frequency, and accuracy of employment data present a more detailed picture of the sector’s growth patterns than relying on data available from the minority of tax exempt organizations that report financial data via tax forms.

Third, employment information provides insights into the dynamics and changing composition within an industry. Membership and related organizations are unique among major nonprofit industries since virtually all organizations are nonprofit, with no for-profit and very few government establishments. In the remainder of this report, we take a closer look at membership and related organizations in Indiana. We start by comparing this industry to Indiana’s other major nonprofit industries.

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3 A very small number of government membership organizations exist (such as government employee labor unions), but for confidentiality reasons they are excluded from our analysis. Therefore “total” numbers relating to membership and related organizations in this report are total nonprofit numbers.
Next, we explore the industry groups that comprise the overall membership and related industry: civic and social organizations; business, professional, labor, political, and similar organizations; grantmaking and giving services; social advocacy organizations; and religious organizations. Finally, we break down the industry groups into known charities and other (those not registered under section 501(c)(3) with the IRS or not identifiable as such due to our methodology). Within these sections we explore factors such as employment, number of establishments, average establishment size, total payroll, and average annual wages.

B. Methodology

The report draws on data generated by the Indiana Department of Workforce Development through the filings of Indiana workplaces carried out under the national Quarterly Census of Employment and Wages (QCEW) program. The program is administered by the Bureau of Labor Statistics as part of the unemployment insurance program. The QCEW data are collected cooperatively by the Bureau of Labor Statistics and the various state-level employment security agencies (including all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands). The data were prepared for us by the Indiana Business Research Center at Indiana University under a confidentiality agreement with the state.

For the purpose of this report, we focus on private nonprofits registered as tax-exempt entities with the U.S. Internal Revenue Service under Section 501(c) of the Internal Revenue Code. Additionally, this report compares “charities” with “other nonprofit” organizations. The IRS codes charities as 501(c)(3) organizations. “Other nonprofits” are here defined as establishments operating under any of the other 27 501(c) tax-exempt designations, most notably civic leagues, social welfare organizations, unions, and business leagues. In this industry, “other nonprofit” numbers are calculated by subtracting all identifiable government entities and charities from total membership and related organization figures.

Our report focuses on the membership and related organizations sub-industry as classified in the QCEW dataset by the North American Industry Classification System (NAICS) codes. Two-digit NAICS codes are referred to as industries. Industries are broken down into sub-industries (three-digit NAICS codes), which are further broken down into industry groups (four-digit NAICS codes). Most of our previous reports have explored nonprofits at the industry level and provided some analysis of sub-industries. However, due to the large number of membership and related nonprofits, classified under a three-digit code, this report begins at the sub-industry level and provides some insight into the component industry groups.

NAICS code 813 is “Religious, Grantmaking, Civic, Professional, and Similar Organizations,” which we have called “membership organizations” for shorthand use in this report. We present the industry groups according to the size of their nonprofit employment (largest to smallest): civic and social organizations (8134); business, professional, labor, political, and similar organizations (8139); grantmaking and giving services (8132); social advocacy organizations (8133); and religious organizations (8131).

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5 For more information, see www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Exemption-Requirements-Section-501(c)(3)-Organizations.

6 For more information, see www.irs.gov/Charities-&-Non-Profits/Other-Non-Profits/Requirements-for-Exemption.

7 For more information on NAICS industry definitions, see the U.S. Census Bureau’s Industry Statistics Portal at www.census.gov/econ/isp/index.php.

8 NAICS code 81 is “Other Services (except Public Administration)” and the sub-industries include 811 - “Repair Services”; 812 - “Personal and Laundry Services”; and 814 - “Private Households.”
The unique position of nonprofits under federal law creates special challenges for our data analysis and means that the number of nonprofits is likely to be underestimated for several reasons. First, federal law allows states to exempt some nonprofits from the unemployment insurance program: 501(c)(3) charitable organizations employing fewer than four workers and all religious congregations—a point of particular note for this report. Indiana exempts these two groups, but the significance of this exclusion is unknown because some small charities and a few religious organizations nevertheless elect to be covered by the unemployment insurance system.9

Second, other organizations cannot be identified as nonprofits.10 Most notably, some small organizations are not required to register as tax-exempt entities with the IRS because they do not meet the revenue threshold for filing.11 Others are exempt from registering altogether (e.g., certain types of membership associations—most notably homeowners associations and churches) or do not register for a variety of other reasons. Some or all of these non-registered nonprofits (such as hospitals or colleges owned by religious organizations) may actually be included in the QCEW data system, but we can identify as nonprofit only those employers that are registered as tax-exempt entities with the IRS.12 Therefore, we are forced 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.

Given the composition of the 813 sub-industry, we assume that all organizations are either nonprofit or government. However, in the QCEW dataset, there are always some 813 establishments that do not match with the Exempt Organization Master File (EOMF) published by the IRS. That is to say, there are establishments in the 813 category not reporting as government establishments and not registered with the IRS as tax-exempt, therefore appearing to be for-profit organizations. A closer look suggests that the majority of these are religious organizations or straight membership associations, such as professional, business, labor and political organizations.

We assume that these “stray” organizations have not registered with the IRS because they are churches or are membership organizations that would not meet the IRS criteria for charitable status. Consequently, we make several major adjustments to the data to include these stray 813 organizations in the nonprofit totals. We first subtract total government employees from the total number of employees in each industry group to obtain the adjusted number of nonprofit employees. Next we add the total number of stray, reclassified organizations to the registered nonprofit quantity at the 813 level. Then, we add this same number into the nonprofit total at the 81 level, as well as to the total nonprofits (NAICS 00). In this way, we reclassify the equivocally documented for-profit 813 organizations as nonprofits at all levels of our data set.

Third, for each year we used the IRS tax-exempt status for nonprofits as of April of the previous year because we know the process of obtaining tax-exempt status and of being included on the IRS list of tax-

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9 For example, the 2011 data used for our statewide analysis of all paid nonprofit employment in Indiana include 170 religious organizations, about 6 percent of all reported nonprofit membership associations in Indiana. In addition, 1,843 nonprofit organizations (839 of which are charities) reporting in 2011 had fewer than four employees; however, this set of nonprofits accounted for just 1 percent of all nonprofit employees and total nonprofit payroll. These organizations reported without being required to do so, but there is no way for us to estimate how many other religious organizations or other small nonprofits are not represented in the data, although we can estimate that there were about 10,000 religious congregations in Indiana as of 2002 (see Gronbjer, Kirsten A. (2002). Evaluating Nonprofit Databases. American Behavioral Scientist 45, 10: 1741-77. Available at http://abs.sagepub.com/content/45/11/1741).

10 Unfortunately, Indiana is not one of the handful of states, such as Maryland, that assign discrete identification numbers to nonprofits that align with QCEW data. See Appendix A for more information.

11 See Appendix A for more information.

12 See Appendix A for more information.
exempt organizations takes time. Even so, it is possible that nonprofits may have employees and therefore participate in the QCEW reporting systems while waiting for their IRS ruling letter, or before they are added to the IRS listing. Indeed, our detailed analysis of quarterly data suggests that there are at least some delays of this type. Because of these exclusions, we are reasonably confident that our analysis underestimates nonprofit employment in Indiana, perhaps by a substantial amount. See Appendix A for more details.

On the other hand, some activities take place inside establishments classified as belonging to other industries, for example, employees devoted to health education programs taking place in hospitals or arts and cultural programs provided by schools, universities or churches. These types of embedded, subordinate activities are not reported separately and therefore appear as part of the industry code for the parent establishment. This may inflate some sub-industries (such as hospitals), but probably not to a significant extent.

A final note about methodology: when looking at the social advocacy industry group, a fairly significant drop occurs in known charities from 2006 to 2007. We have learned that this decline is due to the reclassification of a large number of employees in Lake County to another NAICS code (not within the NAICS 813 membership and related organizations) in 2007. We are not sure, however, if this reclassification is due to a change in activities or a correction from an original misclassification. Therefore, we have left these data unchanged for 1995 through 2006, with notes that the drop is not as dramatic as it appears.

For more information on the QCEW data source, our definition of the nonprofit sector, and the method used here to extract data on nonprofit organizations from the Indiana QCEW records, see Appendix A.

C. Overview of Membership Organizations and Its Industry Groups

The numerous organizations included in “Religious, Grantmaking, Civic, Professional, and Similar Organizations” are diverse in form and function. According to the U.S. Census Bureau, this sub-industry includes “establishments that organize and promote religious activities; support various causes through grantmaking; advocate various social and political causes; and promote and defend the interests of their members.” Oftentimes these organizations, “have an active membership structure to promote causes and represent the interests of their members,” which is why we refer to them as “membership” organizations. This sub-industry is broken into five industry groups: civic and social organizations; business, professional, labor, political, and similar organizations; grantmaking and giving services; social advocacy organizations; and religious organizations.

Membership organizations have a long and vibrant history in the United States. These groups played a major role in the nonprofit sector in our nation’s early years. Alexis de Tocqueville, the French author of Democracy in America, expressed his admiration of the ability of Americans to organize and mobilize to meet community needs in the 1830s and 1840s. He explained, “Wherever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association…Nothing, in my opinion, is more deserving of our attention than the intellectual and moral associations of America.”

