



MORE THAN CHARITY

Nonprofit organizations also:

- Attract foundation and federal grants into the state.
- Help improve the work force. Many people gain valuable job training and work experience through volunteering with and working for nonprofit organizations.
- Frequently hire under-employed or unemployed workers and often reduce labor force inequalities by offering upward mobility to otherwise disadvantaged groups.
- Help to define the character of Maine communities and improve the quality of life. Active nonprofits prove to be strong incentives for remaining in or relocating to a given community.

The nonprofit sector in Maine is large, diverse and growing. In every county, you will find nonprofits serving citizens and communities, and addressing issues of concern. Maine's nonprofits range from hospitals to boys and girls clubs, from universities to environmental groups, from emergency shelters to organizations working with the elderly, veterans and the disabled. Nonprofits create a caring community – one that strengthens and enhances the quality of life in our state.

This report summarizes data on Maine's nonprofits, and illustrates the significant role this sector plays. Much attention is given to the condition of business and government in our state, but let's not forget that nonprofits fill a critical role as a third and independent sector. The primary sources for these data are annual reports filed with the IRS by charitable nonprofits with over \$25,000 in gross annual receipts and employment records collected by the state's employment security office.

Through this report we aim to build awareness about the vital role nonprofits play and to educate policymakers, the media, and the public about charitable giving in Maine. Some highlights of this report are:

- There were 1,805 reporting charitable nonprofits in Maine in 2000.
- In 2000, their expenditures totaled \$4.6 billion, representing 12.8% of the Gross State Product in Maine. This figure is significantly higher than the national average of 7.8%.
- Maine charitable nonprofits held \$7.9 billion in assets, a 186% increase from \$2.8 billion in 1990.
- The 266 foundations in Maine held over \$792 million in assets and gave almost \$47 million in grants.
- Organizations providing human services were the largest proportion (33%) of the sector; next in number were health care/mental health organizations at 19%.

Yet these numbers don't tell the whole story. In addition to the reporting 501(c)(3)s, there are over 2,500 organizations not required to file, including booster clubs, local PTAs, youth soccer, Little League, and numerous other small organizations that are active in our communities, but whose limited finances exempt them from the IRS reporting requirement.

Charitable nonprofits benefit us in ways that can't easily be quantified: as tools for community building, fostering civil society, and strengthening our social fabric and are essential to improving the quality of life in our state. Mainers have continued to place their trust in the responsiveness, performance and quality of services provided by these organizations. The Maine Association of Nonprofits and the Unity Foundation are pleased to present this report, in collaboration with the Urban Institute's National Center for Charitable Statistics and the National Council of Nonprofit Associations, to promote better understanding and appreciation of our state's nonprofit community.

