

2012

Nebraska Nonprofits: Essential & Vibrant

An overview of the role and depth of the Nebraska Nonprofit Sector, published by the Nonprofit Association of the Midlands



Nonprofit Association of the Midlands

www.nonprofitam.org

NEBRASKA NONPROFITS: ESSENTIAL & VIBRANT

Nebraska Nonprofits: An Economic Engine

What is a Nonprofit?

Nonprofit organizations are known by a variety of names, such as “charities” or “community-based organizations.” Sometimes people refer to nonprofits by disciplines, such as “environmental groups” or “the arts.” As a group, nonprofits may also be called “the philanthropic sector” or “the social sector.”

The best way to think of a nonprofit is in terms of its mission. What makes a nonprofit different from a business is that a nonprofit’s successful bottom line is defined as achieving its mission, not profit. When land is preserved, a homeless child sleeps in a safe place, or an isolated senior is visited by a home care nurse, a nonprofit has succeeded.

While a nonprofit can earn excess revenue, any such revenue must be used to fuel the mission and sustain the work of the organization.

Nonprofits are governed by boards of directors, traditionally made up of volunteers who care deeply about the mission.

12,989 Nebraska Nonprofits¹

7.3 NE | **4.9** US

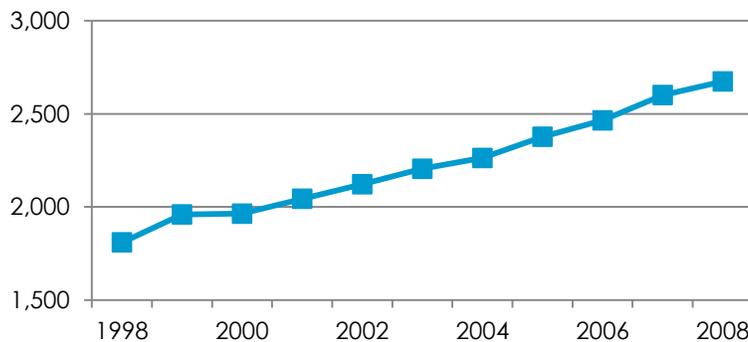
Nonprofits per 1,000 People in 2008

Nebraska has a much higher number of nonprofits per capita than the national average, and the number continues to grow.

4.0%

10-year average growth rate in number of nonprofits

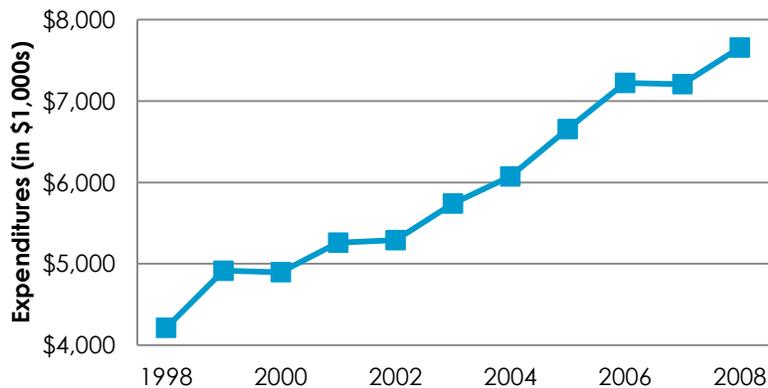
Number of Nebraska Nonprofits²



9.1%

of the Nebraska Gross State Product is generated by nonprofits

Growth in Expenditures of Nebraska Nonprofits



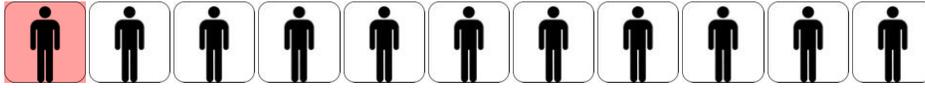
Expenditures represent the output of nonprofits, or their contribution to Nebraska’s Gross State Product. It has been growing steadily.

¹ Nonprofits registered in Nebraska as of December 2008, according to the National Center for Charitable Statistics.

