



INDIANA NONPROFITS

Scope and Community Dimensions

Nonprofit Survey Series
Report #7

INDIANA NONPROFITS: A PROFILE OF RELIGIOUS NONPROFITS AND SECULAR CHARITIES

A JOINT PRODUCT OF

THE CENTER ON PHILANTHROPY
AT INDIANA UNIVERSITY

AND

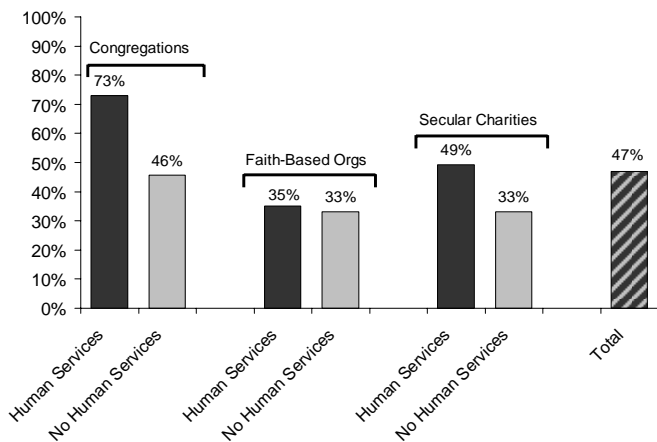
THE SCHOOL OF PUBLIC AND ENVIRONMENTAL AFFAIRS
AT INDIANA UNIVERSITY

JUNE 2006

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maintenance and equipment. That is, to a large extent, the same organizations have financial reserves for both of these purposes. On average, however, just fewer than one-half (47 percent) of the state’s religious and charitable nonprofits have reserves dedicated to meeting maintenance needs. See Figure 71.

Figure 71: Percent of religious and charitable nonprofits that have reserves dedicated to maintenance/equipment, by organization type (n=983)



- **Overall Assessment:** As with reserves dedicated to capital improvement, congregations that provide health or human services are disproportionately likely to have maintenance and equipment reserves (73 percent), even after controlling for other factors.

V. REGIONAL VARIATIONS

For the most part, there are not substantial variations in the basic organizational characteristics, challenges, and capacities of religious and charitable nonprofits across the different areas of Indiana. This suggests that regardless of their location, nonprofits across the state face many of the same pressures and circumstances that shape their organization experiences (including their age, use of volunteers and paid staff, etc.) and perspectives (such as which issues they perceive as challenges).

Understanding Regional Variations: In this section we reassess sections 2 and 4 of this report by paying special attention to regional differences. To do so, we divide the state into seven regions depending on whether we had access to expanded samples and had enough respondents among the religious and charitable nonprofits to warrant separate analysis. Note that what we refer to as a ‘region’ does not, in two instances, make reference to a single unified geographic area; we use the word region in these cases for simplicity in presentation.

We are able to report separately on four metropolitan regions: Indianapolis, Northwest Indiana, Evansville (including here Gibson County), and South Bend,²³ but group all other survey respondents into three categories: ‘Other Metro’ which includes the Fort Wayne, Muncie and Bloomington metropolitan regions; ‘Non-Metro’ which includes Bartholomew, Cass, Dubois, Miami, and Scott Counties; and ‘Rest of State’ which includes all other regions of the state. See Figure 72.

- **Distribution of Religious and Charitable Nonprofits:** There is marginally significant variation in the distribution of other FBOs, congregations and secular charities throughout Indiana. South Bend has a higher proportion of secular charities (53 percent) than the state overall (42 percent). The Other Metro regions, on the other hand, have smaller percentages of them (34 percent). The rest of the state has higher percentages of congregations. See Figure 73.²⁴

²³ The Northwest region includes Lake, La Porte, and Porter Counties; the Evansville region includes Gibson, Posey, Vanderburgh, and Warren Counties; the Indianapolis region includes Boone, Hamilton, Hancock, Marion, Hendricks, Morgan, Johnson, and Shelby Counties; the South Bend region includes St. Joseph County.

²⁴ Since these results are marginally significant they should be interpreted with caution.

