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In 2001, there were 4,610 nonprofits with employees in Minnesota. Although this was a slight decline from the number of nonprofit employers in 2000, over the long term the number of nonprofits with employees has grown 27% from 1993 to 2001.

About half of the nonprofits with employees, 51%, were located in the seven-county metro area in 2001. The rest of Minnesota’s nonprofits with employees were distributed more evenly throughout the state. Fourteen percent of nonprofit employers were located in the Southeast, 12% in the Northwest, 8% in the Northeast, 8% in Central Minnesota, and 4% in the Southwest.

As in the past, the greatest percentage of nonprofits with employees, 35%, were involved in delivering human services. This includes employment-related services, food banks, child care, legal services, homeless shelters, and disaster relief.

Another 26% of nonprofits with employees were in the health care industry. This includes general hospitals, specialty hospitals, mental health facilities, residential treatment centers, and family planning centers.

And 12% of nonprofits with employees were involved in delivering services that are of public or societal benefit. This includes human rights organizations, research institutions, and grantmaking foundations.

From 2000 to 2001, even though the
number of nonprofit employers declined slightly in Minnesota, the nonprofit workforce grew from 231,284 to 237,388, an increase of about 6,110 employees, or 3%. In fact, the increase in nonprofit employment may account for much of the job growth in the state between 2000 and 2001 - between 2000 and 2001, the total state workforce grew by only 506 employees.*

Since 1994, percentage growth in the nonprofit workforce has consistently outpaced both for-profit and government employment growth. Between 1993 and 2001, Minnesota's nonprofit workforce grew 39%, while average statewide employment grew by just 20%.

In 2001, nonprofit employees accounted for just over 9% of the state's total workforce. This means the nonprofit sector employed more people than the entire construction industry (4.7% of state employment), financial services industry (6.4%), or the leisure and hospitality industry (8.7%). Nonprofit organizations in Minnesota also employed more people than the federal government (1.3%) and state government (2.6%), but slightly less than local government (10.2%).

In 2001, nonprofit employment was concentrated in the seven-county metro area, where 53% of the nonprofit workforce was found, whereas 61% of total state employment was in the metro. Hennepin County alone accounted for 29% of the state's nonprofit employment, followed by Ramsey with 16%, Olmsted with 12%, St. Louis with 6%, and Stearns with 3%.

From 2000 to 2001, growth in nonprofit employment was strongest in Central Minnesota, where nonprofit employment increased nearly 8%. Southeast and Southwest Minnesota also experienced higher-than-average job growth at 5% and 4%, respectively. Northern Minnesota, however, saw a decline in the number of nonprofit employees in 2001.

* For-profit and government job growth cannot be analyzed separately for the period from 2000 to 2001 because of a change in coding methodology.
In 2001, the majority of nonprofit employees, 64%, were employed in the health care industry. For example, 31% of all nonprofit employees in Minnesota worked in hospitals, 18% in nursing and residential care facilities, and another 11% in the offices of physicians.

Another 14% of nonprofit employees delivered human services. For example, 4.3% of all nonprofit employees in Minnesota delivered services to youth, the elderly and the disabled, while another 3.5% were involved in vocational rehabilitation.

The third largest employment sector was education, accounting for 10% of nonprofit employment. Approximately 5.4% of all nonprofit employees worked at private colleges and universities, and another 3.0% worked in private elementary and secondary schools in Minnesota.

In 2001, nonprofit organizations in Minnesota paid over $7.5 billion in wages to their employees. After adjusting for inflation, this represents a 5% increase in total payroll from 2000.

While average government weekly wages have remained relatively flat over the last nine years, nonprofit and for-profit wages have risen very steadily, even after accounting for inflation.

From 1993 to 2000, after adjusting for inflation, nonprofit average weekly wages grew at an average annual rate of 1.7%, while for-profit wages increased an average of 2.4% per year, and government wages by less than 1% per year.*

Nevertheless, the average weekly wage for nonprofit employees in 2001 was only $609, which was 15% lower than the average weekly wage for for-profit employees and 11% lower than average weekly government wages.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.
Nonprofits in Minnesota receive their revenues from four main sources: charitable contributions, government grants, program service revenue (which includes government fees and contracts), and returns from investments, sales, and special events.