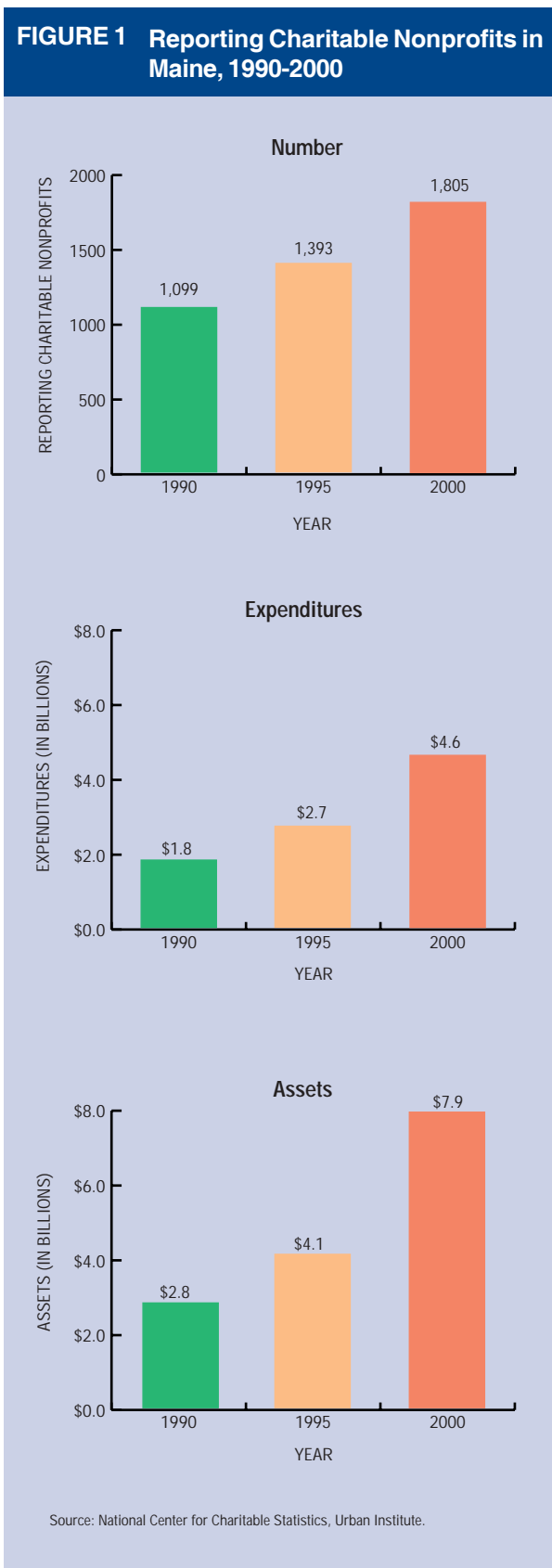
Scott Schnapp

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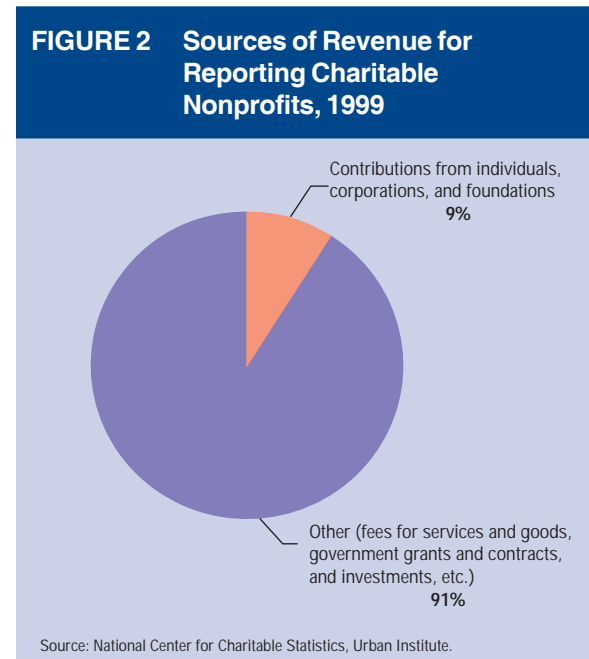
Dorothy Freeman, Ph.D.