In 2011, over 1.3 million workers in the United States (just over 1 percent of the workforce) were employed by membership and related organizations. This section of the nonprofit sector is unique in that it faces no competition from the for-profit sector; there are no for-profit membership organizations. However, it is


also unique in that the different industry groups may compete with each other for members, and more specifically, those members’ time and resources. A person may have to choose between being an active member of a social group, a political organization or a business league. This act of prioritizing is necessary as most of these organizations play a role in an individual’s leisure time. This intra-industry competition is unique to membership organizations; one would not, for example, find a nonprofit college competing with a nonprofit elementary school for students. No matter the structure of the organization or the issue it addresses, membership is self-selective and self-perpetuating based on interest or affinity.

Membership organizations serve a variety of purposes. While some may seek to “support inequities, repress voices, and constrain freedoms,”16 most "support democratic processes, give voice to special interests, regulate behaviors, develop and diffuse innovations, and provide psychological and social rewards." Perhaps one of their most important functions is building social capital. In his seminal work Bowling Alone, Robert Putnam describes social capital as the theory that “social networks have value”: “Whereas physical capital refers to physical objects and human capital refers to properties of individuals, social capital refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them.” Social capital has various psychological and civic benefits. It helps people find jobs, mobilizes people to rally around causes, lowers crime, fosters reciprocity and provides a structure for personal relationships.17

Some organizations foster “bonding” social capital, building connections within a group of individuals, while others provide “bridging” social capital, connecting people to other groups or institutions and institutions to each other. Which type of social capital membership organizations provide, or whether they provide both types, is likely determined by the mission, function, and operational structure of each organization. As the industry groups within membership and related organizations are tremendously diverse, Indiana benefits from these assorted contributions to social capital.

1. Civic and Social Organizations

Civic and social organizations “[promote] the civic and social interests of their members,”18 and include automobile clubs, parent-teacher associations, fraternal lodges, and social clubs. Examples of civic and social organizations in Indiana include the Alpha Chi Omega Fraternity in West Lafayette, the Indiana Leadership Forum in Indianapolis, and the Girl Scouts of Southwest Indiana in Evansville.

Organizations in this category are structured in a variety of ways. Some, such as youth development organizations, have staff members who perform administrative duties and deliver programs, but may rely heavily on volunteers for direct service. Others, such as social clubs and PTAs, are almost exclusively volunteer-driven and often have member-elected officers. Civic and social organizations exemplify active, organized groups participating in social issues and/or hands-on participation in democracy. Beyond interpersonal interaction, which may be a key factor in developing a sense of trust within a community, these groups often provide the setting for developing bridging social capital through interaction with other organizations or institutions.19

In addition, those groups that are organized and run by members provide important opportunities for residents to learn leadership skills and other techniques of democratic governance, especially for those who may not have access to such prospects in their occupation.20 In fact, some politicians have gotten their start as leaders of membership associations, where they learned to mobilize volunteers and communicate effectively.21 While many of these groups with social or hobby-related missions may not be “intentionally designed to create civic opportunities…they nevertheless give ordinary citizens the chance to experience a host of civic activities as a by-product.”22 Because of these important contributions to society, scholars and policymakers alike have become concerned about the perceived decrease in participation in these types of groups.23 While today’s civic associations are much less likely than those of past decades to exclude individuals on the basis of personal characteristics like gender, race, or sexual orientation, there are indications that some groups have lost their cross-class focus and instead mostly represent the economic, political, social, and/or cultural elites.24 Therefore, it may be the historically disadvantaged groups that lose out the most with the lack of opportunity to learn leadership and organizing skills.

2. Business, Professional, Labor, Political, and Similar Organizations

Business, professional, labor, political, and similar organizations serve to promote the vested interest of their members. Members in these groups are sometimes businesses or organizations themselves, rather than individuals and the organizations differ in whose interests they represent. Chambers of commerce, labor unions, and political parties all fall into this industry group. Examples in Indiana include the American Advertising Federation in Muncie (business), the Allen County Indiana Bar Association in Fort Wayne (professional), the United Brotherhood of Carpenters and Joiners Union Local 215 in Lafayette (labor), the Indiana Democratic Party and Indiana Republican Party in Indianapolis (political), and the Providence Housing Corporation in West Terre Haute (other).

The functions of organizations in this category are diverse, but most seek to promote consistent messages from or about the group and/or create standards for members’ behavior. Business organizations may perform research, disseminate best practices, and provide public relations and lobbying activities for entire industries.25 Professional organizations offer professional development to their members, seek to establish the legitimacy of specific skills and standards, and may “dictate who can practice” in their particular field.26 Labor unions in Indiana have seen a steady decline in membership, from around 17 percent of the state workforce in 1995 to 9 percent in 2012.27 This trend is steeper than the national decline: in 1995, 15 percent

20 Ibid.
of American workers were union members, while in 2012 just more than 11 percent were members.\textsuperscript{28} Nationally, the highest rates of union membership in 2013 was found in the public sector (32 percent), education (31 percent) and in the transportation & warehousing and utilities industries (27 percent each). For Indiana in 2013, 33 percent of construction workers, 22 of public sector workers, and 13 percent of manufacturing workers were members of unions in 2012.\textsuperscript{29}

Political organizations include associations such as political parties, political campaigns, and political action committees (PACs), among others. Because of the cyclical nature of elections, however, establishments and especially employment might expand and contract quickly. For example, a campaign organization might be formed when a candidate announces he or she is running for office, hire staffers to perform a variety of campaign-related activities, and then close down after the election. Because of their different IRS registration requirements, most political organizations are not included in the Business Master File of Exempt Entities. However, they are included in the data we present here if they had enough employees to qualify for the QCEW program.\textsuperscript{30} We are not sure how many political organizations are included in this report because our data by NAICS code is not finely detailed enough to indicate how many organizations within this industry group are political in nature, as opposed to business, professional, or labor.

3. Grantmaking and Giving Services

The grantmaking and giving services industry group includes “establishments known as grantmaking foundations or charitable trusts…and establishments primarily engaged in raising funds for a wide range of social welfare activities, such as health, educational, scientific, and cultural activities” and also includes employee benefit trusts, federated giving campaigns, and “voluntary health organizations,” organizations that work to raise awareness in addition to funds.\textsuperscript{31} Indiana examples include the Adams County Community Foundation in Decatur, the Down Syndrome Association of Northeast Indiana in Fort Wayne, and the Minnetrista Cultural Foundation in Muncie. United Way affiliates are also included in this group.

Foundation giving in the United States began with the grand giving gestures of philanthropists such as John Rockefeller and Andrew Carnegie in the late 19th and early 20th centuries. Institutional giving in some ways marked a novel attitude toward giving, as institutions created giving programs not only to address social concerns but to improve their public image, increase their market share, or codify business practices.\textsuperscript{32} The precursor to the United Way was established in Denver in 1887,\textsuperscript{33} and in 1914 the city of Cleveland became home to the predecessor of the country’s first community foundation.\textsuperscript{34}

In 2011, over 82,000 foundations across the country gave almost $49 billion in grants, and 1,185 foundations in Indiana made grants totaling nearly $1.2 billion.\textsuperscript{35} In Indiana, some 1,233 foundations

\textsuperscript{30} For more information on methodology, please see page 37.
\textsuperscript{31} U.S. Census Bureau, www.census.gov/cgi-bin/sssd/naics/naicsrch?code=81321&search=2007%20NAICS%20Search
\textsuperscript{34} The Cleveland Foundation, “Our History,” accessed 21 February 2014 from www.clevelandfoundation.org/about/history/.
reported total revenues of $684 million and assets of $11.5 billion in 2013.\textsuperscript{36} Nationally, only 27 percent of foundations reported having staff in 2009. Of those foundations with staff, the average number was around six staff members, with a median of just two staff members.\textsuperscript{37}

4. Social Advocacy Organizations

Social advocacy organizations are “establishments primarily engaged in promoting a particular cause or working for the realization of a specific social or political goal to benefit a broad or specific constituency.”\textsuperscript{38} Examples include civil liberties organizations, senior citizens’ advocacy organizations, animal rights organizations and shelters, and environmental preservation organizations. Indiana organizations in this group include the Indiana Black Expo in Indianapolis, the Exotic Feline Rescue Center in Center Point, and the Tippecanoe County Child Abuse Prevention Council in Lafayette.

Organizations labeled as “social advocacy” cover a wide range of activities, from lobbying to educating citizens and policymakers to providing direct service (e.g. animal shelters). Of these, lobbying requires the most special attention by nonprofit managers. Organizations registered as 501(c)(3)s may only perform issue lobbying and may not engage in partisan electoral activities or political endorsements. They may also only use up to 20 percent of their expenses for lobbying activities. 501(c)(4) organizations have no restrictions on lobbying, but partisan electoral activities may not be their primary purpose. Organizations that violate these requirements may lose their tax-exempt status from the IRS.\textsuperscript{39}

Social advocacy organizations often rely heavily on volunteer members and offer the chance for individual citizens to join together in order “to make their combined voices heard in the public arena”\textsuperscript{40} on their issue of interest. The collective voice is amplified when members, and perhaps to a greater extent the organization itself, become recognized authorities and sources of information on its particular topic. Participating in membership organizations gives individuals experience in organizing and communication, thereby making them more effective advocates.\textsuperscript{41}

5. Religious Organizations

The religious organizations industry group “comprises (1) establishments primarily engaged in operating religious organizations, such as churches, religious temples, and monasteries and/or (2) establishments primarily engaged in administering an organized religion or promoting religious activities.”\textsuperscript{42} Examples in Indiana include the St. Vincent DePaul Store in Vincennes, the Jewish Community Relations Council in Indianapolis, and the Charter Oak Community Church in Churubusco.