Overall, charitable organizations in Minnesota received 73% of their revenue from program services, 14% from charitable contributions, 7% from government grants, and 5% from investments and sales.*

However, the mix of revenue sources varies based on organization size, with small organizations more reliant on contributions (which includes public support and government grants) and larger organizations reporting a higher percentage of earned income.

Standards issued by the Charities Review Council of Minnesota recommend that charities spend at least 70% of their revenues on program services and no more than 30% on management and fundraising. **In 2001, Minnesota nonprofits spent 86% of their revenues on program services and only 14% on management and fundraising.** These percentages did not vary by the size of the organization.

In 2001, 38% of nonprofits reported a deficit for the fiscal year, meaning their expenses exceeded revenues. However, 93% of nonprofits reported positive net assets or fund balances at the end of the year. **Charitable organizations in Minnesota reported a total of $24.5 billion in assets in 2001.**

* Financial information for charitable trusts and private foundations is excluded from all analysis of nonprofit finances. The number of charitable organizations included in the analysis was 4,123.

Expenditures by Nonprofit Organizations

Source: Minnesota Attorney General’s Office, Charities Division

Note: These figures include charities that filed Form 990 or 990EZ, but do not include charitable trusts and private foundations.
In 2001, there were over 2,360 nonprofit organizations with employees in the Twin Cities, defined as the seven-county metro area. The number of nonprofit employers in the Twin Cities dropped slightly from 2000 to 2001. In fact, only two counties in this region, Anoka and Washington, saw an increase in the number of nonprofits with employees in 2001.

Over the long term, however, the Twin Cities has seen strong growth in the number of nonprofit employers, experiencing a 22% increase from 1993 to 2001.

In 2001, just over half (51%) of Minnesota’s nonprofit organizations with employees were located in the Twin Cities. Nevertheless, the Twin Cities’ share of Minnesota’s nonprofit employers has declined slightly since 1993 as growth in Greater Minnesota outpaced growth in the Twin Cities.

Although the number of nonprofit employers in the Twin Cities declined slightly in 2001, nonprofit employment continued to grow. In fact, a majority of nonprofit employment in Minnesota, 53%, was located in the Twin Cities.

From 2000 to 2001, the average number of people employed by nonprofits in the Twin Cities increased by 3%, from approximately 121,400 to 125,230. Although this seems a relatively slow growth rate, total employment in the Twin Cities actually declined slightly during the same period of time.

Over the long term, nonprofit employment in the Twin Cities grew 41% between 1993 and 2001, while total employment in the region grew by just 20%. In every year since 1994, percentage growth in nonprofit employment in the Twin Cities has outpaced growth in the for-profit and government sectors.

Nonprofit employees accounted for nearly 8% of total employment in the Twin Cities region in 2001.

A majority of nonprofit activity in the Twin Cities was in Hennepin County, where 51% of the region’s organizations with employees and 56% of the region’s
nonprofit employees were located. Ramsey County was next with 32% of nonprofit employers and 30% of employment.

**The greatest growth in nonprofit activity between 2000 and 2001 in the Twin Cities was in Washington County,** which experienced a 6% increase in the number of nonprofits with employees and a 37% growth rate in nonprofit employment.

**In 2001, nonprofit organizations in the Twin Cities region paid nearly $4.1 billion in wages to their employees.** After adjusting for inflation, this represents an increase in total payroll of nearly 7% from 2000.

While government average weekly wages in the Twin Cities have remained relatively flat since 1993, nonprofit and for-profit wages have steadily increased. **From 1993 to 2000, after adjusting for inflation, nonprofit weekly wages in the Twin Cities increased at an annual average of 1.5%, whereas for-profit wages increased an average of 2.7% per year, and government less than 1% per year.***

Nevertheless, the average weekly wage for a nonprofit employee in 2001 was only $629, which was 19% lower than government wages in the Twin Cities and 24% lower than for-profit wages.