President, Unity Foundation

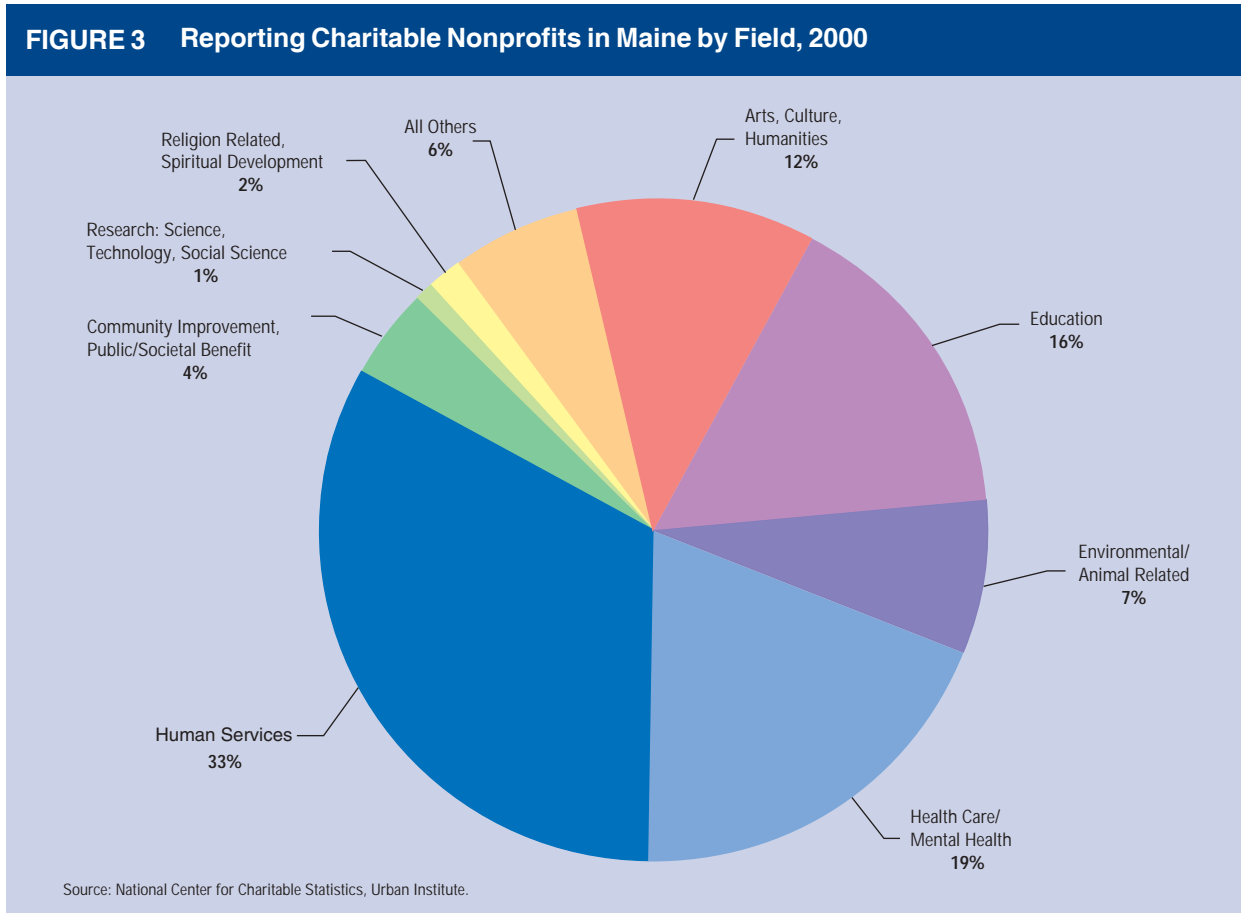




- There were 1,805 reporting charitable nonprofits that were tax-exempt under Section 501(c)(3) of the IRS code. (Private foundations are not included but are discussed on page six. Religious congregations are not required to report and are also not included.) (Fig. 1)
- Reporting charitable nonprofits had \$4.6 billion in expenditures in 2000—about 12.8% of the Gross State Product in Maine (Fig. 1). This is significantly higher than the national average of 7.8% (Bureau of Economic Analysis).
- The value of assets held reached \$7.9 billion in 2000, which is a 186% increase from \$2.8 billion in 1990 (Fig. 1).



- About 9% of total revenues for reporting charitable nonprofits in Maine were from contributions made by individuals, corporations, and foundations (Fig. 2).
- The major source of revenues is fees and charges. Other sources include government support and investment income.



- Human services organizations make up the largest proportion of Maine’s reporting charitable nonprofits (33%). These organizations provide a broad spectrum of services including youth development, disaster relief, housing services, and family support (Fig. 3).
- Health Care/Mental Health is the second largest field, with 19% of the total (Fig. 3).
- Religiously-affiliated charitable nonprofits that provide specific programs, such as mental health services or day care, are placed with organizations providing similar services, not under religion-related.
- Over 4,300 nonprofits are registered as tax exempt under 501 (c)(3), but only 41% are large enough (over \$25,000 in annual gross receipts) to file an annual report with the IRS (Fig. 4).

FIGURE 4 The Maine Nonprofit Sector, 2000

Tax-Exempt Organizations	Registered with IRS (over \$5,000 in gross receipts)	Filing Annual IRS Report (over \$25,000 in gross receipts)
Under 501(c)(3)*	4,625	2,071
Private Foundations	266	266
Charitable Nonprofits	4,359	1,805
Under Other 501(c) Subsections**	6,443	765
501(c)(4) social welfare	1,409	141
501(c)(5) labor/agricultural	851	94
501(c)(6) business leagues	908	179
501(c)(other)	3,275	351

Source: National Center for Charitable Statistics, Urban Institute.
 *Does not include religious congregations.
 **Filing totals based on fiscal year 2001.

■ In 2000, Maine hospitals represented only 3.4% of total reporting charitable nonprofits, but they had nearly one half (49%) of total expenditures. Higher education institutions—0.7% of total reporting organizations—had expenditures of almost 23% (Fig. 5).

■ Human services organizations, representing 33% of the total number, had 10% of total expenditures (Fig. 5).

