

# **Economic Benefits of Michigan's Nonprofit Sector**

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***Prepared for***  
Michigan Nonprofit Association  
Lansing, Michigan

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## Executive Summary

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State economies are driven by three sectors: public, private, and nonprofit. Enormous amounts of data are collected about the private and public sectors. Various governmental bodies, private organizations, and trade associations attempting to promote these sectors collect data regarding their employment and economic impact. Little information is collected about the nonprofit sector, placing this sector at a comparative disadvantage during discussions concerning economic activity, output, and most importantly, impact.

Nonprofit organizations are often commended for their contribution as a “safety net” providing valuable services to a state’s residents, but rarely are these organizations cited for the contributions they make to a state’s overall economic vitality and success. The general failure to recognize the economic benefits of nonprofits means that key decisions regarding the growth and support of this sector are being made without complete information.

### **This report documents that Michigan’s nonprofit organizations:**

- **Number over 47,000**—an increase of 14 percent since 2001 (41,000) and 25 percent since 1997—with nearly 10,000 new organizations since 1997
- **Employ directly more than 440,000 people** (an increase of 40 percent from 315,000 in 2001), or 10 percent of the Michigan workforce
- **Pay their employees more than \$4 billion per quarter**
- **Generate an additional 162,000 jobs** as a result of spending by the organizations
- **Hold assets of over \$179 billion**, up 71 percent from \$105 billion in 2003
- **Receive more than \$133 billion in annual revenue**, an increase of 84 percent from \$72 billion in 2003
- **Generate \$108 billion each year in overall economic activity**, through direct expenditures of more than \$60 billion, which creates indirect and induced economic effects of an additional \$48 billion

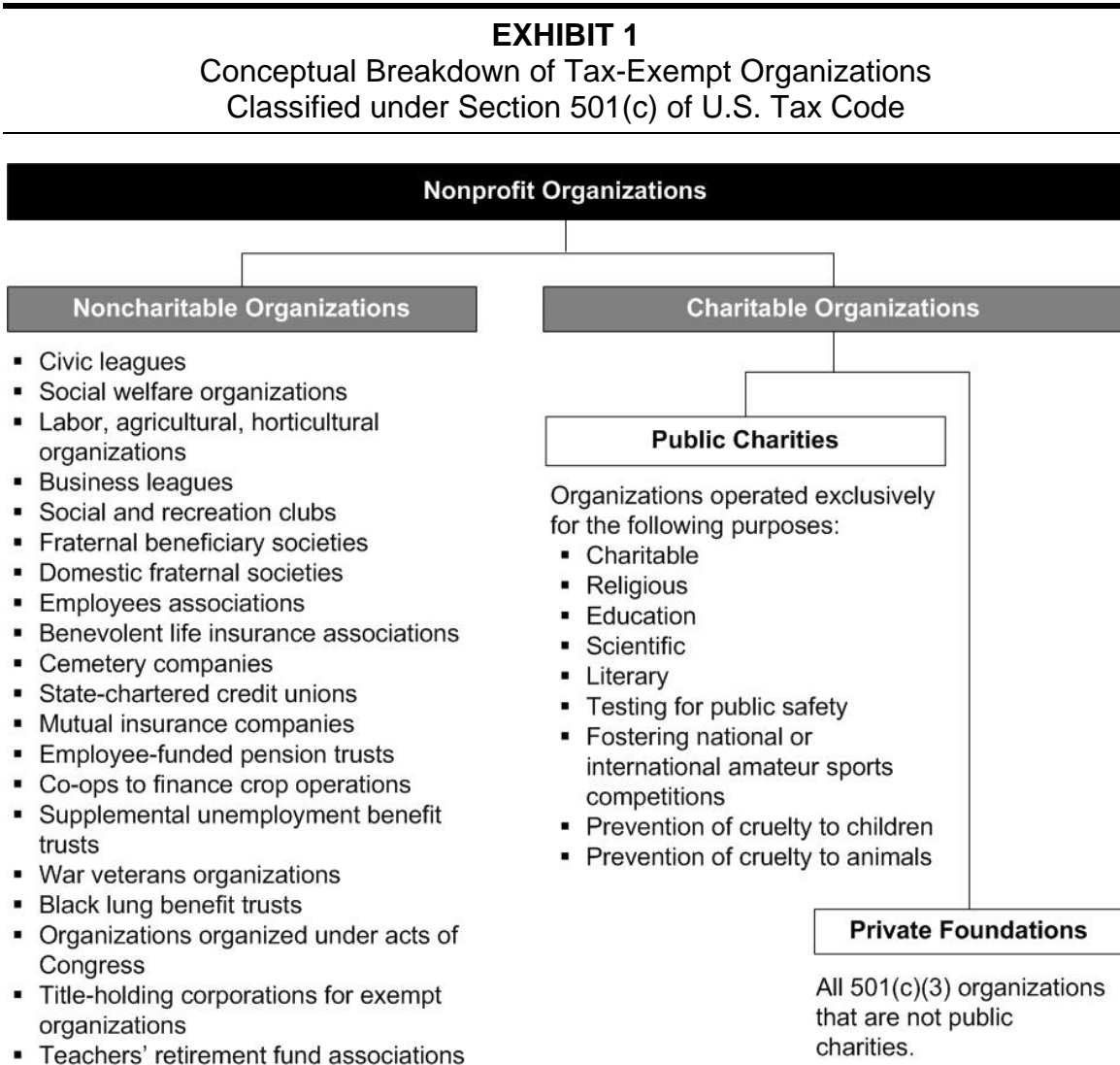
Michigan’s nonprofit sector generates significant economic benefits for state residents. It is both geographically diverse, with organizations in every county of the state, and operationally diverse. Michigan’s nonprofits can be found in every subsector of the service economy, including a strong presence in health care, human services, education, and the arts.

