Nonprofit Impact

MONTANA’S NONPROFIT ECONOMIC REPORT

Released January 2017

Montana Nonprofit Association
The IRS recognizes more than 30 types of tax exempt entities under Section 501c. Organizations granted 501(c)(3) status are often called “charitable” nonprofit organizations.

Of the 7,468 charitable nonprofits in Montana, 1,670 pay wages. The 1,670 nonprofit employers represent 2,228 total establishments, meaning that some nonprofits have more than one business location.

### Economic Impact in communities

22% of Montana’s charitable nonprofits pay wages. These organizations employ 11.4% of Montana’s total workforce. The total wages paid by 501(c)(3) organizations is over $2.1 Billion Dollars.

### Wage paying 501(c)(3) Nonprofits in Montana

<table>
<thead>
<tr>
<th>City</th>
<th>Wage Paying Establishments</th>
<th>Employees</th>
<th>Wages</th>
<th>Percent of total wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>225</td>
<td>10,135</td>
<td>$529,606,805</td>
<td>25.2%</td>
</tr>
<tr>
<td>Bozeman</td>
<td>139</td>
<td>3,802</td>
<td>$158,883,233</td>
<td>7.6%</td>
</tr>
<tr>
<td>Butte</td>
<td>82</td>
<td>2,065</td>
<td>$75,003,328</td>
<td>3.6%</td>
</tr>
<tr>
<td>Great Falls</td>
<td>138</td>
<td>6,710</td>
<td>$296,027,680</td>
<td>14.1%</td>
</tr>
<tr>
<td>Helena</td>
<td>187</td>
<td>4,463</td>
<td>$172,501,496</td>
<td>8.2%</td>
</tr>
<tr>
<td>Kalispell</td>
<td>98</td>
<td>4,052</td>
<td>$198,140,563</td>
<td>9.4%</td>
</tr>
<tr>
<td>Missoula</td>
<td>229</td>
<td>4,292</td>
<td>$107,853,730</td>
<td>5.1%</td>
</tr>
<tr>
<td>Rural</td>
<td>1,076 (48%)</td>
<td>51,488</td>
<td>$2,103,618,852</td>
<td>100%</td>
</tr>
<tr>
<td>State Total</td>
<td>2,228</td>
<td>51,488</td>
<td>$2,103,618,852</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Montana Department of Labor and Industry, 2015

### Montana’s Top 5 Industries by Share of Employment and Wages (2015)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Employment</th>
<th>Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Services</td>
<td>7.7%</td>
<td>8%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>8%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Accommodation &amp; Food Services</td>
<td>11.3%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>8.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>8.4%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

Source: Montana Department of Labor and Industry, 2015

### Budget Size

45% of all charitable nonprofits in Montana operate with a budget of less than $500.

#### Hospitals and Health Care

Montana’s hospitals and medical providers’ nonprofit classification contributes significantly to the high share of nonprofit employment and wages. Health care is one of Montana’s largest employing industries. Even so, excluding hospitals and health care, nonprofits employ 29,160 Montanans.

### Focus on Foundations

$60 Million
Total Foundation giving in Montana

$1.2 Billion
Average Foundation Giving for 50 states and DC.

47th
Montana’s rank for Total Foundation Giving out of all 50 states and DC.

### Grantmaking Foundation Total Giving in Montana

Source: The Foundation Center, 2014

#### MT Foundations by Type

- Independent: 249 (64%)
- Private Operating: 14 (<1%)
- Community: 9 (15%)
- Corporate: 9 (21%)

Total Foundation Giving in MT $60 Million

Source: The Foundation Center, 2014

### Montana Gives

3.01%
Giving Ratio: The percent of AGI given to charity. Montana’s Giving Ratio is 3.01%, ranking the state 27th in the country for individual giving. Source: Chronicle of Philanthropy analysis of Internal Revenue Service Data (2012)

Individual and foundation giving in Montana, though generous, is relatively low compared to national averages. These figures stress the importance of having diverse sources of earned and donated income.

#### 31.6% of Montana residents volunteer

- Volunteers in Montana: 264,771
- Volunteer hours per capita: 36.2
- Hours of service: 29.54 million

Source: Corporation for National and Community Service, 2015

#### Grantmaking Foundation Total Giving in Montana

Source: The Foundation Center, 2014

#### Montana Conservation Corps

- Estimated FTE equivalent: 14,000 employees
- Hours of service: 7.9 billion

Source: The Foundation Center, 2014
Economic Impact

Montana’s charitable nonprofits generate almost $7.8 billion of income each year. The income is returned to the community through mission objectives such as programs, events, training, and operations.

In addition to their annual income, Montana nonprofits control more than $11 billion in assets. The debt and other obligations against these assets is not known.

A healthy nonprofit sector in Montana... drives the economy; keeps governments small; brings efficiencies and resources; is necessary to Montana's vitality and prosperity.

Since its inception in 2001, Montana Nonprofit Association (MNA) has grown into a flourishing association serving 650 member nonprofits, 70 associate members, and the broader nonprofit industry in the state. MNA recognizes the essential link between the nonprofit industry and the vitality and livability of Montana’s communities. To that end, MNA’s programs support a vibrant and celebrated nonprofit sector that has the resources and partnerships necessary to be effective on behalf of Montana’s men, woman and children. MNA regularly produces research that increases understanding and awareness of Montana’s nonprofit sector.

Cover photos from left to right: 2016 MNA Conference, Montana Outdoor Science School, Rural Dynamics Incorporated.

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### County Direct Impact County Direct Impact County Direct Impact
Beaverhead $9,042,672 Granite $3,368,997 Powell $13,001,007
Big Horn $18,313,788 Hill $130,566,710 Ravalli $95,797,632
Blaine $15,741,643 Jefferson $2,429,726 Prairie $312,696
Broadwater $6,541,756 Judith Basin $484,107 Richland $71,180,313
Carbon $19,422,153 Lake $103,622,305 Roosevelt $45,938,126
Carter $3,491,853 Lewis and Clark $609,418,467 Rosebud $18,664,264
Cascade $1,208,712,691 Liberty $8,939,447 Sanders $25,833,597
Chouteau $12,616,147 Lincoln $51,221,056 Sheridan $13,803,433
Custer $77,336,588 Madison $22,753,000 Silver Bow $216,926,728
Daniels $8,401,644 McCona $3,688,324 Stillwater $14,031,597
Dawson $48,468,181 Meagher $5,736,023 Sweet Grass $1,770,933
Deer Lodge $84,959,981 Mineral $12,387,443 Teton $2,877,890
Fallon $11,404,795 Missoula $1,059,199,821 Toole $4,401,354
Fergus $42,120,762 Musselshell $15,596,420 Treasure $0
Flathead $528,134,828 Park $71,575,267 Wheatland $6,025,438
Gallatin $749,009,789 Petroleum $0 Valley $40,008,927
Garfield $24,185 Phillips $13,066,208 Wilbaux $15,614
Glacier $28,420,348 Pondera $17,824,744 Yellowstone $2,211,978,640
Golden Valley $0 Powder River $694,417 Total Impact $7,787,304,475

Montana Nonprofits employ 51,488 individuals

Source: Montana Department of Labor and Industry, 2015