Figure 72: The Indiana Nonprofit Sector Project, selected communities

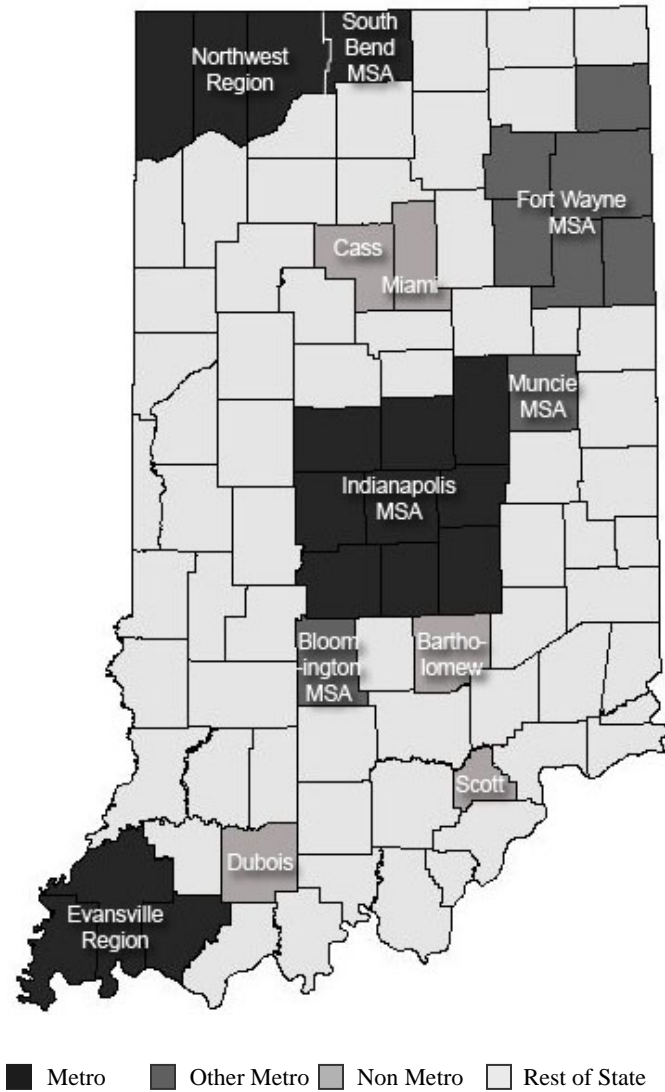
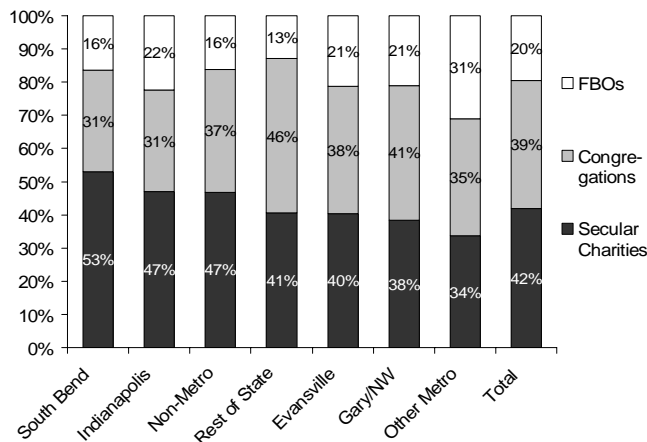


Figure 73: Percentages of other FBOs, congregations and secular charities, by region (n=1,040)



- **Revenues:** Our analysis shows that while the amount of revenues or changes in revenues is similar regardless of geographical location, there are some regional differences among religious and charitable nonprofits in how much of their revenue is generated by donations, but no differences in total revenues, changes in revenues, or surpluses or deficits.

- **Donations:** Simple bivariate analyses show no statistical difference in the extent to which religious and charitable organizations from the different regions rely on various sources of revenue. (See Figure 11 on page 10.) However, more detailed analyses that control for size, age, and type of organization provide some useful insights:

- The odds of having no revenues versus a primary reliance on donations are substantially higher for nonprofits in the Northwest category compared to those elsewhere.
- The odds of having a primary reliance on government funding versus a reliance on donations are relatively high for nonprofits within the Evansville area, while the odds of relying on a mix of funding sources versus a primary reliance on donations are slightly lower.