In addition, nonprofit expenditures provide vital economic support to the state’s economy, and nonprofits directly employ at least one in every ten Michigan workers. While the nonprofit sector is not traditionally thought of as an economic powerhouse, its billions of dollars in expenditures—and the fact that demand for many nonprofit services increases during times of economic stress—show that **a healthy and vibrant nonprofit sector is critical to Michigan’s future.**

## DEFINING THE NONPROFIT SECTOR

Section 501(c) of the federal tax code specifies 28 different sets of requirements for classification as a nonprofit organization (that is, groups that are exempt from corporate income taxes). There are two major divisions of nonprofits: **charitable** nonprofit organizations (to which donations are tax deductible) and **noncharitable** nonprofit organizations.

Exhibit 1 illustrates the categories of 501(c) nonprofit entities.



SOURCE: Bureau of Economic and Business Research, the University of Utah, 1998. *The Economic Impact of Utah's Nonprofit Sector: Characteristics of a Resource for the Public Good*. Salt Lake City, Utah: University of Utah. A more detailed description of the types of organizations and requirements for nonprofit status can be found in IRS Publication 557, "Tax Exempt Status for Your Organization," available online at <http://www.irs.gov/pub/irs-pdf/p557.pdf>.

### **Charitable Nonprofit Organizations—501(c)(3)**

Charitable organizations (clustered under section 501(c)(3) of the tax code) are further divided into two categories: public charities and private foundations. According to the Internal Revenue Service (IRS), the express purpose of a 501(c)(3) organization must be to benefit the community or society. Furthermore, a group's articles of organization must limit the organization to one or more exempt purposes, must not empower the organization to engage in activities not directly related to its exempt purpose, and must provide that the organization, upon its dissolution, distribute its assets to another 501(c)(3) organization.

- **Public charities**—Examples include groups with arts, charitable, educational, health care, religious, and scientific missions. Michigan's largest public charities include Trinity Health Corporation, Cranbrook Educational Community, Hillsdale College, and the Edison Institute. The category encompasses art museums, community theatres, childcare centers, and religious groups and institutions.
- **Private foundations**—Typically, these entities receive assets from families, individuals, or corporations and devote a portion of their assets and investment earnings to support charitable causes. Among Michigan's largest private foundations are the W. K. Kellogg Foundation, the Charles Stewart Mott Foundation, and the Kresge Foundation.

### **Noncharitable Nonprofit Organizations**

The largest category of noncharitable nonprofit entities can be found in sections 501(c)(4) and (9). These noncharitable entities are also exempt from federal taxation, but because they receive much of their funding from members as opposed to the general public, are allowed to serve a focused community, and may engage in substantial lobbying, their donors are *not* permitted to deduct contributions to these groups from their federal taxes.