FIGURE 5 Number, Expenditures, and Assets of Reporting Charitable Nonprofits in Maine by Field, 2000

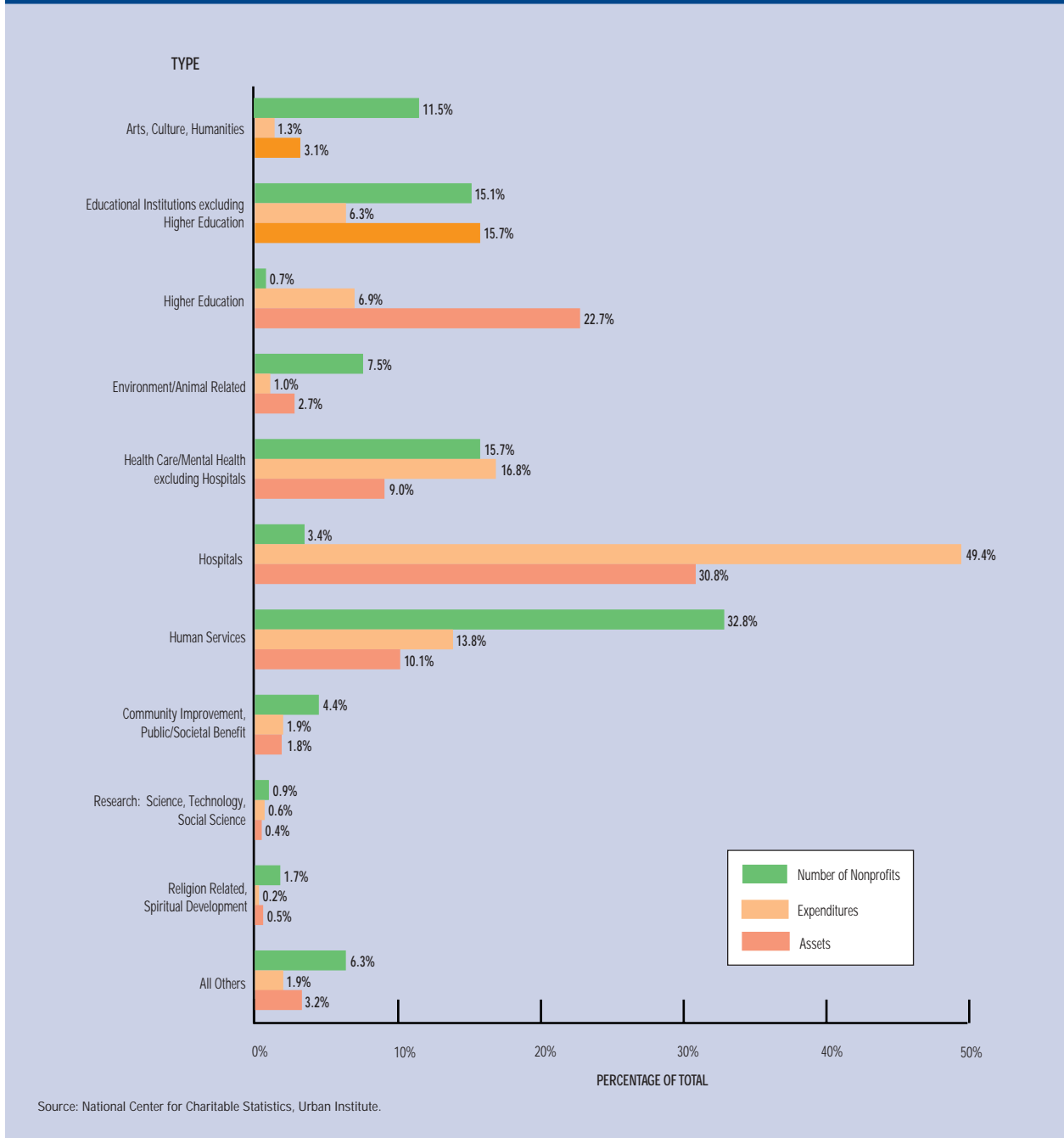
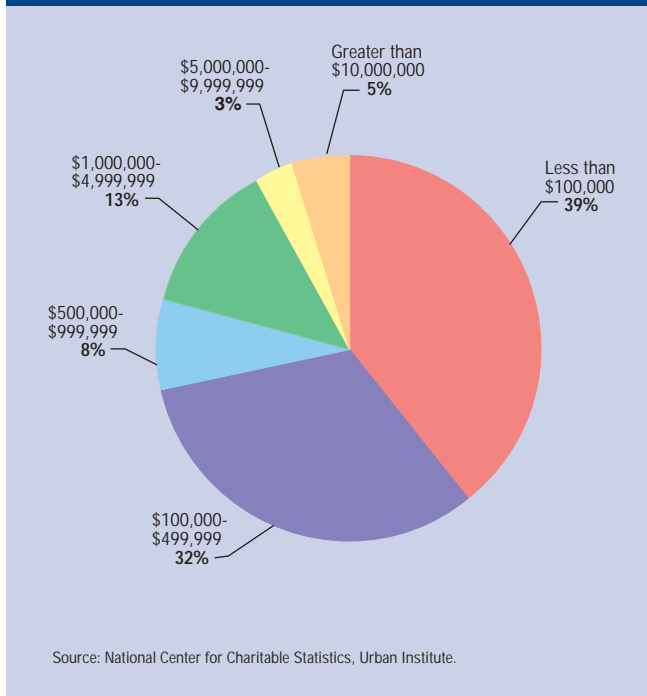


