



A Thriving Nonprofit Sector is Critical to California's Economic Recovery

California's Nonprofit Workforce

California's nonprofit sector is among the state's largest and most diverse employers.

- One in every 14 California jobs is at a nonprofit.
- The nonprofit sector is the state's 4th largest industry by employment -- more jobs than construction, real estate, finance, or entertainment sectors.
- More than 1.2 million people are employed by CA nonprofits.
- California volunteers contribute approximately \$16.6 billion in unpaid labor each year, the equivalent of 331,058 full-time jobs, most of it in direct work with people, animals, and the land.
- For every paid job, nonprofits generate the economic output of another one-third FTE in volunteer time.
- Compared to the for-profit sector, nonprofits are substantially more diverse in race/ethnicity and gender.
 - Women make up 73 percent of nonprofit management teams compared to 29 percent across all industries.
 - People of color make up 29 percent of nonprofit management compared to 12 percent across all industries.

Compared with all other sectors, investments in California's nonprofits can be counted on to:

- spend and hire in low-wealth communities
- employ women and people of color
- bring dollars in from out-of-state
- provide services to communities

California's Nonprofit Economics

California's nonprofit sector is a major contributor to the state economy and a primary government partner for providing critical services to vulnerable Californians.

- For every \$100 in California nonprofits, an additional \$97 is generated through indirect and induced effects.
- In 2017, California's nonprofit sector output of \$237.7 billion was one-sixth of the Gross State Product.
- California nonprofits bring \$40 billion each year into the state from out-of-state, by obtaining federal funding, grants from out-of-state foundations, and donations from individuals all over the world.
- Despite being exempt from paying corporate income tax, nonprofits pay more than \$37 billion in taxes each year at federal, state, and local levels.
- California's nonprofits are core to government services' supply chain:
 - One-third of all Medi-Cal services are delivered by nonprofits.
 - Statewide, county contracts with nonprofits range from 1 to 14 percent of county budgets.

Disparities

Disparities in society are reflected in the nonprofit sector. Nonprofits are frequently located in and leaders in under-resourced communities and are uniquely able to leverage community assets.

- Some California counties have more than \$14,000 in nonprofit revenue per capita (San Francisco) compared with others like Colusa County with just \$97 per capita.
- The San Francisco Bay Area has 19 percent of the state's population, but 35% of the state's nonprofit revenue. By contrast, the Inland Empire and the San Joaquin regions each have 11% of the state's population, but only 4 percent of total nonprofit revenue.
- These disparities are worsening: In 2012, for every dollar per resident that metropolitan nonprofits had, rural areas had 61 cents. This dropped to 49 cents in 2018.
- Between 2012 and 2016, California nonprofits in communities of color (by zip code) had \$1,668 in revenue per resident, while predominantly white communities had \$3,123. Nonprofit assets per capita were \$1,997 in communities of color and \$6,006 in predominantly white communities.