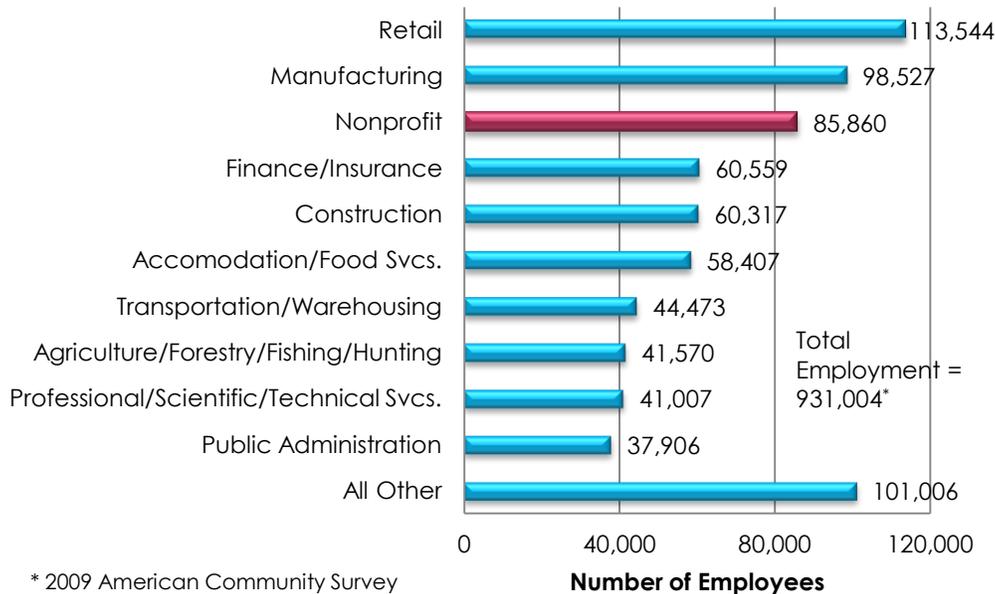
² Nonprofits required to file a 990 with the IRS—that is, nonprofits with annual gross receipts over \$25,000. All data in this report (except that referred to in footnote 1) is based on nonprofits required to file a Form 990.

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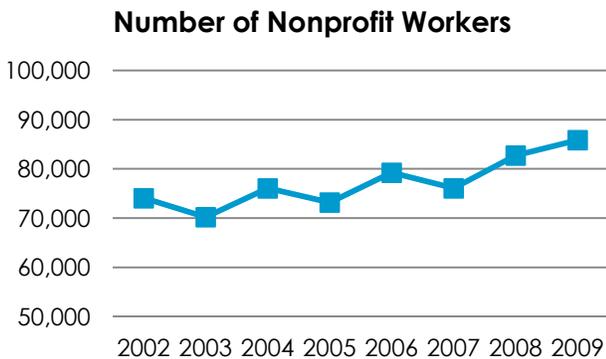
Nebraska Nonprofits: A Major Employer



1 in 11 Nebraska workers are employed by nonprofits, making it the **3rd largest industry** in the state.



Employment in nonprofits has grown steadily in the recent past, both in the number of workers and the percentage of total Nebraska employment.



Nonprofit Employment as a Percentage of all Nebraska Workers



Total wages and salaries paid by Nebraska nonprofits in 2008 = **\$2.8 billion**

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Nebraska Nonprofits: A Key Taxpayer—Yes, Taxpayer!

While nonprofits are exempt from state and federal income taxes, they pay payroll taxes, and many pay state and local sales taxes and local property taxes. Nonprofit employees pay income, sales, property, and other taxes from incomes earned while working in the sector.

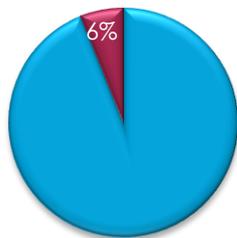
\$537.2 million = Tax Revenue from the nonprofit sector in 2008

Payroll Tax	= \$200.2 million	
Nebraska State Tax	= \$165.0 million	
Local Real Estate Tax	= \$172.0 million	
	= \$100 million	

Nonprofits Are an Effective Investment

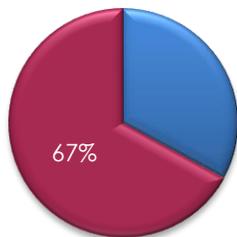
Prevention saves money. When considering the long-term costs—and the risk of doing nothing—to address urgent needs, nonprofits are a sound investment in the community. Nonprofits also offer a cost-effective way to deliver services. Nonprofits can execute programs effectively because they are able to employ unique strategies, leverage volunteer power and mobilize grassroots relationships. As a result, government has increasingly partnered with the nonprofit sector, contracting with them to deliver a vast range of services. Investing in the work of nonprofits is an investment in innovative solutions and services that benefit everyone.