Examples of noncharitable nonprofits in Michigan include civic associations and business leagues, such as chambers of commerce; fraternal societies such as The Benevolent and Protective Order of Elks and The Knights of Columbus; federal- and state-chartered credit unions; and mutual insurance companies.

## **DATA SOURCES**

Public Sector Consultants (PSC) compiled the most recent data available on nonprofit organizations in Michigan. Sources for the data were:

- The Internal Revenue Service Business Master Files for Exempt Organizations for 1997, 2001, 2006, 2007, and 2008, which list 47,229 nonprofit organizations<sup>1</sup>
- The National Center for Charitable Statistics (NCCS) Core Files for 1997, 2001, and 2006, which report the assets of all tax-exempt organizations with more than \$25,000 in gross receipts

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<sup>1</sup> PSC draws attention to several shortcomings in the data. The IRS Business Master File excludes financial information about organizations with annual revenues less than \$25,000, and about religious groups, which are exempt from disclosing financial data.

- The Michigan Office of Labor Market Information (LMI)—official source of state employment figures
- Individual annual reports for the 15 largest private foundations
- The United States Census Bureau

To establish the full impact of nonprofit organizations on the overall state economy, PSC used IMPLAN, an input-output model of the state economy. In this model, an organization's purchases from vendors in other sectors are multiplied, along with the earnings of its employees, based on assumptions about the goods and services that they purchase from sources beyond their employer.

It is important to note that throughout this analysis financial information is only considered for organizations with gross receipts of more than \$25,000. Reporting organizations account for only 35 percent of all nonprofit organizations. While those organizations that do not report financial information are by definition small, the large number of non-reporters creates an explicit downward bias in all of our estimates. Furthermore, this report excludes government bodies (including public universities and colleges). To include government bodies would greatly distort the picture of the nonprofit sector, which is very much separate from the public sector.

A similar downward bias also exists with respect to any employment figures that are included in this report. For reasons that will be discussed below, a large number of nonprofit organizations are not required to submit employment information to the Office of Labor Market Information. While PSC is confident that the employment figures below represent the vast majority of economic activity in the nonprofit sector, it is important to note that a nontrivial number of small nonprofit organizations are not included in the employment figures.

## **PREVIOUS STUDIES**

Public Sector Consultants conducted an analysis of the economic benefits of Michigan's nonprofit sector in April 1999 (using the most recent available data, which was for 1997), and again in 2004 (using data from 2001). Since then, Michigan's nonprofit sector has grown considerably, as the analysis starting on the next page clearly shows.

# Analysis: Michigan's Nonprofit Sector

The analysis section:

- Describes the nonprofit sector overall, including a high-level summary of its three major components (public charities, private foundations, and noncharitable nonprofit organizations)
- Discusses the employment impact of Michigan's nonprofit sector
- Discusses the economic impact of Michigan's nonprofit sector

In addition to the information presented in this written report, additional information is included on a website to allow readers to search by region and county. To view the additional information—including asset, revenue, expenditure, and employment data by county—please visit <http://www.mnaonline.org>.

## SECTOR SUMMARY

There are a variety of nonprofit organizations in Michigan serving a wide range of purposes. Exhibit 2 describes Michigan's nonprofit sector over the last decade by IRS classification. According to the IRS, in 2008 Michigan had 47,229 nonprofit organizations. This represents a 14 percent increase in total organizations since 2001 and a 25 percent increase since 1997. In both absolute and percentage terms, this increase was largest in the 501(c)(3) category, which increased by 64 percent from 1997 to 2008.

**EXHIBIT 2**  
Nonprofit Organizations in Michigan, by Tax Status

	2008	2006	2001	1997
(02) Title holding corporation for exempt organization	401	411	432	450
(03) Charitable and religious organizations	31,979	30,396	23,690	19,522
(04) Social welfare	3,705	3,992	4,127	4,431
(05) Labor, agricultural, and horticultural	2,441	2,548	2,757	2,813
(06) Business leagues	2,116	2,161	2,092	2,118
(07) Social and recreational clubs	1,631	1,759	1,852	2,012
(08) Fraternal beneficiary societies	2,211	2,504	3,333	3,508
(09) Voluntary employees beneficiary associations	337	358	384	441
(10) Domestic fraternal societies and associations	453	482	589	539
(12) Benevolent life insurance associations	23	23	18	23
(13) Cemetery companies	94	95	99	98
(14) State chartered credit unions	237	243	272	320
(15) Mutual insurance companies or associations	15	21	9	11
(17) Supplemental unemployment benefit trusts	56	55	69	90
(19) War veterans organizations	1,421	1,526	1,549	1,475
<b>Total</b>	<b>47,229</b>	<b>46,685</b>	<b>41,413</b>	<b>37,890</b>