Religious organizations pose special problems for analysis. Because of the separation of church and state in the U.S., religious organizations are not required to register with the IRS or participate in the QCEW.

\textsuperscript{36} National Center for Charitable Statistics, accessed 27 December 2013, \url{http://nccsweb.urban.org/tablewiz/pf.php}.


\textsuperscript{38} U.S. Census Bureau, \url{www.census.gov/cgi-bin/ssa/naics/naicsrch?code=81331&search=2007%20NAICS%20Search}.


\textsuperscript{41} Ibid., pp. 1191-1242.

\textsuperscript{42} U.S. Census Bureau, \url{www.census.gov/cgi-bin/ssa/naics/naicsrch?code=81311&search=2007%20NAICS%20Search}. 
program,\textsuperscript{43} although some chose to do so anyway. Therefore, we have no way of knowing how many
religious groups actually exist. About a quarter of adults attend religious services any given week – though
not the same quarter each week.\textsuperscript{44} Data collected by Grammich et al. of the Association of Religion Data
Archives estimate that there were about 345,000 congregations in the United States in 2010. They also
indicate there were almost 9,100 congregations in Indiana in 2010 with about 2.9 million adherents. This
equals about 44 percent of the Indiana population in that year.\textsuperscript{45}

While some Indiana congregations likely do not have any paid employees, it seems virtually certain that the
number included the QCEW reporting system (170 establishments with about 1,300 employees in 2011)
constitutes only a small fraction of the total. That is also suggested by analysis of our large survey of Indiana
nonprofits in 2002 (2,206 respondents), which showed that 88 percent of some 9,100 Indiana religious
nonprofits (almost all of them congregations) had paid staff and that those with staff on average employed
9.8 workers (full-time or part-time), although only half had 4 or more employees.\textsuperscript{46} Notably the average
number of employees for the 170 religious organizations participating in the QCEW was 7.7 in 2011, very
close to the average we estimated for 2002. At the national level, data from the 2006-07 National Congre-
gations Study show that two-thirds of congregations had at least one full-time staff member and almost the
same proportion had at least one part-time staff member at that time.\textsuperscript{47} Because our data on religious
organizations are so incomplete, we do not include detailed analysis of this industry group in this report.

\textsuperscript{43} See Appendix A for more information about the QCEW program.

\textsuperscript{44} Chaves, Mark, “Religious Congregations,” in \textit{The State of Nonprofit America}, ed. Lester M. Salamon, pp. 362-393, Brookings

\textsuperscript{45} Grammich, Clifford et al., “U.S. Religion Censuses: Religious Congregations and Membership Study, 2010 (State File),” The
Association of Religion Data Archives, accessed 24 October 2013 from
\url{www.thearda.com/Archive/Files/Descriptions/RCMSST10.asp}

School of Public and Environmental Affairs, May, 2005, See footnote #24, page 27.

\textsuperscript{47} Chaves, Mark, Principal Investigator, National Congregations Study, Accessed 20 November 2013 from
\url{www.soc.duke.edu/natcong/explorefrequencies2_07.html}.
II. MEMBERSHIP & RELATED ORGANIZATIONS AND OTHER MAJOR NONPROFIT INDUSTRIES IN INDIANA

Membership and related organizations are among the largest nonprofit industries in Indiana in terms of employment. In this section, we will compare the five major nonprofit industries in Indiana: health care, education, membership, social assistance, and arts, entertainment, and recreation. All other nonprofit industries are aggregated into an “other” category, which will be the subject of a forthcoming short report.

A. Employment

- Membership and related organizations employed an average of 26,800 workers over the 1995-2011 time period (Figure 1). Among nonprofit industries, this was notably less than health care (120,600 employees on average) but roughly comparable to education and social assistance (28,500 and 25,000 employees on average respectively). Nonprofit industries with smaller average employment include arts, entertainment, and recreation (6,600), and several other smaller industries combined (17,100).

- Employment in membership and related organizations grew 8 percent from 1995 to 2011, starting at 24,500 employees and growing to reach 26,500. Only arts, entertainment and recreation saw less growth (4 percent). Employment growth in all other major nonprofit industries was greater than 30 percent, with education leading the way with growth of 56 percent.

- Membership and related organizations employed an average of 12 percent of all nonprofit employees in Indiana (Figure 2). The shares of nonprofit employment among the various industries remained relatively stable, with health care accounting for the greatest proportion (averaging 54 percent) and arts, entertainment, and recreation accounting for the smallest (averaging 3 percent).

- Of the 92 counties in Indiana, 48 saw growth in membership and related organizations employment from 1995 to 2011 (Figure 3). The greatest absolute growth occurred in Marion County, which gained 1,600 employees, but Brown County experienced the largest proportional growth – almost 740 percent, albeit from a very small base. Six counties (Delaware, Howard, Vigo, Lake, St. Joseph, and Washington) saw employee losses of 200 or more.

  o Note: The large drop in Lake County is mostly due to the reclassification of social advocacy employees to another NAICS code. For more information, please see page 6.
Figure 1: Nonprofit employment in major nonprofit industries, 1995–2011

Figure 2: Composition of total nonprofit employment, 1995–2011
Figure 3: Change in nonprofit membership employees by county, 1995-2011
B. Establishments

- Membership and related organizations made up the greatest number of nonprofit establishments from 1995 to 2011, averaging 2,630 (Figure 4). Membership had more establishments than social assistance (1,070 establishments) and nonprofits grouped in the “other” category (1,052 establishments) combined. Most notably, the remaining major nonprofit industries (including health and education with many more employees) all averaged less than 1,000 establishments in Indiana over the time period.

- The number of membership and related organizations grew by less than half of a percent (10 establishments) over the time period. This was the least growth by far of all the major nonprofit industries. The growth in number of establishments in other industries ranged from 17 percent (arts, entertainment, and recreation) to 99 percent (education).

- Membership and related organizations made up, on average, 43 percent of all nonprofit establishments in Indiana from 1995 through 2011 (Figure 5). Membership and related organizations saw a slight decrease in their share of nonprofit establishments, giving up ground to social assistance, education, and health care.

- With an average of 10 employees, membership and related organizations had the smallest establishment size of all major nonprofit industries (Figure 6). The establishment size in membership and related organizations stayed virtually stable across the time period. Health care and education each had 10 times more employees per establishment than did membership organizations.

Figure 4: Nonprofit establishments in major nonprofit industries, 1995-2011
C. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- Payroll in membership and related organizations averaged $591 million from 1995 through 2011 (Figure 7). This amount was greater than that of social assistance and arts, entertainment, and recreation. However, it was much less than the average payroll in health care and education.

- Membership and related organizations’ payroll grew $152 million (32 percent) from $469 million in 1995 to $621 million in 2011. This was the second lowest growth rate, ahead of only arts, entertainment, and recreation (8 percent). Health care had the largest base and saw the largest absolute growth ($2.3 billion), while education saw the largest proportional growth (77 percent).

- Membership and related organizations accounted for an average of 8 percent of all nonprofit payroll over the time period (Figure 8). This share was similar to that of social assistance (7 percent) and “other” nonprofit industries (9 percent). Education accounted for 13 percent of nonprofit payroll and health care made up the lion’s share at 62 percent. Arts, entertainment, and recreation averaged the remaining 2 percent.
D. Average Annual Wages

All wages have been adjusted for inflation and are in constant 2009 dollars.

- **From 1995 through 2011, wages in membership and related organizations averaged $22,000** (Figure 9). These wages were greater only than those of social assistance ($21,900) and were about equivalent to wages in arts, entertainment, and recreation. Low wages in membership organizations may reflect a high number of part-time staff, as many organizations in this industry are largely volunteer-driven and may rely only on part-time administrative staff.

- **Average annual wages in membership and related organizations grew 23 percent ($4,300) from $19,100 in 1995 to $23,400 in 2011.** This increase tied for largest growth with nonprofits in the “other” category. Membership and related organizations started the time period with the lowest wages, but grew to surpass those in social assistance and arts, entertainment, and recreation. Wages in health care also grew more than 20 percent and those in education grew 14 percent, while social assistance and arts, entertainment, and recreation both grew less than 5 percent.
Figure 9: Nonprofit average annual wages in major nonprofit industries, 1995-2011
III. BREAKDOWN OF MEMBERSHIP AND RELATED ORGANIZATIONS

The membership and related organizations sub-industry is comprised of five industry groups: civic and social organizations; business, professional, labor, political and similar organizations; grantmaking and giving services; social advocacy organizations; and religious organizations. It should be noted that religious organization data here is the total of reporting religious organizations. As noted earlier, most religious organizations do not in fact register with the IRS or participate in the QCEW program. The religious organization data is presented here to give a sense of the number of reporting organizations but should in no way be considered comprehensive. Because of these data constraints, religious data is not included in discussions of year-to-year change.