**Twin Cities nonprofits, excluding charitable trusts and private foundations, reported $13.7 billion in assets, $8.6 billion in revenues, and $8.0 billion in expenditures.**

In 2001, Twin Cities nonprofits received 69% of their revenues from program services, 17% from charitable contributions, 7% from government grants, 5% from investments and sales, and 1% from membership dues.

When it comes to expenses, program services accounted for 83% of nonprofit expenditures in the Twin Cities, management for 15%, and fundraising for 2%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.

FUNDATION FACT: In 2000, there were 1,061 foundations and corporate grantmakers in the Twin Cities region. Together they had assets totaling $10.6 billion and awarded over $702 million in charitable grants.

Source: Minnesota Council on Foundations

Note: Grants awarded reflects grants paid from this region, not necessarily to this region.
In 2001, there were over 360 nonprofit organizations with employees in Northeast Minnesota. As in nearly every region in the state, this was a decline in the number of nonprofit employers from 2000.

Over the long term, however, the Northeast region has experienced consistent growth in the number of nonprofits with employees, seeing a 22% increase between 1993 and 2001. However, the nonprofit sector throughout Minnesota experienced strong growth for much of this period, so the Northeast’s share of nonprofit employers remained steady at around 8%.

A majority of the Northeast’s nonprofits with employees, 60%, were located in St. Louis County. In fact, 37% of the region’s nonprofit employers were located in one city - Duluth. Itasca County had the next largest concentration of nonprofits, hosting 14% of the region’s nonprofits with employees.

Although nonprofits in most of the state were able to increase employment despite a drop in the number of nonprofit employers, the nonprofit sector in Northern Minnesota actually lost jobs.

After experiencing slower-than-average job growth from 1999 to 2000, nonprofit employment in the Northeast dropped from 17,379 to 16,953 between 2000 and 2001, a decline of 2.5%. All of the job losses occurred in Carlton and Cook counties. The other five counties in the region actually experienced a modest increase in employment between 2000 and 2001. Total employment in the Northeast region also declined during this period, although by less than 1%.

Despite the recent decline, nonprofits have played a particularly important role as employers in the Northeast. From 1993 to 2001, nonprofit employment in the Northeast grew by 42%, whereas total job growth for the region during this period was just 15%. For most of the late 1990s, percentage growth in nonprofit employment actually outpaced for-profit and government employment growth in the region.
In 2001, nonprofit organizations employed 12% of the Northeast region's workforce.

In 2001, nonprofit organizations in Northeast Minnesota paid nearly $529 million in wages to their employees. After adjusting for inflation, there was no real growth in total payroll from 2000 to 2001.

Nonprofit average weekly wages in the Northeast have experienced stronger growth than for-profit and government wages. From 1993 to 2000, after adjusting for inflation, nonprofit weekly wages increased at an average annual rate of 1.9%, while for-profit wages increased an average of 1.3% per year, and government wages at an average rate of less than 1% per year.*

Although it may seem surprising that nonprofit wages are higher than for-profit wages, this is primarily due to the fact 60% of nonprofit employment (but only 16% of nonprofit employers) in this region is concentrated in the health care industry, particularly in hospitals and ambulatory care services. If these health care employees are removed, the average nonprofit weekly wage drops to $379.

Nonprofits in the Northeast, excluding charitable trusts and private foundations, reported $1.2 billion in assets, $961 million in revenues, and $937 million in expenditures (N = 373).

In 2001, nonprofits in the Northeast received 83% of their revenues from program services, 7% from government grants, 6% from charitable contributions, 3% from investments and sales, and less than 1% from membership dues.

When it comes to expenses, program services accounted for 91% of nonprofit expenditures in the Northeast, management and general for 12%, and fundraising for less than 1%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.
In 2001, there were over 570 nonprofit organizations with employees in Northwest Minnesota. The number of nonprofits employers in the Northwest dropped slightly from 2000.

Between 1993 and 2001, however, the Northwest region experienced a growth rate of nearly 28% in the number of nonprofits with employees. In 2001, the Northwest’s share of Minnesota’s nonprofits dropped slightly to 12.5%.