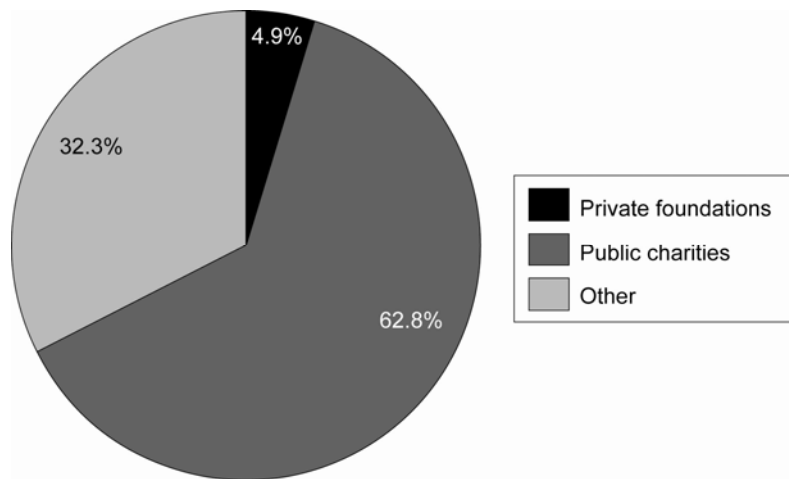
SOURCE: IRS Business Master Files.

NOTE: Categories where organizations appeared in some, but not all, of the years have been excluded from the detail but are included in the total.

As would be expected, the largest category is for 501(c)(3) organizations. Numbering 31,979 in 2008, this category includes both public charities and private foundations.<sup>2</sup> Exhibit 3 shows the distribution of nonprofit organizations in Michigan according to this grouping.

### EXHIBIT 3

#### Distribution of Nonprofit Organizations in Michigan, by Type, 2008



SOURCE: IRS Business Master Files 2008.

Exhibit 4 displays the expenditures of reporting nonprofit organizations by tax status for 2001 and 2006 (that is, information for organizations that receive more than \$25,000 in revenue during the year). In terms of expenditures, the largest category of nonprofit organizations in both 2001 and 2006 was 501(c)(3) organizations. By dollar value, in 2006 voluntary employees beneficiaries associations were the second largest category, indicating the growing use of this type of nonprofit organization by the state's large automotive corporations.

### EXHIBIT 4

#### Nonprofit Expenditures by Tax Status Reporting Nonprofit Organizations, 2001 and 2006

	2001	2006
(02) Title holding corporation for exempt organization	\$27,266,929	\$20,281,804
(03) Charitable and religious organizations	27,991,589,156	38,093,004,219
(04) Social welfare	3,561,961,182	7,512,819,758
(05) Labor, agricultural, and horticultural	804,932,433	967,126,038
(06) Business leagues	1,381,327,081	1,542,968,159
(07) Social and recreational clubs	296,747,632	341,173,584

<sup>2</sup> Because of their differing objectives and the different tax rules that apply to them, these two groups will be analyzed separately throughout this document. All other nonprofit organizations will be analyzed together in a composite group of noncharitable nonprofits.

	2001	2006
(08) Fraternal beneficiary societies	\$195,703,677	\$264,839,112
(09) Voluntary employees beneficiary associations	4,175,009,075	11,073,463,857
(10) Domestic fraternal societies and associations	15,173,057	26,935,771
(12) Benevolent life insurance associations	269,458,175	527,653,420
(13) Cemetery companies	19,454,617	31,779,466
(14) State chartered credit unions	888,306,966	1,260,411,052
(15) Mutual insurance companies or associations	(881,259)	3,246,560
(17) Supplemental unemployment benefit trusts	63,514,319	346,241,617
(19) War veterans organizations	31,650,939	36,095,809
<b>Total</b>	<b>\$39,721,213,979</b>	<b>\$62,048,040,226</b>

SOURCE: NCCS Core Files.