FIGURE 6 Reporting Charitable Nonprofits in Maine by Expenditure Level, 2000



- In 2000, only 8% of Maine’s reporting charitable nonprofits (143 organizations) had annual expenditures greater than \$5 million (Fig. 6). However, these organizations accounted for more than 76% of total assets and 82% of total expenditures (NCCS Core File 2001).
- In contrast, 79% (1,430 organizations) had annual expenditures under \$1 million (Fig. 6).
- Not reflected in Figure 6 are the over 2,500 small charitable nonprofits registered with the IRS but not required to file. This group includes organizations such as youth sports leagues and rescue squads.
- Three counties—Cumberland, Kennebec, and Penobscot—have 47% of the organizations but represent 55% of total expenditures and 61% of total assets (Fig. 7).

FIGURE 7 Reporting Charitable Nonprofits in Maine by County, 2000

County	Number of Organizations	Expenditures	Assets
Androscoggin	108	\$485,148,457	\$754,032,565
Aroostook	67	\$183,557,137	\$125,503,135
Cumberland	488	\$1,291,923,939	\$2,469,844,613
Franklin	48	\$78,299,601	\$58,221,906
Hancock	137	\$258,830,322	\$519,203,983
Kennebec	190	\$622,705,517	\$1,584,138,837
Knox	107	\$159,836,304	\$252,244,515
Lincoln	73	\$74,263,265	\$176,456,217
Oxford	67	\$109,501,145	\$121,348,853
Penobscot	178	\$606,343,372	\$793,111,237
Piscataquis	26	\$45,598,326	\$36,521,198
Sagadahoc	35	\$36,563,092	\$124,211,351
Somerset	36	\$78,175,956	\$131,634,708
Waldo	41	\$65,919,228	\$120,188,844
Washington	47	\$80,049,774	\$76,490,098
York	157	\$408,166,685	\$565,642,757

Source: National Center for Charitable Statistics, Urban Institute.

FIGURE 8 Overview of Maine Foundations, 2000

Foundation Type	Number of Foundations	Assets	Total Giving
Independent Foundations	232	\$653,303,505	\$34,554,739
Corporate Foundations	12	\$16,229,638	\$4,571,612
Community Foundations	1	\$95,872,327	\$6,788,508
Operating Foundations	21	\$26,823,591	\$702,446
Total in Maine	266	\$792,229,061	\$46,617,305
Total in United States	56,582	\$486,085,300,000	\$27,563,200,000
Maine as % of U.S.	0.47%	0.16%	0.17%

Source: The Foundation Center

FIGURE 9 Top 10 Maine Foundations by Assets, 2000

Foundation Name	Assets	Foundation Type
Libra Foundation	\$294,234,550	Independent
The Maine Community Foundation, Inc.	\$95,872,327	Community
The Sandy River Charitable Foundation	\$49,394,257	Independent
Harold Alfond Foundation	\$27,414,117	Independent
The Margaret Chase Smith Foundation	\$12,633,070	Independent
The William and Joan Alfond Foundation	\$11,721,239	Independent
The Lewis P. Gallagher Family Foundation	\$11,194,288	Independent
The Clarence E. Mulford Trust	\$10,425,722	Independent
Lunder Foundation	\$10,333,140	Independent
Margaret E. Burnham Charitable Trust	\$7,886,400	Independent
Total	\$531,109,110	