Nebraska Nonprofits: Diverse, but Concentrated



6% have assets of **\$10 million+**

Nonprofit assets in Nebraska are concentrated in a few large organizations.

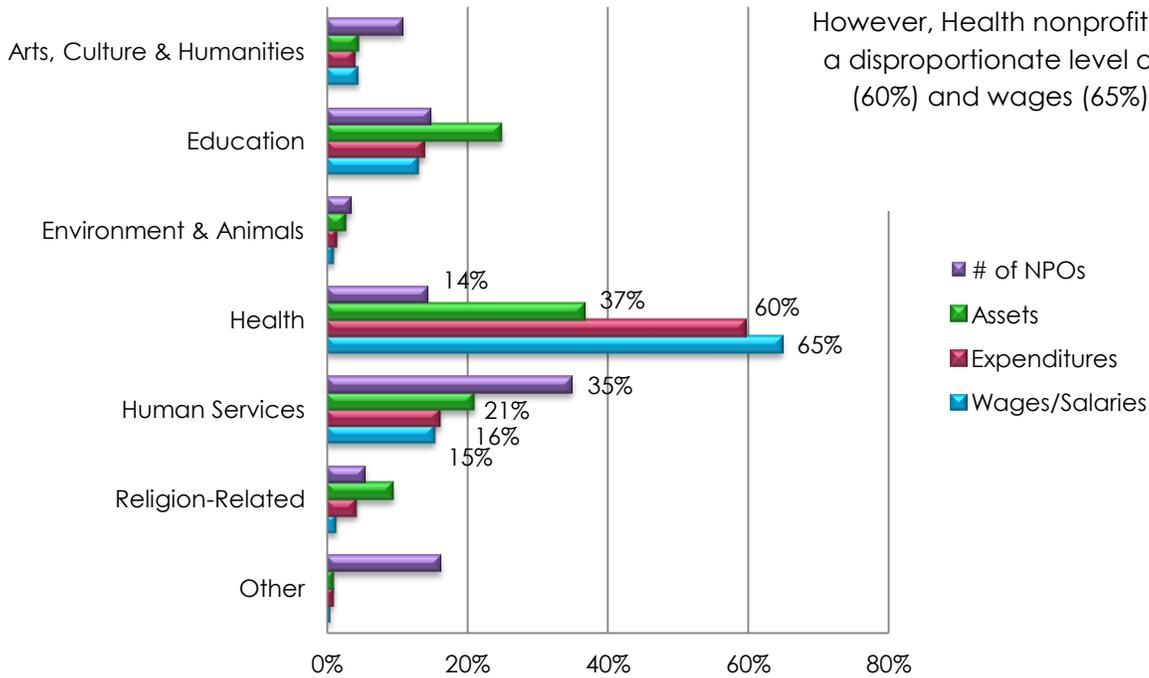


67% have assets **under \$500,000**

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Nebraska has a wide array of nonprofits, but Human Services organizations are the most plentiful (35%).

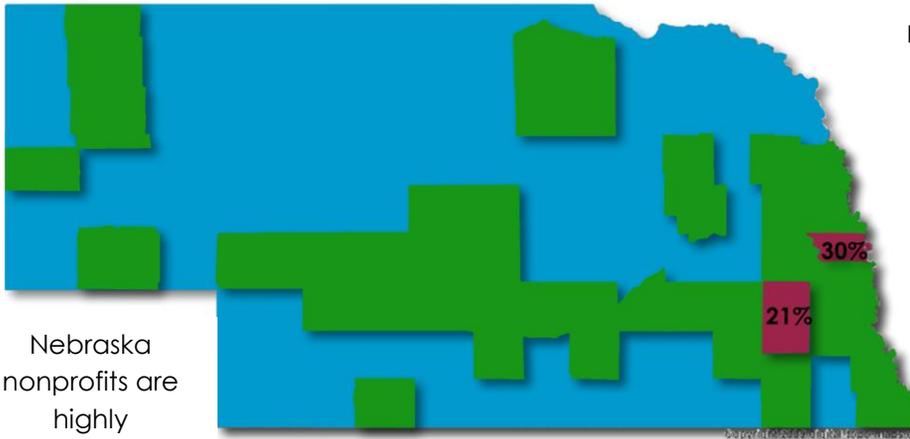
Health organizations hold more than one third of nonprofit assets, yet constitute only 14% of the state's nonprofit agencies. However, Health nonprofits also generate a disproportionate level of expenditures (60%) and wages (65%) in the state.