The Northwest region has more small population centers than other regions, and the distribution of nonprofit employers reflects this pattern. About 11% of nonprofits with employees in the Northwest were located in Crow Wing County (Brainerd), 10% in Otter Tail (Fergus Falls), 10% in Clay (Moorhead), 8% in Beltrami (Bemidji), 7% in Polk (Crookston), and 7% in Douglas (Alexandria).*

Although nonprofits in most regions were able to increase employment despite a decline in employers, after slower-than-average job growth from 1999 to 2000, nonprofit employment in the Northwest dropped from 20,927 in 2000 to 19,815 in 2001, a decline of 5%. About 44% of the job losses occurred in Becker, Cass, and Marshall counties. The nonprofit sector in the Northwest was not alone in its employment troubles, however, since total growth for all employment in the region was less than 1%.

A few counties in the Northwest did exhibit fairly strong growth in nonprofit employment from 2000 to 2001, including Todd (8%), Douglas (6%), Pennington (4%), and Wadena (4%) counties.

From 1993 to 2000, nonprofit employment in the Northwest region had exhibited very steady growth, increasing an average of 4% each year.

Between 1993 and 2001, nonprofit

* County-level data was not available for Clearwater, Kittson, Mahnomen, Pope, Red Lake, and Traverse counties. Together, these counties represent 7% of the Northwest region’s nonprofit employers and 4% of nonprofit employees. The data for these counties is included in regional-level analysis.
employment in the Northwest grew by 22%, very close to the total job growth for the region for the same period of time, 24%.

In 2001, nonprofit employees accounted for nearly 10% of total employment in the Northwest region.

Nonprofit organizations in Northwest Minnesota paid just over $445 million in wages to their employees in 2001. After adjusting for inflation, however, total payroll actually declined by about 2% from 2000.

Average weekly wages for the nonprofit sector in the Northwest have grown a little faster than other sectors in the region. From 1993 to 2000, after accounting for inflation, nonprofit average weekly wages grew at an average annual rate of 1.8%. For-profit wages were not far behind, with an average annual growth rate of 1.6%. Government wages, on the other hand, grew at an annual average of less than 1%.*

Despite having stronger wage growth, nonprofit wages in the Northwest still lag behind for-profit wages by 4% and government wages by 23%.

Nonprofits in the Northwest, excluding charitable trusts and private foundations, reported $821 million in assets, $555 million in revenues, and $510 million in expenditures in 2001 (N = 353).

These nonprofits reported receiving 76% of their revenues from program services, 11% from government grants, 8% from charitable contributions, 5% from investments and sales, and less than 1% from membership dues.

When it comes to expenses, program services accounted for 85% of expenditures by nonprofits in the Northwest, management and general for 15%, and fundraising for 1%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.

FOUNDATION FACT: In 2000, there were 36 foundations and corporate grantmakers in the Northwest region. Together they had assets totaling $162.5 million and awarded over $6 million in charitable grants.

Source: Minnesota Council on Foundations
Note: Grants awarded reflects grants paid from this region, not necessarily to this region.

Average Weekly Wages in the Northwest by Sector
(in constant 2001 dollars)

Source: Minnesota Department of Economic Security, Covered Employment and Wage Program
In 2001, there were 375 nonprofit organizations with employees in Central Minnesota. This was the only region in Minnesota not to experience a decline in nonprofit employers from 2000 to 2001, although the increase was not significant.

Since 1993, Central Minnesota has experienced 31% growth in the number of nonprofits with employees. However, this region's share of the state's nonprofit employers has remained steady at about 8%.

In 2001, the largest concentration of nonprofits with employees in Central Minnesota was in Stearns County, where St. Cloud is located, with 25% of the region's nonprofit employers. Wright County, with its close proximity to the Twin Cities, had the second largest concentration, over 10%. Sherburne County, located between the Twin Cities and St. Cloud, hosted 9% of the region's nonprofit employers.*

From 2000 to 2001, nonprofits in Central Minnesota experienced stronger job growth than the nonprofit sector in any other region. During this period, the number of people employed by nonprofits increased by nearly 8%, compared to total job growth in the region of only 1%. In fact, it appears that every county in region experienced an increase in their nonprofit workforce.*

This large increase in the number of nonprofit employees helped push the nonprofit share of employment in Central Minnesota to over 8% in 2001.