In 2008, the nonprofit sector held over \$179 billion in assets and took in approximately \$133 billion in revenue. As can be seen in Exhibit 5, this represents a dramatic increase from 2003, when these organizations held roughly \$105 billion in assets and earned \$72.5 billion in revenue. This represents an increase of 84 percent in revenue and 71 percent in assets.

## EXHIBIT 5

### Michigan Nonprofit Organizations, Revenue and Assets, 2003 and 2008

	2003 Revenue	2008 Revenue
Noncharitable nonprofits	\$32,748,202,324	\$64,685,013,009
Public charities	35,098,597,398	47,784,367,029
Private foundations	4,656,516,171	20,973,525,072
<b>Total</b>	<b>\$72,503,315,893</b>	<b>\$133,442,905,110</b>
	2003 Assets	2008 Assets
Noncharitable nonprofits	\$44,551,390,539	\$96,111,854,484
Public charities	42,969,791,654	62,838,002,744
Private foundations	17,584,351,823	20,291,463,253
<b>Total</b>	<b>\$105,105,534,016</b>	<b>\$179,241,320,481</b>

SOURCE: IRS Business Master Files.

## PUBLIC CHARITIES

The largest category of nonprofit organizations in Michigan is public charities which account for nearly 63 percent of organizations in the sector. These organizations, however, hold only 37 percent of nonprofit assets and earn only 36 percent of revenue.

Exhibit 6 contains the distribution of public charities identified by their primary National Taxonomy of Exempt Entities (NTEE) classification. This coding system is used by the IRS and most of the other organizations that analyze this sector. While the largest *numbers* of public charities are in the human services category, in terms of income, expenditures, and assets, this category is dwarfed by the size of the health services sector.

Health services organizations account for 72 percent of income, 74 percent of expenditures, and 63 percent of all public charity assets.

**EXHIBIT 6**  
Reporting Public Charities, by Social Function, 2006

	<b>% of organizations</b>	<b>% of revenues</b>	<b>% of expenditures</b>	<b>% of assets</b>
Arts, culture, and humanities	10.3%	1.5%	1.5%	3.3%
Education	15.3	7.9	7.3	12.3
Environment	4.2	0.6	0.5	1.2
Health	14.0	72.2	73.5	63.1
Human services	36.5	12.6	12.9	10.2
International	1.3	0.6	0.5	0.4
Mutual benefit	0.4	0.0	0.0	0.0
Public and societal benefit	12.2	4.0	3.2	8.8
Religion	5.6	0.6	0.6	0.7
Unknown	0.1	0.0	0.0	0.0

SOURCE: NCCS Public Charity Core File, NTEE group 10 codes.  
NOTE: Columns may not add to 100 percent due to rounding.

Exhibit 7 contains a breakdown of Michigan public charities by asset categories. Several key points can be drawn from these figures:

- The majority of reporting public charities report \$250,000 or less in assets.
- The 16 largest public charities—those reporting more than \$500 million in assets—account for 40 percent of total assets.
- Public charities with more than \$100 million in assets make up less than 1 percent of organizations, but hold 68 percent of total assets.

**EXHIBIT 7**  
All Reporting Public Charities, Assets, 2006

<b>Assets category</b>	<b>Number</b>	<b>Cumulative percentage</b>	<b>Amount</b>	<b>Cumulative percentage</b>
\$<0	31	0.3%	-\$294,113	0.0%
0–50,000	3,068	33.0	57,722,647	0.1
50,001–250,000	2,277	57.2	277,105,637	0.6
250,001–1,000,000	1,796	76.3	958,204,269	2.2
1,000,001–5,000,000	1,383	91.0	3,245,108,608	7.6
5,000,001–10,000,000	346	94.7	2,440,858,619	11.8
10,000,001–25,000,000	238	97.2	3,708,188,753	18.0

Assets category	Number	Cumulative percentage	Amount	Cumulative percentage
25,000,001–100,000,000	172	99.0%	\$8,256,063,207	31.9%
100,000,001–500,000,000	77	99.8	17,554,702,573	61.5
500,000,001+	16	100.0	22,862,226,142	100.0
<b>Total</b>	<b>9,404</b>		<b>\$59,359,936,342</b>	

SOURCE: NCCS Public Charity Core Files.