Nonprofits Work for the Common Good

The uniqueness of the nonprofit sector lies in its mission to serve the common good. Because of their flexible structures and understanding of community issues, nonprofits are able to create innovative solutions that help protect the qualities we value most in a humane and civil society. Nonprofits ensure that all are heard and have the opportunity to serve and be served, regardless of circumstance.

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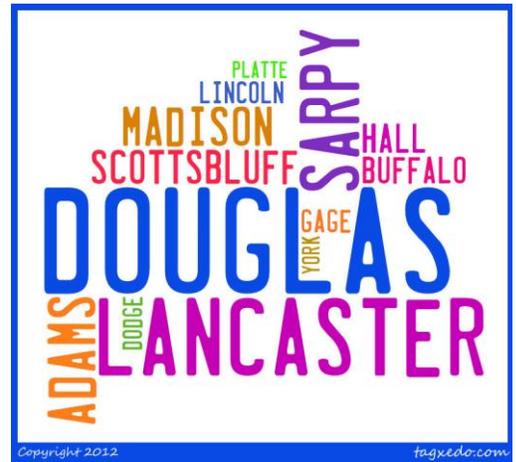


Percent of All Nebraska Nonprofits

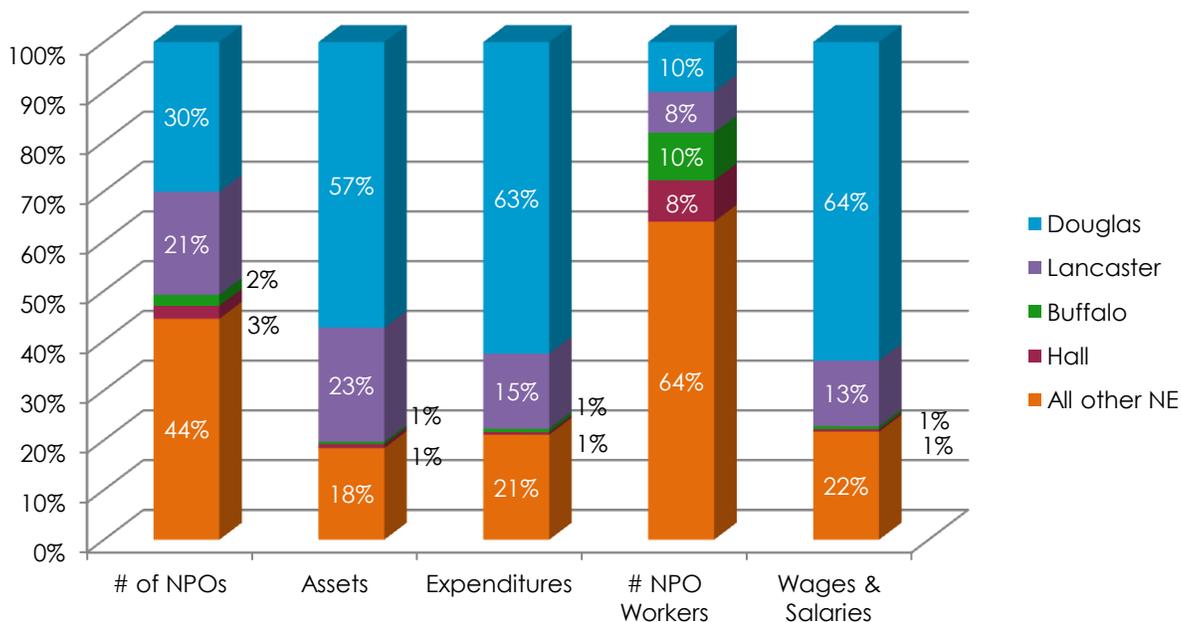
- = >4%
- = 1-4%
- = <1%

Nebraska nonprofits are highly concentrated in a few counties, namely Douglas and Lancaster.