In 2001, the greatest concentration of nonprofit employment was in Stearns County, with 39% of Central Minnesota’s nonprofit workforce. Chisago County was second, with over 11% of the region’s nonprofit employment, although this county has only 6% of the region’s nonprofit employers.

* County-level data was not available for Kanabec, Meeker, Pine, and Renville counties. Together, these counties represent 17% of the Central region’s nonprofit employers and 6% of nonprofit employees. The data for these counties is included in regional-level analysis.
Over the long term, nonprofit employment in Central Minnesota has increased by 48% between 1993 and 2001, which was the largest percentage increase in nonprofit employment for any region in Minnesota for this period.

In 2001, nonprofit organizations in Central Minnesota paid over $497 million in wages to their employees. After adjusting for inflation, this represents an increase in total payroll of over 9% from 2000.

Nonprofit average weekly wages in Central Minnesota experienced stronger growth than for-profit and government wages. In fact, nonprofit wage growth in Central Minnesota was stronger than in any other region. From 1993 to 2000, after adjusting for inflation, nonprofit weekly wages increased at an average annual rate of 2.4%, while for-profit wages increased at an average rate of 1.6%, and government wages at a rate of less than 1% per year.*

This strong wage growth has helped narrow the gap between nonprofit and for-profit and government wages. Nevertheless, nonprofit wages still lag behind for-profit wages by 4% and government wages by 18%.

Nonprofits in Central Minnesota, excluding charitable trusts and private foundations, reported $1.1 billion in assets, $685 million in revenues, and $646 million in expenditures in 2001 (N = 316).

These nonprofits reported receiving 78% of their revenues from program services, 9% from government grants, 7% from charitable contributions, 5% from investments and sales, and less than 1% from membership dues.

When it comes to expenses, program services accounted for 85% of expenditures by nonprofits in Central Minnesota, management and general for 14%, and fundraising for about 1%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.
In 2001, there were over 640 nonprofit organizations with employees in Southeast Minnesota. This was a very slight decline in the number of nonprofit employers from 2000.

Up until this year, however, the Southeast region has seen consistent growth in the number of nonprofit employers, experiencing a 32% increase between 1993 and 2001.

The region’s greatest concentration of nonprofits with employees, 20%, was in Olmsted County, where Rochester is located. An additional 10% of nonprofit employers in the Southeast were in Blue Earth County, where another major population center, Mankato, is located. The rest of the nonprofits with employees in the Southeast were distributed throughout the remaining counties.

Although growth in the number nonprofits with employees was stagnant in 2001, nonprofits in Southeast Minnesota experienced yet another year of strong growth in nonprofit employment. The nonprofit workforce grew from 47,879 to 50,329 between 2000 and 2001, an increase of 5%. During the same period of time, total employment in the Southeast grew by less than 1%.

Growth in nonprofit employment was strongest in Blue Earth County, where the nonprofit workforce grew by about 560 employees between 2000 and 2001, an increase of 22%.

Over the long term, nonprofit employment in the Southeast has grown by 38% between 1993 and 2001, while total employment in the Southeast grew by just 18%.

In 2001, nonprofit organizations employed over 15% of the Southeast region’s total workforce, more than the entire government sector, which employed less than 14% of the region’s workforce.

A majority of nonprofit employment in 2001, 55%, was located in Olmsted County. This is not surprising considering Rochester is home to the Mayo Clinic.
In 2000, there were 85 foundations and corporate grantmakers in the Southeast region. Together they had assets totaling $241 million and awarded over $35.6 million in charitable grants.

Nonprofit average weekly wages in the Southeast in 2001 were actually higher than both for-profit and government wages. In fact, this was the only region where nonprofit wages matched the statewide average weekly wage.