- **Changes in Donations:** Approximately one-half (49 percent) of the religious and charitable nonprofits throughout the state indicate that donations to their organization increased, although this is not the case for every region.

- Nonprofits in the Northwest region and South Bend are less likely to report such increases. Only 35 to 36 percent of nonprofits in these regions say that donations increased in the prior three years. See Figure 74.

- **Human Resources:** Religious and charitable nonprofits across the state tend to have similar human resources in terms of FTE staff or reliance on volunteers.

- **Age:** Religious and charitable nonprofits in the Indianapolis area, with a median age of 23 years, are generally younger than the same types of nonprofits in other regions. Organizations in less

populated areas (i.e. those grouped within the Rest of State category) are relatively older, reporting a median age of 46 years. See Figure 75.

Figure 74: Changes in donations for religious and charitable nonprofits within different regions (n=841)

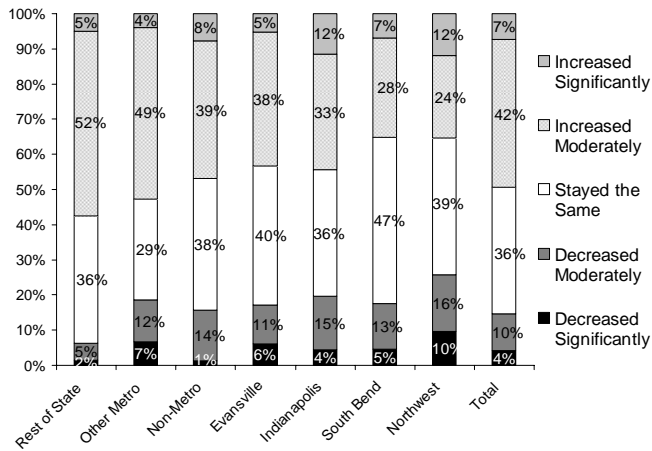
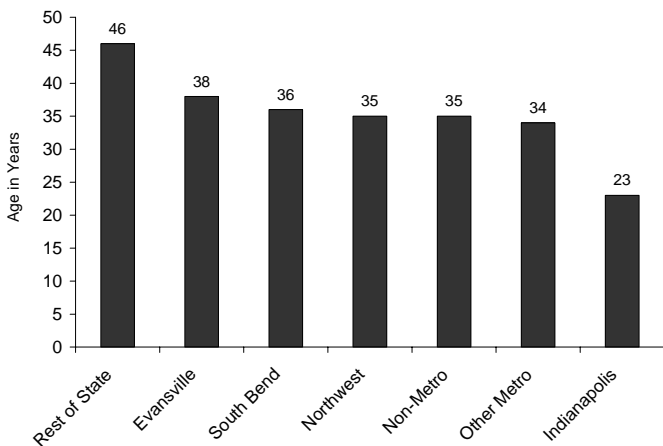


Figure 75: Median age of religious and charitable nonprofits in different regions (n=77-246)

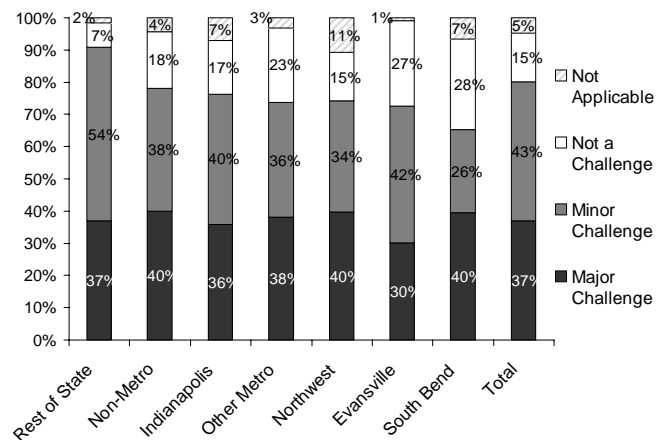


- **Challenges:** While they show few differences in the dimensions discussed above, religious and charitable nonprofits show some notable variability in the challenges they face depending on where they are located.

- **Delivering High Quality Programs and Services:** Religious and charitable nonprofits across the various regions hold similar views about the degree to which delivering high quality programs and services is challenging; however, there are some notable differences.