A. Employment

- **Measured in terms of employment, civic and social organizations is the largest industry group with an average of 13,800 employees from 1995 to 2011** (Figure 10). Business, professional, labor, political, and similar organizations were the next largest industry group with an average of 8,500 employees. These groups each had more average employees than the remaining three industry groups combined; grantmaking and giving services averaged 1,800 employees, social and advocacy organizations 1,500 employees, and reporting religious organizations 1,300 employees.

- **Grantmaking and giving services employment grew by 66 percent from 1995 to 2011, the most of any industry group.** Reporting religious organizations and social advocacy employment each grew 40 percent or more, while civic and social organizations employment grew 8 percent from its much larger base. Business, professional, labor, political, and similar organizations lost almost 900 employees for a decline of 10 percent. Virtually all of this loss came during the Great Recession and recovery; the sub-industry lost over 650 employees from 2008 to 2009 alone.

- **Civic and social organizations saw the least volatility in employment, with no year-to-year changes of more than 3 percent** (Figure 11). On the other hand, grantmaking and giving services gained 14 percent from 2000-2001, and social advocacy organizations lost 14 percent from 2006-2007. However, these two groups are so small that they did not have major impacts on overall membership employment.

  - **Note:** The drop in social advocacy employment from 2006 to 2007 is due almost entirely to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.

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48 For example, our data reports 164 religious establishments in 2010, but research shows over 9,000 congregations existed in Indiana in that year. For more information, please see the Introduction, pages 10-11.
B. Establishments

- Though civic and social organizations had the most employees, business, professional, labor, political, and similar organizations was the largest industry group in terms of number of establishments, averaging 1,160 from 1995 to 2011 (Figure 12). Civic and social organizations averaged 1,070 establishments, while the other three industry groups all averaged between 130 and 140.
• The number of establishments in grantmaking and giving services more than doubled over the time period, growing from 87 in 1995 to 197 in 2011 (126 percent). This is consistent with national trends; the number of foundations across the country has increased by 103 percent since 1995.\textsuperscript{49} Meanwhile, the number of social advocacy establishments increased by 93 percent and the number of reporting religious establishments increased by 53 percent. The other two industry groups lost between 10 and 12 percent of their establishments.

• Grantmaking and giving services was the only industry group to see positive growth in establishments in every year from 1995 to 2011. Social advocacy organizations only lost establishments one year, from 2001-2002 (3 percent), while civic and social organizations and business, professional, labor, political, and similar organizations each only saw growth in three years.

• All industry groups averaged less than 15 employees per establishment over the time period (Figure 13). Business, professional, labor, political, and similar organizations had the smallest average staff size at seven employees. Grantmaking and giving services had the largest average staff with 14 employees, but saw a notable decline from a high of more than 16 in 1998 and 2001 to less than 11 in 2007-2011 – the same period when this industry group added a number of new (and presumably smaller) establishments.

  \textit{Note:} The drop in social advocacy establishment size from 2006 to 2007 is mostly due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure12}
\caption{Membership and related organization establishments by industry group, 1995-2011}
\end{figure}

*Reminder: Religious Organization data reflects only reporting organizations and are therefore very incomplete as compared to the actual number of religious organizations across the state. Please see page 11 for more information.*

C. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- **Business, professional, labor, political, and similar organizations** had the largest payroll of any industry group, averaging $247 million from 1995 through 2011 (Figure 14). Civic and social organizations averaged $202 million in payroll, while all other industry groups averaged less than $100 million in payroll (grantmaking and giving services at $75 million, social advocacy organizations at $42 million, and reporting religious organizations at $25 million).

- **Grantmaking and giving services** saw the largest growth in payroll, from $49 million in 1995 to $90 million in 2011 (83 percent). Reporting religious organizations’ payroll grew 72 percent (from $16 million to $28 million), social advocacy organizations’ payroll grew 57 percent (from $29 million to $46 million), and civic and social organizations’ payroll grew just 4 percent (from $183 million to $191 million). From its much larger base, business, professional, labor, political, and similar organizations’ payroll grew 39 percent, from $191 million to $266 million.

- **Social advocacy organizations** saw the most extreme annual loss in payroll, 26 percent from 2006-2007 (Figure 15). However, social advocacy organizations had the second-smallest payroll, and this small base may exaggerate the volume of this decline; this drop of about $15.1 million was equivalent to only 2 percent of total membership payroll in 2007. Business, professional, labor, political, and similar organizations and grantmaking and giving services saw small losses in a few years, but none greater than 6 percent. Civic and social organizations saw no losses of more than 4 percent, but lost payroll in every year from 2002 to 2011.

  - **Note:** The large drop in social advocacy payroll from 2006 to 2007 is due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.
Figure 14: Membership and related organization payroll by industry group, 1995-2011

*Reminder: Religious Organization data reflects only reporting organizations and are therefore very incomplete as compared to the actual number of religious organizations across the state. Please see page 11 for more information.

Figure 15: Sub-industry share of total membership (less religious organizations) annual percentage change in payroll, 1995-2011

D. Average Annual Wages

All wages have been adjusted for inflation and are in constant 2009 dollars.

- Grantmaking and giving services had the highest average annual wages over the time period at $42,500 (Figure 16). These wages were over $13,000 higher than in the next highest industry group, business, professional, labor, political, and similar organizations, which had average wages of $29,300. Social advocacy organizations had average wages of $27,400. The very few reporting religious organizations’ wages averaged $19,400, while civic and social organizations had the lowest average annual wages at $14,700, most likely indicating a large number of part-time employees, particularly in the latter industry group.
• Grantmaking and giving services saw the least proportional growth (10 percent) in average annual wages from 1995 to 2011, but also had the highest average annual wages throughout the period. Business, professional, labor, political, and similar organizations saw the greatest growth in average annual wages both in terms of percentage (55 percent) and absolute dollars ($12,500). Civic and social organizations actually lost 4 percent ($530) from 1995 to 2011.

• Social advocacy organizations saw the most volatility in average annual wages. A 14 percent loss in wages from 2006-2007 corresponded with a loss in payroll that outpaced a loss in employment in that industry group.

  ○ **Note:** The large drop in social advocacy wages from 2006 to 2007 is due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.

**Figure 16: Membership and related organization average annual wages by industry group, 1995-2011**

*Reminder: Religious Organization data reflects only reporting organizations and are therefore very incomplete as compared to the actual number of religious organizations across the state. Please see page 11 for more information.*
IV. NONPROFIT CLASSIFICATION WITHIN SPECIFIC INDUSTRY GROUPS

In this section we will break down four of the industry groups (civic and social organizations; business, professional, labor, political, and similar organizations; grantmaking and giving services; and social advocacy organizations) into two categories: “known charities” and “others.” Religious organizations are not included because of the unreliability of the data. In almost every industry group, known charities saw relatively steady growth while other nonprofits were very volatile and/or declined.

Some of our past reports have broken down sub-industries into “charities” (501(c)(3)s) and “other nonprofits” – those nonprofits registered under a different section of the IRS code. However, in this report we cannot make those distinctions with such certainty. As noted in our methodology section, some membership and related organizations do not appear on the IRS list of registered exempt organizations; very small nonprofits, religiously affiliated organizations, and some membership associations are not required to register with the IRS. By default, these organizations are therefore designated as for-profits in our dataset.

Since we believe there are no for-profit membership organizations, these organizations have been re-coded as nonprofits, but since they are not included on the IRS-listing we have no way of knowing whether they would meet the criteria for 501(c)(3) charities. Therefore, we identify “known charities” as those organizations known to be registered as 501(c)(3) organizations with the IRS and coded correctly in our dataset from the beginning. The “other” category includes all other nonprofits, including those registered with the IRS under all other sub-sections of IRS code 501(c), and those we have recoded as nonprofits. The latter may include some nonprofits that would meet the IRS criteria for charities if they were indeed registered with the IRS.

A. Civic and Social Organizations

1. Employment

- Known charities averaged 7,700 employees from 1995 through 2011, an average of 56 percent of all civic and social organization employment (Figure 17). Nonprofits in the “other” category employed an average of 6,100 employees in this industry group. This proportion is in contrast with establishments, which were dominated by “other” organizations (an average of 81 percent of establishments), indicating that charities had more employees per establishment and that groups in the “other” category may be largely volunteer-driven.

- While known charities’ employment grew 48 percent from 1995 to 2011, that of the “other” group shrunk by more than a quarter. Known charities grew from 5,900 employees to 8,700 employees. Other nonprofit organizations started the period with more employees (6,800), but dropped to just under 5,100 employees by 2011, seeing a loss of almost 600 workers during the Great Recession and recovery from 2007-2011.