Nonprofit wages have also grown more rapidly than wages in the other two sectors. From 1993 to 2000, after adjusting for inflation, nonprofit average weekly wages increased at an average annual rate of 1.7%, while for-profit wages increased at a rate of 1.3% per year, and government wages at a rate of less than 1% per year.*

Unfortunately, there was not sufficient data available to investigate why nonprofit average weekly wages in this region are higher than both for-profit and government wages. However, the concentration of medical research facilities in this region is likely to be a contributing factor.

Nonprofits in the Southeast, excluding charitable trusts and private foundations, reported $7.4 billion in assets, $3.1 billion in revenues, and $2.9 billion in expenditures in 2001 (N = 531).

These nonprofits reported receiving 78% of their revenues from program services, 9% from charitable contributions, 5% from government grants, 7% from investments and sales, and less than 1% from membership dues.

When it comes to expenses, program services accounted for 92% of expenditures by nonprofits, management and general for 7%, and fundraising for about 1%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.
In 2001, there were just over 200 nonprofit organizations with employees in Southwest Minnesota. As in nearly every region in the state, this was a decline in the number of nonprofit employers from 2000.

Over the long term, however, the Southwest region experienced a 40% increase in the number of nonprofits with employees between 1993 and 2001. The largest increase, 18%, came from 1996 to 1997. Nevertheless, the Southwest region still has the smallest share, less than 5%, of the state’s nonprofits with employees.

In 2001, 16% of nonprofits with employees in the Southwest were located in Nobles County, another 16% in Lyon County, and 11% in Redwood County.*

Although the number of nonprofit employers in the Southwest declined from 2000 to 2001, the number of nonprofit employees increased by 4%. During the same period of time, total employment in the Southwest region increased by just 1%.

In 2001, nonprofit employees accounted for 7.5% of total employment in the Southwest region.

Nonprofit employment in the Southwest in 2001 was widely distributed throughout the region, including 13% in Lyon County, 12% in Nobles County, 11% in Cottonwood County, and 10% in Rock County.

Between 2000 and 2001, employment growth in the nonprofit sector in the Southwest was particularly strong in Nobles County and Rock County. Two counties, Cottonwood and Pipestone, saw a small decline in nonprofit employment.

Since 1994, nonprofit employment in the Southwest has been steadily increasing, growing 44% between 1994 and 2001. In the same period of

* County-level data was not available for Lac Qui Parle and Swift counties. Together, these counties represent 7% of the Southwest region’s nonprofit employers and 6% of nonprofit employees. The data for these counties is included in regional-level analysis.
In 2000, there were 17 foundations and corporate grantmakers in the Southwest region. Together they had assets totaling $5 million and awarded about $228,000 in charitable grants.

In 2001, nonprofit organizations in Southwest Minnesota paid nearly $103 million in wages to their employees. After adjusting for inflation, this was an increase in total payroll of nearly 11% from 2000.

Average weekly wages for the nonprofit and for-profit sectors in the Southwest appear to be increasing at a fairly steady rate. After adjusting for inflation, from 1993 to 2000 the nonprofit and for-profit sector saw similar wage growth, an average of 1.7% per year. Average weekly wages for government employees increased by less than 1% per year.*

Nonprofit average weekly wages in the Southwest, however, still fall short of wages for the other sectors. In 2001, the average weekly wage for a nonprofit employee was only $366, which was 19% lower than for-profit wages and 24% lower than average wages for government employees.

Nonprofits in the Southwest, excluding charitable trusts and private foundations, reported $124 million in assets, $120 million in revenues, and $110 million in expenditures in 2001 (N = 96).

These nonprofits reported receiving 68% of their revenues from program services, 20% from government grants, 6% from charitable contributions, 3% from investments and sales, and less than 1% from membership dues.

When it comes to expenses, program services accounted for 88% of expenditures by nonprofits in the Southwest, management and general for 12%, and fundraising for about 1%.

* Due to a change in coding methodology, wage data for the for-profit and government sectors for 2001 are not directly comparable to previous years, so only the time period from 1993 to 2000 was analyzed.

FOUNDATION FACT: In 2000, there were 17 foundations and corporate grantmakers in the Southwest region. Together they had assets totaling $5 million and awarded about $228,000 in charitable grants.

