

America's Nonprofit Sector - Impact



The Nonprofit Sector Is a Major Employer and Contributes to a Strong U.S. Economy

- America's 1.4 million nonprofits employ 11.4 million workers, approximately 10.3% of the private sector workforce, and pay them more than \$532 billion annually in wages.⁽¹⁾
- The nonprofit sector is the **third largest workforce** in the country behind only the retail and manufacturing industries.⁽²⁾
- Nonprofits contributed an estimated **\$905.9 billion** to the national economy in 2013 and reported **\$5.71 trillion** in assets, compared to the \$16.8 trillion U.S. GDP.⁽³⁾
- Total charitable giving in the United States was **\$373.25 billion** in 2015, **\$264.58 billion** of which came from individuals.⁽⁴⁾
- Foundations contributed over **\$58.46 billion** in 2015 to community programs and projects.⁽⁵⁾
- More than two-thirds** of taxpayers give to charitable causes each year.⁽⁶⁾

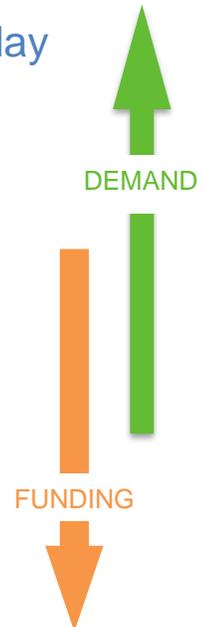
Employment by Service Area ⁽⁷⁾	% of Nonprofit Employment
Healthcare	57%
Education	15%
Social Assistance	13%
Civic Associations	7%
Other	4%
Arts	3%
Professional Services	2%

Government Counts on Nonprofits to Deliver Critical Services in American Communities

- FEMA depends on social-service nonprofits like the American Red Cross and Salvation Army to provide mass care and other emergency services when disasters strike.
- Goodwill Industries® invests more than \$3 billion in job training and employment service programs, matching nearly dollar-for-dollar federal funds for adult, youth and dislocated workers under the Workforce Investment Act.
- Nonprofit community health centers deliver health-care services to millions of Medicare and Medicaid recipients.
- Half of nonprofits with government grants match these public funds with private dollars, and the average cost shared by nonprofits was 44 percent.⁽⁸⁾

Challenges Facing Nonprofits Today

- 76% of nonprofits saw an **increase in demand** for services in 2014.⁽⁹⁾
- In 2014, 13% of social assistance and other human services nonprofits were forced to **lay off employees**, 9% **froze or reduced salaries**, and 6% **reduced benefits**.⁽¹⁰⁾
- Thirty-two percent of nonprofits reported a **decrease in government funding** over the past three years.⁽¹¹⁾
- More than 52% of surveyed nonprofits were **unable to meet community demand** in 2014, and 71% said they would be unable to bridge the gap in 2015.⁽¹²⁾



Sources on reverse side

Sources

- (1) The Economics Daily, U.S. Bureau of Labor Statistics, October 21, 2014 (2012 data).
- (2) Lester Salamon and S.Wojciech Sokolowski, Stephanie L. Geller, Johns Hopkins Center for Civil Society Studies, "Holding the Fort: Nonprofit Employment During a Decade of Turmoil," Nonprofit Employment Bulletin #39, 2012 (Data is 2010) <http://ccss.jhu.edu/publications-findings?did=369> .
Note: based on data from total private employment.
- (3) Urban Institute, National Center for Charitable Statistics. 2015. "The NonprofitSector In Brief 2015: Public Charities, Giving, and Volunteering." Brice McKeever. <http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000497-The-Nonprofit-Sector-in-Brief-2015-Public-Charities-Giving-and-Volunteering.pdf>
- (4) Giving USA: The Annual Report on Philanthropy for the Year 2015 (2016). Chicago: Giving USA Foundation. Note: This includes giving by philanthropic and corporate foundations.
- (5) Ibid. Note: This number does not include giving by corporate foundations, which is instead included in corporate giving and reached \$18.45 billion in 2015.
- (6) Ibid.
- (7) Salamon et al. Center for Civil Society Studies, 2012.
- (8) Pettijohn, Sarah L., and Elizabeth T. Boris. "Nonprofit-Government Contracts and Grants: Findings from the 2013 National Survey." Urban Institute. 2013. <http://www.urban.org/UploadedPDF/412962-Nonprofit-Government-Contracts-and-Grants.pdf>
- (9) Nonprofit Finance Fund. 2015 Nonprofit State of the Sector Survey. (Data are 2014) <http://survey.nonprofitfinancefund.org/>
- (10) Ibid.
- (11) Ibid.
- (12) Ibid.