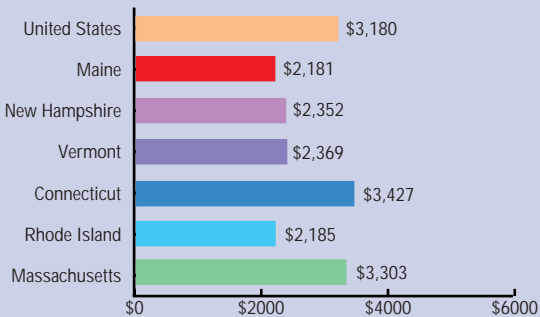
Source: The Foundation Center

FIGURE 10 Top 10 Maine Foundations by Total Giving, 2000

Foundation Name	Total Giving	Foundation Type
Libra Foundation	\$13,519,788	Independent
The Maine Community Foundation, Inc.	\$6,788,508	Community
Harold Alfond Foundation	\$3,964,512	Independent
The Sandy River Charitable Foundation	\$2,306,345	Independent
Hannaford Charitable Foundation	\$1,825,867	Corporate
UnumProvident Corporation Foundation	\$1,755,782	Corporate
The William and Joan Alfond Foundation	\$640,800	Independent
The Margaret Chase Smith Foundation	\$582,541	Independent
Dean L. Fisher Charitable Foundation	\$562,500	Independent
The Lewis P. Gallagher Family Foundation	\$477,000	Independent
Total	\$32,423,643	

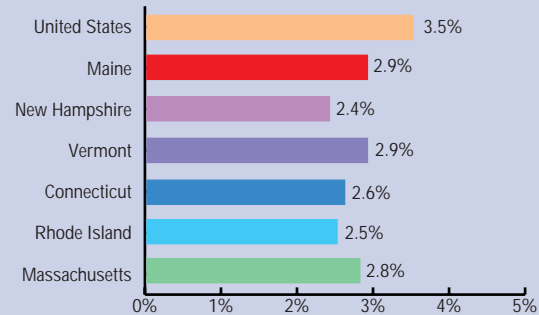
Source: The Foundation Center

- There were 266 foundations in Maine in 2000 (Fig. 8).
- The total assets of Maine foundations were over \$792 million and their giving totaled over \$46 million (Fig. 8).
- The 266 foundations in Maine represented 0.47% of all foundations in the United States in 2000 (Fig. 8).
- The top 10 foundations had over \$531 million in assets, which was 67% of the total for Maine foundations (Fig. 9).
- The top 10 foundations gave over \$32 million or 70% of total giving by Maine foundations (Fig. 10).

FIGURE 11 Average Charitable Contribution of Itemizers, 2000

Source: National Center for Charitable Statistics, Urban Institute.

- The average charitable contribution of those who itemized deductions was \$2,181 in Maine in 2000 (Fig. 11).

FIGURE 12 Percent of Income Contributed by Itemizers, 2000

Source: National Center for Charitable Statistics, Urban Institute.

- The percent of income contributed by these Maine itemizers was 2.9%, slightly below the national average of 3.5% (Fig. 12).

THE MAINE ASSOCIATION OF NONPROFITS

The Maine Association of Nonprofits (MANP) is an association of over 500 nonprofit members and 60 corporate supporters providing training programs, group purchasing services, resources and advocacy for the nonprofit sector in Maine. MANP offers its members skill development programs in the areas of human resources, financial management, technology, public relations and marketing, staff and board leadership and fund development, as well as technical assistance, a group purchasing program for health care and employee benefits, and advocacy resources. MANP is part of a national network of over 38 state associations offering a wide variety of programs and services to nonprofit organizations.

THE UNITY FOUNDATION

As a national public grantmaking foundation with five fields of interest (arts/culture/recreation; education; environment; community/economic development; and at-risk youth), the Unity Foundation invests predominantly in capacity-building initiatives as well as programs (challenges/matches) and nonprofit management education. Headquartered in Maine (but with a national scope and emphasis in New England), the Unity Foundation invests in preferred practices of management appropriately adapted/adopted by mission-driven nonprofit enterprises from profit-driven, private sector enterprises. Operating within the venture philanthropy model, the Unity Foundation seeks highly engaged partnerships, longer term relationships and demonstrable evidence of high performance and sustainability.

For details on the methodology for this report, see <http://www.nccs.urban.org/statereport.htm>

For more information, see

National Center for Charitable Statistics at the Urban Institute (<http://www.nccs.urban.org>);

Foundation Center (<http://www.fdcenter.org>); MANP (<http://www.nonprofitmaine.org>)