Source: Minnesota Council on Foundations
Note: Grants awarded reflects grants paid from this region, not necessarily to this region.

Nonprofit Economy in Southwest Minnesota

Average Weekly Wages in the Southwest by Sector
(in constant 2001 dollars)

Source: Minnesota Department of Economic Security, Covered Employment and Wage Program
Note: For-profit and government employment growth is not shown for the 2000-01 time period because a mandated coding change caused government and for-profit data for 2001 to be incomparable to data from prior years.
Covered Employment and Wage Program

The Covered Employment and Wages (CEW) Program is a cooperative endeavor between the U.S. Department of Labor’s Bureau of Labor Statistics (BLS) and the Minnesota Department of Economic Security (DES). The CEW Program is a virtual census of nonagricultural employment and wage data in Minnesota, by industry, at the state, regional, and county levels. "Covered" employment refers broadly to private sector employees, as well as state, county, and municipal government employees insured under the Unemployment Insurance (UI) Act (and federal employees who are insured under separate laws). Religious congregations, however, are exempt from the UI Act and are not included in this data. Total wages include gross wages and salaries; pay for vacation and other paid leave, tips and other gratuities that are reported to the employer; bonuses (including severance pay); stock options; some sickness and disability payments; and the cash value of meals and lodging. In Minnesota, only currently taxable income is reported. For more information on the CEW data, please visit the DES website at http://www.mnwf.org/lmi/es/202fct1.htm.

The CEW data classifies employers using the North American Industry Classification System (NAICS). In order to classify nonprofit organizations by activity areas, the NAICS codes were converted into a coding system better suited for understanding the nonprofit sector, the National Taxonomy of Exempt Entities - Core Codes (NTEE-CC), using guides available from the National Center on Charitable Statistics. For more information on the NTEE-CC classification system, please visit http://nccs.urban.org/ntee-cc/index.htm.

It is important to note that the CEW data does not include nonprofit organizations that have no employees. One other caution is that the data includes wage information for both full-time and part-time employees, but divides total wages by all employees, without regard to full-time or part-time employment, to arrive at the average weekly wage. This may artificially lower average wages for sectors that employ a large share of part-time employees.

Attorney General's Office

This report used information for nonprofit organizations based in Minnesota provided by the Minnesota Attorney General’s Office. The Attorney General’s Office has the primary responsibility for regulating, enforcing, and supervising charitable organizations and charitable trusts. Charitable organizations must register with the Charities Division of the Attorney General’s Office before they can solicit contributions in Minnesota and must file an annual report each year. Data provided by the Attorney General’s Office includes information on charitable organizations exempted under subsection 501(c)(3) that filed a Form 990 or 990EZ and private foundations exempt under subsection 501(c)(3) that filed Form 990PF. A small number of organizations exempted under subsections 501(c)(4) thru (c)(19) that filed Form 990 or 990EZ are also included. The most current information for each nonprofit organization was used. In most cases, the most current information for an organization was for the fiscal year that ended in 2001 (71%). However, for a smaller percentage, 28%, data filed in 2000 was the most current available, and for less than 1%, year 2002 data was used.

Certain organizations, however, are exempt from filing with the Attorney General’s Office and thus are not reflected in the data. These include organizations that do not employ paid staff and do not plan to receive more than $25,000 in total contributions; religious organizations that do not file a Form 990 federal return; certain educational institutions; organizations that limit solicitations to persons who have a right to vote as a member; organizations that solicit contributions for a single person specified by name; and private foundations that did not solicit contributions from more than 100 persons during the year.
Established in 1987, the Minnesota Council of Nonprofits (MCN) is a statewide membership association of nonprofit organizations sharing information, services and research to educate its members and the community. MCN has over 1,300 members representing all activity areas, budget ranges, and geographic regions of Minnesota. MCN's mission is to work to continually inform, involve, strengthen and increase the capacity and effectiveness of nonprofits and the nonprofit sector in Minnesota.

MCN would like to thank the Minnesota Department of Economic Security, the Minnesota Attorney General's Office, and the Minnesota Council on Foundations who provided data used in this report.

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