- Nonprofits in the Rest of State category are the most likely to indicate that delivering high quality programs and services is a challenge (minor or major). See Figure 76.
- Evansville nonprofits are particularly likely to feel that this challenge is applicable to them (illustrated by the small percentage that indicate it is not applicable) but are relatively unlikely to say that delivering high quality programs is a major challenge (30 percent).

Figure 76: Percent of religious and charitable nonprofits in different regions that indicate delivering high quality programs and services is a challenge (n=899)

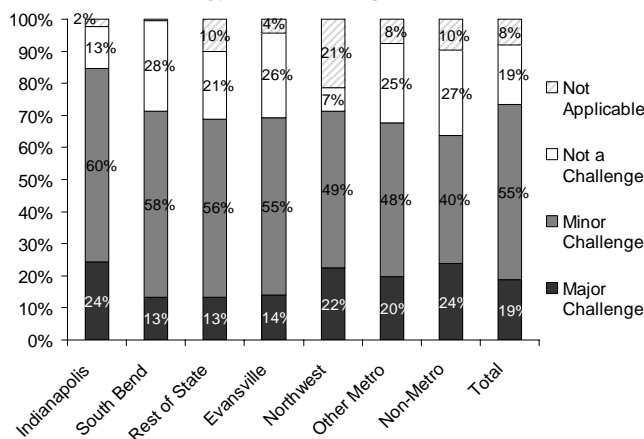


- **Evaluating Program Outcomes:** Simple bivariate analysis shows no significant differences in challenges in evaluating or assessing program outcomes or impacts. However, after controlling for variations in nonprofit type, size, and age, religious and charitable nonprofits in Indianapolis stand out as particularly likely to say that it is a major challenge. Nonprofits in the Rest of State category, on the other hand, are especially unlikely to say that this is a major challenge.
- **Attracting New Members/Clients:** While bivariate analysis shows no notable differences, after controlling for various organizational characteristics we find differences in the overall assessment. Compared to nonprofits in other regions of the state, the odds of reporting that attracting new members and clients is a major challenge are significantly low for Evansville nonprofits

and those in Non-Metro areas (i.e. Bartholomew, Cass, Dubois, Miami, and Scott Counties).

- *Using IT Effectively*: Religious and charitable nonprofits in Indianapolis are especially likely to indicate that using information technology is challenging (84 percent). One in five (21 percent) Northwest nonprofits say that using IT is not applicable to their organization. See Figure 77.

Figure 77: Percent of religious and charitable nonprofits in different regions that indicate using information technology is a challenge (n=897)



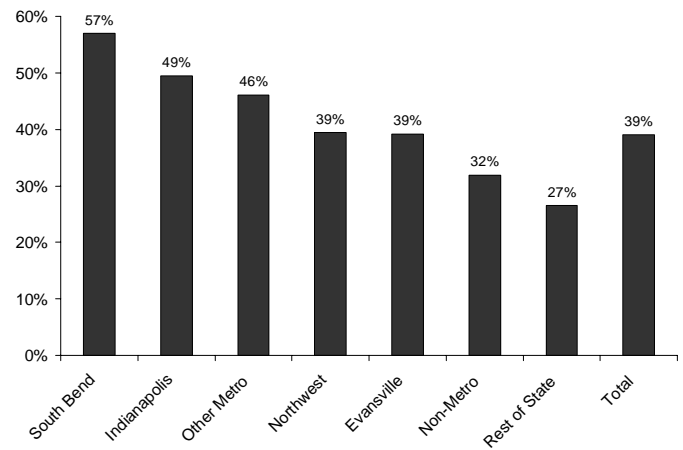
- *Financial Management and Accounting*: Again simple bivariate analysis shows no significant differences; however, after controlling for age, type, and size of the organization, the odds of reporting that financial management and accounting is a challenge decreases substantially for South Bend nonprofits in comparison to nonprofits in other areas of the state.

- **Capacities**: Similar to what we saw with challenges, religious and charitable nonprofits vary greatly in the resources they possess to face those challenges. This differs significantly based on where they are located within Indiana.

- *Website for the Organization*: There is wide variation in the percentage of religious and charitable nonprofits in the different regions that have a website for their organization. South Bend (57 percent), Indianapolis (49 percent), and Other Metro (46 percent) nonprofits are relatively more likely to have their own web-

sites, while religious and charitable nonprofits in Non-Metro areas (32 percent), as well as the Rest of State category (27 percent), are particularly unlikely to have a website. See Figure 78.