Exhibit 8 details the \$36 billion in expenditures by Michigan’s public charities, based on expenditure categories. Similar to assets:

- 62 percent of nonprofit organizations report less than \$250,000 in expenditures.
- Only 9 nonprofit organizations spent more than \$500 million, accounting for 28 percent of all expenditures. All of these organizations were in the health services sector.

### EXHIBIT 8 All Reporting Public Charities, Expenditures, 2006

Expenditures category	Number	Cumulative percentage	Amount	Cumulative percentage
\$<0	5	0.1%	–\$310,031	0.0%
0–50,000	2,683	28.6	72,593,642	0.2
50,001–250,000	3,150	62.1	368,169,111	1.2
250,001–1,000,000	1,781	81.0	902,264,508	3.7
1,000,001–5,000,000	1,117	92.9	2,488,941,156	10.6
5,000,001–10,000,000	272	95.8	1,984,868,531	16.0
10,000,001–25,000,000	198	97.9	2,979,650,272	24.2
25,000,001–100,000,000	141	99.4	6,203,382,436	41.3
100,000,001–500,000,000	48	99.9	11,154,213,992	72.1
500,000,001+	9	100.0	10,125,334,006	100.0
<b>Total</b>	<b>9,404</b>		<b>\$36,279,107,623</b>	

SOURCE: NCCS Public Charity Core Files.

## PRIVATE FOUNDATIONS

Private foundations make up the smallest category of nonprofit organizations in Michigan. Exhibit 9 classifies private foundations according to their 10-category NTEE codes. Unsurprisingly, a large majority of private foundations serve a philanthropic purpose. These foundations account for 81 percent of revenue, 89 percent of expenditures, and 90 percent of assets. The second largest category of foundations is educational institutions. In terms of revenue, however, the second largest category is human services organizations. Compared to public charities, relatively few private foundations are focused on health care—though many of the philanthropic organizations likely include health among their goals.

**EXHIBIT 9**  
Reporting Private Foundations, by Social Function, 2006

	% of organizations	% of revenues	% of expenditures	% of assets
Arts, culture, and humanities	2.3%	1.6%	1.5%	1.3%
Education	8.7	6.1	4.8	4.3
Environment	1.2	0.1	0.1	0.1
Health	2.2	0.7	1.1	0.2
Human services	4.3	10.2	3.0	3.3
International	0.3	0.0	0.1	0.0
Mutual benefit	0.2	0.0	0.0	0.0
Public and societal benefit	79.4	80.8	88.9	90.2
Religion	1.5	0.5	0.6	0.5

SOURCE: NCCS Private Foundation Core File, NTEE group 10 codes.

Even more than in the case of public charities, the assets of private foundations are primarily held by a small number of large foundations. Exhibit 10 displays the assets and expenditures of private foundations by size.

**EXHIBIT 10**  
All Reporting Private Foundations, Assets and Expenditures, 2006

	Number	Cumulative percentage	Amount	Cumulative percentage
<b>Assets category</b>				
\$<0	1	0.0%	-\$3,696	0.0%
0-50,000	665	27.7	7,924,333	0.0
50,001-250,000	486	47.9	67,262,762	0.3
250,001-1,000,000	573	71.8	303,705,971	1.7
1,000,001-5,000,000	459	90.8	1,004,646,355	6.1
5,000,001-10,000,000	93	94.7	657,782,858	9.0
10,000,001-25,000,000	61	97.3	952,128,260	13.2
25,000,001-100,000,000	41	99.0	1,962,319,358	21.8
100,000,001-500,000,000	21	99.8	4,002,439,870	39.4
500,000,001+	4	100.0	13,751,284,337	100.0
<b>Total</b>	<b>2,404</b>		<b>\$22,709,490,408</b>	
<b>Expenditures category</b>				
\$0-50,000	1,390	57.8%	\$21,376,536	1.2%
50,001-250,000	616	83.4	70,630,859	5.1
250,001-1,000,000	252	93.9	120,438,853	11.7
1,000,001-5,000,000	95	97.9	192,617,733	22.3
5,000,001-10,000,000	28	99.0	192,107,597	32.9

	Number	Cumulative percentage	Amount	Cumulative percentage
10,000,001–25,000,000	13	99.6%	\$202,891,981	44.1%
25,000,001–100,000,000	7	99.9	254,469,158	58.1
100,000,001+	3	100.0	759,363,879	100.0
<b>Total</b>	<b>2,404</b>		<b>\$1,813,896,596</b>	

SOURCE: NCCS Private Foundation Core Files and individual foundation annual reports.