50 See page 11.

51 For example, business leagues are registered under section 501(c)(6), and social welfare groups are given permission to participate in partisan politics if registered under section 501(c)(4). All nonprofits are tax-exempt, but only 501(c)(3) charities are eligible to receive tax-deductible contributions. For more information, see IRS Publication 557: Tax-Exempt Status for your Organization, available at www.irs.gov/pub/irs-pdf/p557.pdf.

52 See Appendix A.
2. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- Payroll in known charities averaged just over half of all civic and social organization payroll over the time period (Figure 18). Known charities averaged payroll of about $105 million, while other organizations had payroll averaging around $98 million.

- Payroll in the civic and social organizations group exhibited similar trends to employment, with known charities starting the period below other nonprofit organizations but growing to surpass them. Known charity payroll was just under $82 million in 1995 and grew 34 percent to about $110 million in 2011. Meanwhile, payroll in other nonprofit organizations shrank 20 percent from $102 million in 1995 to less than $82 million in 2011.
3. Average Annual Wages
All wages have been adjusted for inflation and are in constant 2009 dollars.

- The average annual wages of known charities in the civic and social organizations were the lowest of any industry group, averaging $13,700 (Figure 19). Other organizations in this industry group averaged $16,100 from 1995 through 2011.

- Average annual wages in civic and social known charities decreased 9 percent, from $13,900 in 1995 to $12,600 in 2011, reflecting the fact that growth in employment outpaced growth in payroll. Other organizations saw a similar change in wages, but in the opposite direction, growing 8 percent from $14,900 to $16,200 over the time period. These trends may reflect shifting practices with regard to use of part-time employees.

Figure 19: Civic and social organizations average annual wages, 1995-2011

B. Business, Professional, Labor, Political, and Similar Organizations
1. Employment

- Organizations in the “other” category dominate employment in this industry group, employing an average of 7,600 workers (90 percent) over the time period (Figure 20). This number is more than nine times the average employment in known charities, 830 employees, and reflects the fact that most nonprofits included in this industry group have as their primary purpose the goal of representing the interests of members rather than contributing to general community welfare – the latter being a requirement for registration as a charity. We believe most of the charities in this industry group are professional associations, such as the Association for Research on Nonprofits and Voluntary Action (ARNOVA), the Society of Manufacturing Engineers, or the American Association of Orthopaedic Executives.

- From its much smaller base, known charities in business, professional, labor, political, and similar organizations more than tripled in employment, growing from 330 employees in 1995 to almost 1,200 in 2011. Meanwhile, employment in other nonprofits in this industry group fell by over 20 percent, from 8,100 to 6,400. The Great Recession may have had an impact on employment among these other nonprofits, as more than half of this decrease occurred from 2008-2011.
**Figure 20: Business, professional, labor, political, and similar organizations employment, 1995-2011**

![Graph showing employment trends](image)

*Known charities are not presented graphically prior to 2005 because from 1995 through 2004 the average number of employees was less than 1,000. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlying organizations or reporting errors.

2. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- As in employment, payroll in “other” business, professional, labor, political, and similar organizations dwarfed that of known charities (Figure 21). The total payroll for other nonprofits averaged almost $201 million, while known charity payroll averaged only $46 million.

- Known charity payroll grew by a tremendous 461 percent, from $13 million in 1995 to $73 million in 2011. From its much larger base, other nonprofit payroll grew 9 percent, from around $178 million to almost $193 million in 2011 (down from a peak of almost $210 million in 2008).

**Figure 21: Business, professional, labor, political, and similar organizations payroll, 1995-2011**

![Graph showing payroll trends](image)

*Known charities are not presented graphically prior to 2005 because from 1995 through 2004 the average number of employees was less than 1,000. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlying organizations or reporting errors.
3. Average Annual Wages

All wages have been adjusted for inflation and are in constant 2009 dollars.

- **Average annual wages of known charities were almost double those of other organizations in the business, professional, labor, political, and similar organizations industry group** (Figure 22). Known charities had average annual wages of $52,900, while other organizations had average annual wages of just half that amount, $26,500.

- **Known charity wages grew 57 percent from $39,900 in 1995 to almost $63,000 in 2011.** Other organizations saw growth in wages from $21,900 to $30,100, an increase of about 37 percent.

![Figure 22: Business, professional, labor, political, and similar organizations average annual wages, 1995-2011*](image)

*Known charities are not presented graphically prior to 2005 because from 1995 through 2004 the average number of employees was less than 1,000. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlying organizations or reporting errors.

C. Grantmaking and Giving Services

1. Employment

- **Known charities made up 97 percent of all grantmaking and giving services employment, employing an average of 1,700 workers from 1995 through 2011** (Figure 23). Other organizations in the industry group averaged less than 60 workers over the same time period.

- Known charities saw positive growth of 72 percent in employment, increasing from 1,200 to 2,000 employees. Conversely, other nonprofits in this industry group lost a quarter of their employees, decreasing from 80 to 60 workers, and dropping as low as 35 employees in 2005.
2. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- **Payroll in known charities was almost 20 times greater than that of other grantmaking and giving organizations, averaging over $71 million from 1995 through 2011** (Figure 24). The payroll for other nonprofits averaged just $3.7 million, in part due to its minimal employment.

- **Known charity payroll in this industry group almost doubled over the time period.** Payroll grew from $44 million to $86 million. Meanwhile, payroll in other organizations fell 29 percent, dropping from under $4.8 million in 1995 to about $3.4 million in 2011, following the trend in employment.

*Other nonprofits are not presented graphically because the average number of employees was less than 1,000 in every year from 1995 to 2011. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlying organizations or reporting errors.*
3. Average Annual Wages

All wages have been adjusted for inflation and are in constant 2009 dollars.

- Though other organizations in this industry group were smaller in terms of employment and payroll, their average annual wages were more than $20,000 greater than grantmaking and giving known charities (Figure 25). Known charity average annual wages from 1995 through 2011 were $41,800, while other organizations had average annual wages of $63,900.

- Known charities saw slight growth in annual average wages of 13 percent, from $37,300 to $42,300. Other organizations in this industry group, meanwhile, saw average annual wages drop slightly (5 percent) over the entire period, from $57,300 to $54,600. However, average wages showed great volatility, peaking at $84,300 in 2005 and dropping to $41,000 in 1998, only $200 more than known charity wages. There are so few organizations in the “other” category in this industry group, however, that the volatility is likely exaggerated by one or two outlying organizations.

Figure 25: Grantmaking and giving services average annual wages, 1995-2011*

* Other nonprofits are not presented graphically because the average number of employees was less than 1,000 in every year from 1995 to 2011. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlying organizations or reporting errors.

D. Social Advocacy Organizations

1. Employment

- Known charity employment in the social advocacy industry group was almost six times that of other organizations, averaging 1,300 employees from 1995 through 2011 (Figure 26). This category includes such organizations as the Indiana Coalition on Housing and Homeless Issues and the Indiana Coalition Against Domestic Violence. The other nonprofit organizations averaged only 220 employees over the same time period.

- With 55 percent growth in employment, known charities grew from 950 employees in 1995 to almost 1,500 employees in 2011, although that was down from a high of 1,600 employees in 2006. Other organizations, on the other hand, lost 40 employees (15 percent) from 260 workers to 220.

  o Note: The large drop in known charity employment from 2006 to 2007 is due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.
2. Payroll

All payroll numbers have been adjusted for inflation and are in constant 2009 dollars.

- **Known charity payroll in social advocacy organizations averaged just under $37 million from 1995 through 2011** (Figure 27). Other organizations had payroll averaging about $4.8 million.

- **Known charity payroll grew 67 percent over the time period, increasing from $24 million to $40 million. The payroll peaked in 2006 at $55 million then dropped off suddenly in 2007.** Conversely, the much smaller payroll in other organizations was volatile, peaking at $6.7 million in 1998 and with a low of $3.5 million in 2005. Overall growth in this category was 8 percent, from $5.1 million in 1995 to $5.5 million in 2011.

  - **Note:** The large drop in known charity payroll from 2006 to 2007 is due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.
3. Average Annual Wages

All wages have been adjusted for inflation and are in constant 2009 dollars.

- **Average annual wages in social advocacy organizations were higher in known charities from 1995 through 2011** (Figure 28). Known charities had average annual wages of just over $28,200, while other nonprofit organizations in the industry group had average annual wages of about $22,000.

- **Unlike employment and payroll, growth in other organization wages outpaced growth in known charities.** Other nonprofit organization wages grew 28 percent from $19,300 in 1995 to $24,600 in 2011. Wages for known charities in the industry group grew from $25,200 to $27,200, a growth of only 8 percent. Other organizations also saw a large dip in wages with the first full year of the Great Recession in 2008, dropping almost $7,000 from 2007, but then recovered most of the lost ground by 2009.

  - **Note:** The large drop in known charity wages from 2006 to 2007 is due to the reclassification of a large number of employees to another NAICS code. For more information, please see page 6.
**Figure 28: Social advocacy organizations average annual wages, 1995-2011*  

*Known charities are not presented graphically prior to 1998 because from 1995 through 1997 the average number of employees was less than 1,000. Other nonprofits are not presented graphically because the average number of employees was less than 1,000 in every year from 1995 to 2011. There is a possibility these data are based on only a few organizations and are therefore more susceptible to the influence of large outlier organizations or reporting errors.
V. Conclusion and Policy Implications

The diverse groups in the “Religious, Grantmaking, Civic, Professional, and Similar Organizations” group provide a plethora of services to their members across the state and to the communities in which they are located. They provide the mechanisms by which a wide range of social, political, spiritual, philanthropic and professional activities are carried out. They also play an important role in Indiana’s economic outlook, employing more than 26,000 Hoosiers and distributing more than $620 million (in 2009 inflation-adjusted dollars) in payroll in 2011.