Figure 78: Percent of religious and charitable nonprofits within different regions that have a website for the organization (n=979)



- Further overall analyses confirm that, after controlling for other organizational features, the odds of having a website are very low for nonprofits in the Rest of State category compared to nonprofits in other areas. The opposite is true for nonprofits in the Other Metro category.
- *E-mail Address for the Organization*: Seven in ten of the religious and charitable nonprofits in Indianapolis and South Bend have an e-mail address for the organization, compared to roughly one-half of the nonprofits in the Northwest, Evansville, Non-Metro, and Rest of State regions. See Figure 79.
- *Reserves Dedicated to Maintenance/Equipment*: There is also much variation in the extent to which nonprofits in the different regions have reserves dedicated to maintenance or equipment. Religious and charitable nonprofits in the Other Metro category stand out from nonprofits in other areas regarding the low percentage that have such reserves. More detailed analyses confirm the finding represented in Figure 80.

Figure 79: Percent of religious and charitable nonprofits within different regions that have an e-mail address for the organization (n=993)

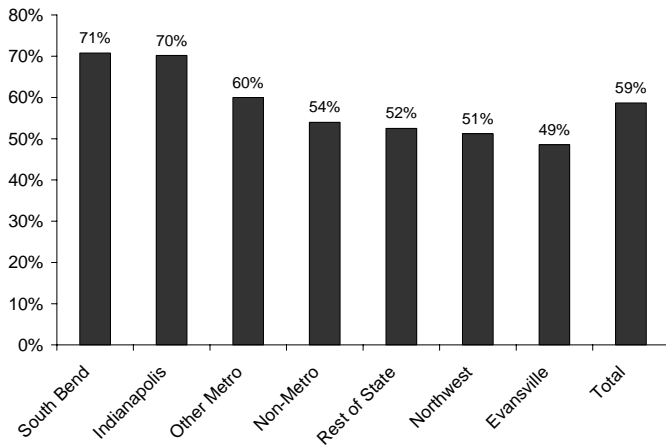
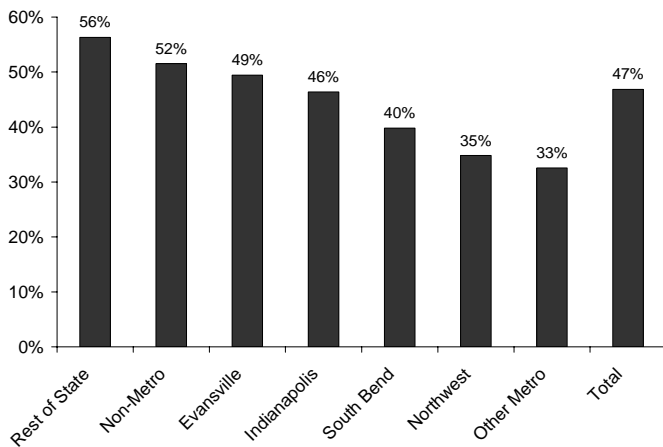


Figure 80: Percent of religious and charitable nonprofits within different regions that have reserves dedicated to maintenance/equipment (n=983)



South Bend are particularly likely to have formal volunteer recruitment programs when we analyze them through a multivariate framework. The odds of have such programs increase by a factor of more than two for nonprofits in South Bend when compared to nonprofits in other areas.

- *Audited Financial Statement*: The odds of having a recent audited financial statement are high for nonprofits in the Other Metro area compared to other areas. This is the case after controlling for other organizational features besides location.
- *Annual Report*: The odds of having produced an annual report within the last year are significantly low for South Bend nonprofits.

- *Written Job Description*: While there are no differences with bivariate analysis, the odds of having written job descriptions are considerably low for religious and charitable nonprofits in South Bend when compared to their counterparts in other areas, after taking account of the size, type, and age of the organizations. We speculate that this could be influenced by the fact that the South Bend region has a higher than average proportion of secular charities to congregations. (Earlier in Figure 56 we saw that secular charities are less likely to have written job descriptions than congregations).

- *Formal Volunteer Recruitment Program*: On the other hand, religious and charitable nonprofits in