- Over 70 percent of the foundations have less than \$1 million in assets. These low-asset foundations account for less than 2 percent of all assets.
- In contrast, the 25 foundations with more than \$100 million in assets control nearly 80 percent of all assets.
- Considering expenditures, the foundation sector is relatively less top-heavy. The 23 highest-spending foundations account for less than 60 percent of expenditures.

## NONCHARITABLE NONPROFIT ORGANIZATIONS

There are 4,849 noncharitable nonprofit organizations required to report detailed financial information. Exhibit 11 contains data on the distribution of noncharitable nonprofit organizations by number, revenue, expenditures, and assets. In terms of assets, the largest categories of these reporting noncharitable nonprofits are benefit organizations. These include organizations such as professional associations and advocacy groups. This should not be surprising since, unlike public charities or private foundations, these organizations are allowed to serve a single constituency and also engage in significant lobbying activities. The third largest category in terms of assets is health organizations. These organizations are the largest in terms of revenue and the second largest in terms of expenditures.

### EXHIBIT 11

#### Reporting Noncharitable Nonprofits, by Social Function, 2006

	% of organizations	% of revenues	% of expenditures	% of assets
Arts, culture, and humanities	2.8%	0.2%	0.2%	0.1%
Education	6.2	0.9	0.7	0.2
Environment	2.0	0.8	0.6	0.5
Health	4.4	42.2	31.9	4.9
Human services	35.4	7.6	6.8	3.8
International	0.1	0.0	0.0	0.0
Mutual benefit	11.6	38.8	52.2	60.6
Public and societal benefit	37.0	9.5	7.5	29.9
Religion	0.3	0.1	0.1	0.1
Not categorized	0.1	0.0	0.0	0.0

SOURCE: NCCS Noncharitable Nonprofit Core File, NTEE group 10 codes.

Exhibit 12 contains data on the assets and expenditures of noncharitable nonprofit organizations by size.

**EXHIBIT 12**  
All Reporting Noncharitable Nonprofit Organizations,  
Assets and Expenditures, 2006

	Number	Cumulative percentage	Amount	Cumulative percentage
<b>Assets category</b>				
\$<0	15	0.3%	-\$1,061,236	0.0%
0–50,000	1,461	30.4	31,923,192	0.0
50,001–250,000	1,582	63.1	195,976,289	0.3
250,001–1,000,000	923	82.1	469,991,533	0.9
1,000,001–5,000,000	449	91.4	973,546,960	2.2
5,000,001–10,000,000	117	93.8	806,385,803	3.3
10,000,001–25,000,000	110	96.0	1,723,224,647	5.6
25,000,001–100,000,000	118	98.5	6,158,505,953	13.9
100,000,001–500,000,000	60	99.7	13,147,933,983	31.5%
500,000,001+	14	100.0	51,232,650,293	100.0
<b>Total</b>	<b>4,849</b>		<b>\$74,739,077,417</b>	
<b>Expenditures category</b>				
\$<0	3	0.1%	-\$110,396	0.0%
0–50,000	1,479	30.6	40,578,277	0.2
50,001–250,000	1,915	70.1	220,943,278	1.1
250,001–1,000,000	771	86.0	382,793,001	2.7
1,000,001–5,000,000	447	95.2	1,026,000,522	6.9
5,000,001–10,000,000	87	97.0	604,754,739	9.5
10,000,001–25,000,000	79	98.6	1,212,316,396	14.5
25,000,001–100,000,000	42	99.5	2,001,957,277	22.8
100,000,001–500,000,000	18	99.8	3,673,135,832	38.1
500,000,001+	8	100.0	14,870,955,848	100.0
<b>Total</b>	<b>4,849</b>		<b>\$24,033,324,774</b>	

SOURCE: NCCS Noncharitable Nonprofit Core Files.

- The majority of noncharitable nonprofit organizations (63 percent) report less than \$250,000 in assets. These organizations, however, account for only 0.3 percent of all assets in this sector.
- Conversely, the top 14 organizations account for nearly 70 percent of all assets.
- The top 10 percent of organizations in terms of assets hold over 99 percent of the total assets.