Because of their distinct functions, each type of organization will face different challenges in the future. For those groups whose existence is based on membership and/or attendance, such as religious congregations, local social clubs, labor unions, and political groups, the key difficulty may prove to be retain members and attract new ones in order to replace those lost because they acquire new interests or personal commitments, or are no longer able to participate for a variety of reasons. This is especially true since so many other associations vie for people’s attention, forcing them to prioritize or split their leisure time between a variety of groups or causes. That is, if they join groups at all, rather than “bowl alone” – spending their time on social media and similar types of activities that do not involve face-to-face interaction with others. In 2002, just under one-third of Indiana membership organizations reported that their membership numbers had declined in the prior three years, with 46 percent saying their membership had remained about the same. Over half (54 percent) of respondents reported that attracting new members or clients was a major challenge, with an additional 27 percent citing it as a minor challenge. The trends we have identified here suggest that for at least some types of membership associations, such challenges have persisted.

The impact of the Great Recession was more severe for some industry groups than it was for others. While grantmaking and giving services and social advocacy organizations for the most part continued to add employees during the recession and recovery, civic and social organizations lost employees every year from 2006 to 2010. The downward trend of employment for business, professional, labor, political, and similar organizations started during the previous recession in 2001 and continued almost every year since then. The 2002 survey of Indiana membership organizations revealed that about one-third relied on donations as their primary revenue source, with an additional one-third citing membership fees as their primary revenue source. With revenues mainly based on these voluntary sources, financial stability will continue to be a challenge for all these organizations, just as it is across the nonprofit sector as a whole.

While the nonprofit sector has proven to be resilient throughout recessions, this has not been the case for most of the membership and related organizations. The number of establishments, number of employees, and amount of payroll in this sub-industry has yet to return to pre-recession levels. For more information on the impact of the Great Recession on Indiana nonprofits, please see Indiana Nonprofit Employment Report #9.

55 Ibid.
It is important to note that the survival of these organizations is a point of interest for more than just their members or employees. In a 2002 survey of Indiana nonprofits, over three-quarters of membership organizations reported that they provide services to the general public and not exclusively to their membership and more than 60 percent reported that they had affiliations with other organizations. Services to the general public might include education campaigns by advocacy organizations or social assistance programs (soup kitchens, child care, etc.) provided by churches.

As noted in the introduction, membership and related organizations provide invaluable social capital for the communities in which they are located. Recent research indicates that this effect reaps not just social benefits for these communities, but economic benefits as well. At the metropolitan level, growth in bridging social capital (connections and networks that span across social groups) is linked to growth in jobs that give metropolitan areas a competitive advantage – jobs created due to the unique characteristics of a particular metropolitan area. As a result, local government officials and economic development professionals who wish to bolster the competitive advantage of their region should pay “[e]oncomitant attention…to nonprofit organizations, associations of nonprofit organizations, connections between nonprofits and government agencies, and social groups such as neighborhood associations. Mobilizing these organizations and associations as active participants in economic development activities will enhance and extend the linkages that create bridging social capital.”

Social capital can also boost the economy by facilitating the exchange of information among people. It helps resolve conflicts and develop tolerance, empathy and trust in one’s neighbors. Robert Putnam makes the argument that individuals, social institutions, and government must concern themselves with the preservation of social capital provided by nonprofit organizations. He states, “Henry Ward Beecher’s advice a century ago to ‘multiply picnics’ is not entirely ridiculous today. We should do this, ironically, not because it will be good for America – though it will be – but because it will be good for us.”

Our data do not allow us to directly address the question of whether social capital and civic engagement has declined among Indiana residents – we would need information on the numbers of members, their characteristics and nature of participation to do so. Moreover, many voluntary associations operate for years with no paid staff or only one or two part-time staff members, while our data mainly capture the number of establishments with four or more paid employees. However, to the extent that membership organizations need paid staff if they are to most effectively serve their members and benefit Indiana communities, our data point to some worrisome trends.

This report is tenth in the *Indiana Nonprofits: Scope and Community Dimensions* series that has examined nonprofit employment in Indiana. Please visit the project website www.indiana.edu/~nonprof for the most current information available.

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58 See page 7.


61 Ibid. pp. 413-414.
APPENDIX A: THE QCEW UNEMPLOYMENT INSURANCE LABOR MARKET INFORMATION PROGRAM

Source of Data
The major source of data for this report is the Quarterly Census of Employment and Wages (QCEW) Program, a cooperative initiative involving State Employment Security Agencies and the U.S. Department of Labor’s Bureau of Labor Statistics. The QCEW program produces a comprehensive tabulation of employment and wage information for workers covered by state Unemployment Insurance (UI) laws. The data on state-insured workers are compiled from quarterly reports submitted by employers subject to Indiana law.

Scope of Coverage
The QCEW program currently accounts for approximately 98 percent of all wage and salary civilian employment nationally (the program does not cover self-employed and family workers). The other principal exclusions from the QCEW data set are railroad workers, small-scale agriculture, domestic service, crew members on small vessels, state and local government elected officials, insurance and real estate agents who receive payment solely by commission, employees of charitable organizations who receive remuneration of less than $50 in any calendar quarter, employees of charitable establishments employing less than four workers in 20 weeks during the year, and employees of religious organizations. The latter two exclusions mean that our analysis necessarily underestimates Indiana nonprofit employment, although some establishments in these two categories are included in our dataset.

The exclusion of religious organizations is the most significant to our analysis. Religious organizations may elect to be covered by the UI program, and those few that do are included in the data (classified under membership associations, NAICS 8131). The extent to which nonprofit employment is underestimated is unknown, but it appears to be extensive for religious organizations. For this reason, religious organizations were not included in all sections of this report.

The number of employees is measured by the number of filled jobs for the pay period that includes the reporting 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. Payroll dollars 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.

62 Indiana Code § 22-4-7-2(h) and § 22-4-8-2(j)
63 For example, almost one third (30 percent) of the nonprofit organizations included in our analysis for 2011 reported that they had less than four employees; however, this set of nonprofits accounted for only 1 percent of all nonprofit employees and only 1 percent of total nonprofit payroll. Only 170 religious associations with some 1,314 employees were included in 2011.
64 Statewide, more than 10,000 congregations are listed in the yellow pages; while some do not have any paid employees the number included in the QCEW record system constitutes only a small fraction of the total. Survey data from 2002 show 88 percent of Indiana congregations having at least one paid staff member and those with paid staff employ an average of 9.8 workers (full-time or part-time), although only half have four or more employees. At the national level, 87 percent of congregations reported at least one paid staff member in 2006-07; see Chaves, Mark, Shawna Anderson & Jason Byassee [2009]. National Congregations Study: American Congregations at the Beginning of the 21st Century. Duke University., pp. 12, 25. Online at www.soc.duke.edu/natcong/.
The employment data for nonprofit organizations were identified by matching the Federal Employer Identification Numbers (FEINs) of private firms (excluding government entities) in the Indiana QCEW 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. We present here only aggregated data, filtered using federal and state disclosure rules to preserve confidentiality.

Indiana tax-exempt entities were identified using the Exempt Organization Master File (EOMF) published by the Internal Revenue Service. This 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 of private employers in the QCEW 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 QCEW record system. This is the case even if they are not using an Indiana address for purposes of reporting to the IRS since we match the entire IRS EOMF listing for the U.S. against the Indiana QCEW 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 care centers, orchestras, museums, theaters, homeless shelters, soup kitchens, and many more. In addition to Section 501(c)(3), the Internal Revenue Code contains 25 other subsections under which organizations can claim exemption from federal income taxation. These include such types of nonprofit organizations as social clubs, labor unions, business associations, civic organizations and fraternal benefit 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) covers the bulk of nonprofit organizations and includes the types of organizations most commonly associated with the nonprofit sector. It also includes the largest nonprofits, most notably hospitals, universities, and major arts and cultural institutions.

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. Some of these may well be included in the QCEW reporting system, but because they are not captured in the national EOMF list, they would be classified under our methodology as for-profit rather than nonprofit.

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65 Data is suppressed if 1) a data grouping includes less than three establishments, 2) one establishment comprises more than 80 percent of the employment of a data grouping, or 3) suppressed data can be estimated from other available data.

66 Unfortunately, Indiana is not one of the handful of states, such as Maryland, that assign discrete identification numbers to nonprofits that align with QCEW data. As a result, we have to rely on the IRS Business Master File of tax-exempt entities to identify nonprofit organizations, even though we know these records have significant gaps and may fail to capture as many as 40 to 50 percent of nonprofits in the state (see Gronbjerg, Kirsten A. (2002). Evaluating Nonprofit Databases. American Behavioral Scientist 45, 10: 1741-77. Available at [http://abs.sagepub.com/content/45/11/1741](http://abs.sagepub.com/content/45/11/1741). Most likely, however, the great majority of the larger nonprofits are included in our analysis.
establishments. This is in addition to employees in Indiana congregations and in small charities that are also missing from the analysis because they are not required to participate in the QCEW reporting system. 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 QCEW records. On the other hand, there may be some multiple establishment nonprofit firms that have commercial subsidiaries but which would be classified as nonprofits under our methodology. The precise number of uncaptured nonprofit establishments is unknown.

