

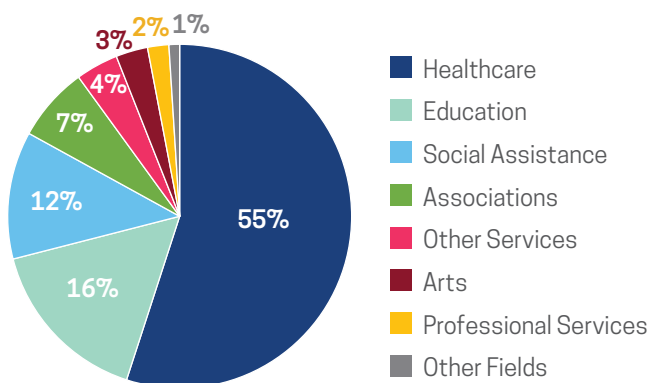
America's Nonprofit Sector Impact



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

- The nation's 1.6 million nonprofits employ 12.3 million workers, over 10% of the private workforce.¹
- The nonprofit sector is the third largest workforce in the country behind only the professional services and manufacturing industries, and pays \$638.1 billion annually in wages.²
- Nonprofits contributed an estimated \$985.4 billion to the national economy, comprising 5.4 percent of GDP.³
- Annual charitable giving was \$427.7 billion, \$292.1 billion (68%) of which came from individuals.⁴
- Foundations contributed over \$75.9 billion to worthwhile programs and projects.⁵

% of Nonprofit Employment by Service Area (2016)⁶



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 otherwise is 44 percent.⁷

Challenges Facing Nonprofits Today

- Eighty-six percent of nonprofits saw an increase in demand for services.⁸
- Sixty-two percent of nonprofits say financial stability is a top challenge and 57 percent were unable to meet community demand.⁹
- Nonprofits face declining government funding for years.¹⁰
- Giving dropped by 1.7% and many nonprofits paid more in taxes in 2018.¹¹
- Twenty-four percent of nonprofits report operating at a deficit.¹²

Sources

- 1 Salamon, Lester. "Nonprofits: America's third largest workforce." Nonprofit Employment Bulletin no. 47. January 2019.
- 2 Ibid.
- 3 McKeever, Brian. November 2018. "Nonprofit Sector in Brief 2018." Urban Institute.
- 4 Giving USA: The Annual Report on Philanthropy for the Year 2018. Released June 18, 2019. Chicago: Giving USA Foundation.
- 5 Ibid.
- 6 Salamon, Lester. "Nonprofits: America's third largest workforce." Nonprofit Employment Bulletin no. 47. January 2019.
- 7 Pettijohn, Sarah L., and Elizabeth T. Boris. "Nonprofit-Government Contracts and Grants: Findings from the 2013 National Survey." Urban Institute. 2013.
- 8 Nonprofit Finance Fund. 2018 Nonprofit State of the Sector Survey.
- 9 Ibid.
- 10 Pettijohn, Sarah L., and Elizabeth T. Boris. "Nonprofit-Government Contracts and Grants: Findings from the 2013 National Survey." Urban Institute. 2013.
- 11 Giving USA for the Year 2018.
- 12 Nonprofit Finance Fund 2018.