Only 13 counties have
over three-quarters
of all Nebraska nonprofits

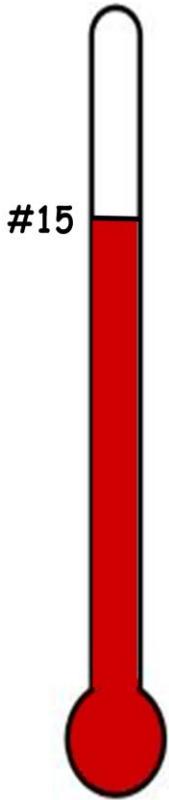


With 30% of the state's nonprofits and 10% of the sector's workforce, Douglas County accounts for roughly 55-65% of the assets, expenditures and wages. This suggests that these organizations are larger on average than those in the rest of the state.



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Nebraska Nonprofits: Benefiting from a Giving Population



15 on the Generosity Index*
(Having ÷ Giving)

Charitable contributions as a percent of adjusted gross income is 2.3% in Nebraska vs. the national average of 2.1%.

Nebraskans are generous with both their time and money.

\$364 per resident
is the amount given by Nebraska foundations in 2008, for a total of \$654 million.

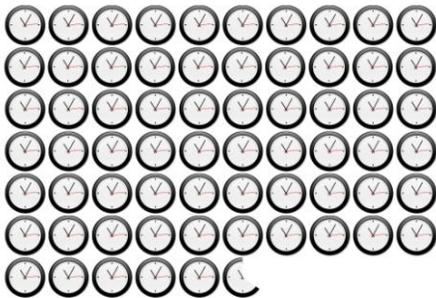
*Catalogue for Philanthropy's annual ranking of states by ratios of having (average household IRS

Nonprofits Enrich Quality of Life

"The Good Life"—proclaims Nebraska's state slogan. The quality of life in Nebraska attracts businesses, supports tourism, and is a central reason families are happy to raise their children here. The qualities people treasure in Nebraska are due in large part to the mission and work of nonprofits. When you visit a nature preserve, participate in a community theater production, or attend a religious service, you have a nonprofit to thank. Every day, the efforts of nonprofits bring people together to share the beauty of the arts, enjoy the environment and, together, solve community issues. Nonprofits partner with government and business to build and protect quality of life.

Percent of Population Volunteering

37% NE | **27%** US



= 1 million hours

Between 2007-2009, Nebraskans volunteered an average **65.2** million hours, worth **\$1 billion** in services contributed

= \$10 million



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Nebraska Nonprofits: Used by Everyone

About Nonprofit Association of the Midlands (NAM)

NAM is a 501(c)(3) nonprofit, state association that strengthens the collective voice, leadership, and capacity of nonprofit organizations to enrich the quality of community life throughout Nebraska. Since 2002, NAM has grown to more than 220 members and is part of the National Council of Nonprofits, a network of state associations in 37 states. NAM services reflect our vision—to be the number one resource leading nonprofits to greatness. They also model our core values of Integrity, Innovation, and Accountability.

In partnership with local and national experts, foundations, and government agencies, NAM brings nonprofits affordable, high-quality training. We work to raise the profile of the sector and awareness of the quality of life that nonprofits ensure for the community. NAM helps maximize members' resources and capacity, enabling them to better serve and make a greater impact on their clients' lives.

Acknowledgements

The information in *Nebraska Nonprofits: Essential & Vibrant* is sourced from *An Analysis of the Midwest Region Nonprofit Sector, March 2011*, by Jerry Deichert and Dr. Angela Eikenberry at the University of Nebraska at Omaha (UNO). Nonprofit Association of the Midlands (NAM) partnered with UNO to profile the nonprofit sector in Nebraska. NAM greatly appreciates their outstanding work on that comprehensive report.

Nebraska Nonprofits: Essential & Vibrant is adapted in part from the sector reports issued by the New Hampshire Center for Nonprofits, the North Dakota Association of Nonprofit Organizations, the Maine Association of Nonprofits, Maryland Nonprofits and the Connecticut Association of Nonprofits, and is used with permission. Nonprofit Association of the Midlands extends its deep gratitude to these state associations for their input and generosity in the evolution and enhancement of this resource.