Finally, we used the IRS status on the EOMF as of March or April of a given year to capture IRS exempt status at the end of the immediately preceding calendar year, allowing time for newly registered exempt entities to be included on the EOMF (a process that may take several months). A close analysis of quarterly records suggests that this procedure may miss some nonprofits that receive their exempt status later than this cut-off date. However, we believe the error is fairly small, and the consequence is to reduce our estimate of nonprofit employment.

We are also unable to account for establishments that were deleted from the IRS tax-exempt list by March/April of the following year because they had ceased to operate or converted to for-profit or government status, although they may have operated as nonprofit organizations for some or all of the prior calendar year. Because these organizations did not appear in the EOMF files from their respective years, they were not identified as nonprofits in the QCEW dataset. If they had employees and payroll during this time, 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 to 2011.

The Johns Hopkins Center for Civil Society Studies’ Nonprofit Employment Data Project has been working with the various state Employment Security Agencies throughout the country drawing on this QCEW data source to generate similar data on nonprofit employment in other states and for the U.S. as a whole (see http://css.jhu.edu). For more information on the Indiana Nonprofits: Scope and Community Dimensions project, see www.indiana.edu/~nonprof.

67 We have adjusted the data to correct this only in the case of membership associations (NAICS 813). We assume that there are no for-profit membership associations and so we calculate “true” nonprofit totals for this industry by subtracting government membership associations from the total. We have classified all of these non-registered membership associations simply as nonprofits since we cannot confirm whether or not they are registered as charities.

68 Beginning in 2007 the IRS required small tax-exempt organizations (i.e., with gross receipts normally under $25,000) to file basic organizational information annually via Form 990-N or “e-postcard.” Those that fail to do so for three consecutive years lose their exempt status, and as of July 2011 some 275,000 organizations lost their tax-exempt status because they failed to comply. To the extent that these are all small nonprofits with few employees, their removal from the list of tax-exempt organizations should have little impact on the type of analysis we present here. For more information on this affected Indiana nonprofits, see "IRS Exempt Status Initiative: Indiana Nonprofits and Compliance with the Pension Protection Act of 2006" by Grønbjerg, Kirsten A., Kellie McGiverin-Bohan, Kristen Dmytryk, and Jason Simons, Bloomington, Indiana: School of Public and Environmental Affairs, July 1, 2011. Available at www.indiana.edu/~nonprof/results/database/INS.IRSRevocation.pdf.
## APPENDIX B: DATA TABLES

### Table 1: Establishments, employment, and payroll in nonprofit membership and related organizations and all nonprofits

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership &amp; Related Organizations</th>
<th>All Nonprofits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Est</td>
<td>Employment</td>
</tr>
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<td>24,532</td>
</tr>
<tr>
<td>1996</td>
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<td>2003</td>
<td>2,628</td>
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All payroll data adjusted for inflation and are reported in 2009 constant dollars.

### Table 2: Nonprofit membership employment and payroll as a percentage of all nonprofit employment and payroll

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<th>Year</th>
<th>Nonprofit Membership Employment</th>
<th>Nonprofit Membership Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As a % of total nonprofit employment:</td>
<td>As a % of total nonprofit payroll:</td>
</tr>
<tr>
<td>1995</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>1996</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>1997</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>1998</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>1999</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>2000</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>2001</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>2002</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>2003</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>2004</td>
<td>12%</td>
<td>8%</td>
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<td>2005</td>
<td>12%</td>
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<tr>
<td>2006</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>2007</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>2008</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>2009</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>2010</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>2011</td>
<td>11%</td>
<td>7%</td>
</tr>
</tbody>
</table>

All payroll data adjusted for inflation and are reported in 2009 constant dollars.
Table 3: Nonprofit employment and payroll in membership and related organizations industry groups

<table>
<thead>
<tr>
<th>Year</th>
<th>Civic and Social Organizations</th>
<th>Business, Professional, Labor, Political, and Similar Organizations</th>
<th>Grantmaking and Giving Services</th>
<th>Social Advocacy Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employment</td>
<td>Payroll</td>
<td>Employment</td>
<td>Payroll</td>
</tr>
<tr>
<td>1995</td>
<td>12,725</td>
<td>$183,671,997</td>
<td>8,451</td>
<td>$190,755,084</td>
</tr>
<tr>
<td>1996</td>
<td>12,748</td>
<td>$184,434,529</td>
<td>8,520</td>
<td>$194,490,697</td>
</tr>
<tr>
<td>1997</td>
<td>12,969</td>
<td>$189,167,412</td>
<td>8,460</td>
<td>$195,909,074</td>
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<tr>
<td>1998</td>
<td>13,313</td>
<td>$198,412,062</td>
<td>8,704</td>
<td>$209,058,941</td>
</tr>
<tr>
<td>1999</td>
<td>13,536</td>
<td>$204,441,139</td>
<td>9,041</td>
<td>$231,901,795</td>
</tr>
<tr>
<td>2000</td>
<td>13,758</td>
<td>$209,630,711</td>
<td>9,255</td>
<td>$246,830,819</td>
</tr>
<tr>
<td>2001</td>
<td>13,974</td>
<td>$214,590,588</td>
<td>8,996</td>
<td>$245,760,090</td>
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<tr>
<td>2002</td>
<td>14,088</td>
<td>$216,733,427</td>
<td>8,694</td>
<td>$253,424,534</td>
</tr>
<tr>
<td>2003</td>
<td>14,080</td>
<td>$215,350,851</td>
<td>8,717</td>
<td>$259,891,486</td>
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<tr>
<td>2004</td>
<td>14,352</td>
<td>$215,305,315</td>
<td>8,577</td>
<td>$262,814,802</td>
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<tr>
<td>2005</td>
<td>14,393</td>
<td>$208,739,333</td>
<td>8,457</td>
<td>$265,175,821</td>
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<tr>
<td>2006</td>
<td>14,521</td>
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<td>8,455</td>
<td>$268,119,248</td>
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<td>2007</td>
<td>14,396</td>
<td>$205,018,184</td>
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<td>$276,621,469</td>
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<td>14,202</td>
<td>$201,695,698</td>
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<td>2009</td>
<td>13,890</td>
<td>$199,935,560</td>
<td>7,746</td>
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<td>13,513</td>
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<td>2011</td>
<td>13,779</td>
<td>$191,585,895</td>
<td>7,580</td>
<td>$265,840,443</td>
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</table>

All payroll data adjusted for inflation and are reported in 2009 constant dollars.

Table 4: Membership and related organizations industry group employment and payroll as a percentage of all membership and related organizations employment and payroll

<table>
<thead>
<tr>
<th>Year</th>
<th>Civic and Social Organizations</th>
<th>Business, Professional, Labor, Political, and Similar Organizations</th>
<th>Grantmaking and Giving Services</th>
<th>Social Advocacy Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As a % of all membership:</td>
<td>Employment</td>
<td>Payroll</td>
<td>As a % of all membership:</td>
</tr>
<tr>
<td></td>
<td>Employment</td>
<td>Payroll</td>
<td>Employment</td>
<td>Payroll</td>
</tr>
<tr>
<td>1995</td>
<td>52%</td>
<td>39%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>1996</td>
<td>51%</td>
<td>39%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>1997</td>
<td>52%</td>
<td>39%</td>
<td>34%</td>
<td>40%</td>
</tr>
<tr>
<td>1998</td>
<td>51%</td>
<td>38%</td>
<td>34%</td>
<td>40%</td>
</tr>
<tr>
<td>1999</td>
<td>51%</td>
<td>36%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>2000</td>
<td>50%</td>
<td>35%</td>
<td>34%</td>
<td>42%</td>
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<tr>
<td>2001</td>
<td>50%</td>
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<td>32%</td>
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<td>2002</td>
<td>52%</td>
<td>35%</td>
<td>32%</td>
<td>41%</td>
</tr>
<tr>
<td>2003</td>
<td>51%</td>
<td>34%</td>
<td>31%</td>
<td>41%</td>
</tr>
<tr>
<td>2004</td>
<td>51%</td>
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<td>41%</td>
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<tr>
<td>2005</td>
<td>52%</td>
<td>33%</td>
<td>30%</td>
<td>42%</td>
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<tr>
<td>2006</td>
<td>52%</td>
<td>32%</td>
<td>30%</td>
<td>42%</td>
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<tr>
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<tr>
<td>2008</td>
<td>52%</td>
<td>32%</td>
<td>31%</td>
<td>44%</td>
</tr>
<tr>
<td>2009</td>
<td>53%</td>
<td>32%</td>
<td>29%</td>
<td>44%</td>
</tr>
<tr>
<td>2010</td>
<td>52%</td>
<td>31%</td>
<td>29%</td>
<td>44%</td>
</tr>
<tr>
<td>2011</td>
<td>52%</td>
<td>31%</td>
<td>29%</td>
<td>43%</td>
</tr>
</tbody>
</table>

All payroll data adjusted for inflation and are reported in 2009 constant dollars. Percentages do not add up to 100 because reporting religious organizations are excluded. See page 10 for explanation.
### Table 5: Average annual wages in membership and related organizations and industry groups

<table>
<thead>
<tr>
<th>Year</th>
<th>All Membership</th>
<th>Civic and Social Organizations</th>
<th>Business, Professional, Labor, Political, and Similar Organizations</th>
<th>Grantmaking and Giving Services</th>
<th>Social Advocacy Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>$19,108</td>
<td>$14,435</td>
<td>$22,571</td>
<td>$38,617</td>
<td>$23,920</td>
</tr>
<tr>
<td>1996</td>
<td>$19,279</td>
<td>$14,468</td>
<td>$22,827</td>
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<td>$23,520</td>
</tr>
<tr>
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<td>$14,586</td>
<td>$23,158</td>
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<tr>
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<td>$14,904</td>
<td>$24,020</td>
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<td>$24,251</td>
</tr>
<tr>
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</tr>
<tr>
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</tr>
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<td>$15,384</td>
<td>$29,151</td>
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</tr>
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<td>2006</td>
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<td>$14,254</td>
<td>$31,711</td>
<td>$43,792</td>
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</tr>
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<td>$14,242</td>
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</tr>
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<td>2009</td>
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<tr>
<td>2011</td>
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<td>$13,904</td>
<td>$35,070</td>
<td>$42,632</td>
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</table>

All wages adjusted for inflation and are reported in 2009 constant dollars.

### Table 6: Average number of employees per establishment in membership and related organizations and industry groups

<table>
<thead>
<tr>
<th>Year</th>
<th>All Membership</th>
<th>Civic and Social Organizations</th>
<th>Business, Professional, Labor, Political, and Similar Organizations</th>
<th>Grantmaking and Giving Services</th>
<th>Social Advocacy Organizations</th>
</tr>
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<td>7</td>
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<td>9</td>
</tr>
</tbody>
</table>
APPENDIX C: PROJECT PUBLICATIONS AND REPORTS

Over the last several years a number of reports and articles related to the Indiana Nonprofit Sector Project have been published, in addition to papers presented at various colloquiums and conferences. The following citations include project-related reports and papers as of April 2014. Online reports, as well as summaries of all other items are available on the project website: www.indiana.edu/~nonprof. To obtain a complete version of an unpublished paper please contact Kirsten Gronbjerg (kgronbj@indiana.edu, (812) 855-5971).

Indiana Nonprofit Employment Analysis
An analysis, comparing Covered Wages and Employment (QCEW employment) reports with IRS registered nonprofits under all sub-sections of 501(c), used a methodology developed by the Center for Civil Society Studies at The Johns Hopkins University to examine nonprofit employment in the state of Indiana. The analysis includes detailed information by county, region, and type of nonprofit as well as industry and sector comparisons.

Online Statewide Reports


Online Regional Reports


Online County Reports


  http://www.indiana.edu/~nonprof/profiles/county/HancockCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/HendricksCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/HowardCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/JohnsonCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/KosciuskoCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/LakeCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/LaPorteCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/MadisonCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/MarionCountySummary.pdf

  http://www.indiana.edu/~nonprof/profiles/county/MonroeCountySummary.pdf
Local Government Official Survey Analysis
The Indiana Advisory Commission on Intergovernmental Relations (IACIR) periodically collects information on current issues affecting local governments in Indiana and/or services available to Indiana residents. In 2010, the IACIR surveyed nearly 1,150 local government officials, including mayors, county auditors, county commissioners, county and town council members, school board members, and township trustees. Our reports focus on nonprofit-government relations in Indiana.
Conference Papers


Online Reports


Indiana Nonprofit Capacity Assessment Analysis

This survey is designed to develop a better understanding of capacity building and technical assistance needs among Indiana nonprofits. For Phase I, the Indiana University School of Public and Environmental Affairs (SPEA) was commissioned by the Indiana Grantmakers Alliance (IGA) in collaboration with the Indiana University Center on Philanthropy and Lumina Foundation for Social Assistance to conduct a survey of Indiana grantees of Lumina Foundation for Social Assistance and/or associated members of IGA.

A total of 91 charities completed the Nonprofit Capacity Survey, which asks responding organizations to identify their most significant needs in each of seven broad areas of capacity building area and the best ways to address them. For Phase II, SPEA was commissioned by the Indiana Arts Commission (IAC) in to conduct a survey of arts and culture grant applicants to the IAC or its regional partners. A total of 385 organizations completed the survey.

Published Articles and Conference Papers


Online Statewide Reports

2002 Indiana Nonprofit Survey Analysis

This survey of 2,206 Indiana nonprofits, completed in spring and early summer of 2002, covered congregations, other charities, advocacy nonprofits, and mutual benefit associations. It used a stratified random sample drawn from our comprehensive Indiana nonprofit database and structured so as to allow for comparisons among (1) different nonprofit source listings (including those identified through the personal affiliation survey) and (2) twelve selected communities around the state. The survey included questions about basic organizational characteristics, programs and target populations, finances and human resources, management tools and challenges, advocacy activities, affiliations, and involvement in networking and collaboration. An almost identical instrument was used to survey Illinois congregations, charities and advocacy nonprofits for the Donors Forum of Chicago (report available Online at www.donorsforum.org, December, 2003).

Online Statewide Reports


Online Regional Reports

  www.indiana.edu/~nonprof/results/npsurvey/inscomscott.pdf

  www.indiana.edu/~nonprof/results/npsurvey/inscommiami.pdf

  www.indiana.edu/~nonprof/results/npsurvey/inscomdubois.pdf

  www.indiana.edu/~nonprof/results/npsurvey/inscomcass.pdf

  www.indiana.edu/~nonprof/results/npsurvey/inscombartholomew.pdf

  www.indiana.edu/~nonprof/results/npsurvey/inscomsouthbend.pdf

  http://www.indiana.edu/~nonprof/results/npsurvey/inscomfortwayne.pdf

  http://www.indiana.edu/~nonprof/results/npsurvey/inscomindianapolis.pdf
**Indiana Nonprofits: Scope and Community Dimensions**

  http://www.indiana.edu/~nonprof/results/npsurvey/inscomevansville.pdf

  http://www.indiana.edu/~nonprof/results/npsurvey/inscommuncie.pdf

- **Northwest Nonprofits: Scope and Dimensions.** Nonprofit Survey Series, Community Report #2, by Kirsten A. Grønbjerg and Patricia Borntrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, February, 2006).
  http://www.indiana.edu/~nonprof/results/npsurvey/inscomnorthwest.pdf

- **Bloomington Nonprofits: Scope and Dimensions.** Nonprofit Survey Series, Community Report #1, by Kirsten A. Grønbjerg and Curtis Child, Patricia Borntrager Tennen (Bloomington, IN: Indiana University School of Public and Environmental Affairs, December, 2005).
  http://www.indiana.edu/~nonprof/results/npsurvey/inscombloomington.pdf

**Journal Articles and Book Chapters**


**Nonprofit Trust Survey Analysis**

We completed a survey of 536 Indiana residents in October 2008, to assess whether they trust nonprofits and charities in their communities more or less than they trust the state government in Indianapolis, local government, the federal government, and businesses and corporations in their community. We also asked respondents about their political orientations and about a broad range of socio-demographic characteristics.

**Online Report**


**Personal Affiliation Survey Analysis**

We completed a survey of 526 Indiana residents in May 2001, designed to make it possible to evaluate the utility of an alternative approach to sampling Indiana nonprofits (as compared to drawing a sample from a comprehensive nonprofit database). The survey probed for the respondents’ personal affiliations with Indiana nonprofits as employees, worshippers, volunteers, or participants in association meetings or events during the previous 12 months. We recorded the names and addresses of the church the respondent had attended most recently, of up to two nonprofit employers, up to five nonprofits for which the respondent had volunteered, and up to five nonprofit associations.

**Journal Articles and Conference Presentations**


**Indiana Nonprofit Composition/Database Analysis**

Our efforts examine the consequences for Indiana tax-exempt organizations of new federal reporting requirements mandated under the Pension Protection Act of 2006. As of June 2011, 6,152 Indiana nonprofits have lost their exempt status because they failed to meet the new reporting requirements. Earlier, we developed a comprehensive database of 59,400 Indiana nonprofits of all types (congregations, other charities, advocacy nonprofits, and mutual benefit associations) using a unique methodology that combines a variety of data sources, most notably the IRS listing of tax-exempt entities, the Indiana Secretary of State’s
listing of incorporated nonprofits, and the yellow page listing of congregations. We supplemented these listings with a variety of local listings in eleven communities across the state and with nonprofits identified through a survey of Indiana residents about their personal affiliations with nonprofits. The database is available in a searchable format through a link at http://www.indiana.edu/~nonprof/.

Online Report


Journal Articles and Conference Presentations


Historical Trends in Nonprofit Membership Employment