- A similar distribution of organizations can be found with respect to expenditures, with the 8 largest organizations accounting for more than 60 percent of all expenditures.

## EMPLOYMENT DATA

Public Sector Consultants obtained firm-level data on nonprofit organizations from the National Center for Charitable Statistics. Employer Identification Numbers (EINs) were then given to the Michigan Office of Labor Market Information (LMI). PSC received from the LMI **aggregate** employment data at a variety of different geographic and NTEE categories of nonprofit levels. At no time was organization-level employment information transmitted to PSC.

In total, nonprofit organizations in Michigan employed nearly 430,000 people in the first quarter of 2006, or approximately 10 percent of the Michigan labor force. Individuals in these jobs were paid nearly \$4 billion in that same quarter.

Exhibit 13 shows the breakdown of employment by nonprofit status. Unsurprisingly, public charities account for the vast majority—90 percent—of direct nonprofit employment in 2006. Noncharitable nonprofit organizations account for slightly less than 10 percent, with private foundations accounting for the remainder. These proportions continue in 2007 and 2008.

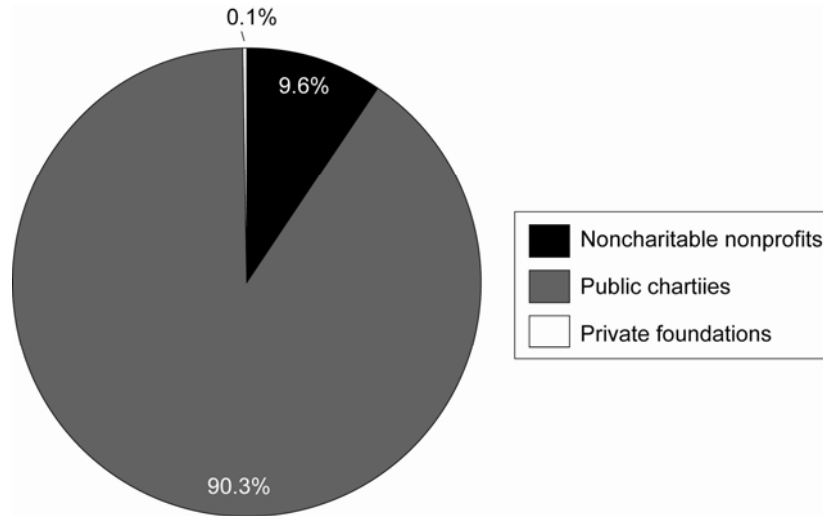
There are two sources of limitations to this method of obtaining employment data. First, firms that have no regular employees are not covered by unemployment insurance and thus are not required to supply the LMI with information on employees and wages. Second, as discussed above, the financial information from the NCCS Core Files do not include firms that receive less than \$25,000 in revenue.

Due to these data limitations, PSC was only able to match approximately 40 percent of the firms in the Core File. Undoubtedly, these are the largest organizations and account for the majority of economic activity. For example:

- Among public charities we matched 41 percent of firms, but these accounted for approximately 85 percent of expenditures, 82 percent of assets, and 85 percent of revenue.
- The matches were less successful for private foundations where only 5 percent of firms were matched. This is perhaps not surprising, since private foundations are likely to have fewer employees per dollar of expenditures and assets than public charities. The rate of matching for noncharitable nonprofit organizations was similar to that of foundations.

Despite the small number of matched organizations, in total these matches still account for 62 percent of expenditures, 69 percent of assets, and 59 percent of revenue. Taken together, these statistics ensure that the employment statistics in this report account for the majority of economic activity generated in the nonprofit sector.

**EXHIBIT 13**  
2006 March Employment in Michigan Nonprofit Organizations,  
by Nonprofit Status



SOURCE: Michigan Office of Labor Market Information and Public Sector Consultants Inc.

It is important to note that these direct employment numbers may not reflect the true employment impact of private foundations. A large percentage of the expenditures made by these foundations are given to public charities. As a result, a portion of the jobs in the public charities sector should be attributed to private foundations.

Exhibit 14 contains the breakdown of employment by major NTEE category from 2006 to 2008. The total number of employees over this time has increased 2.6 percent from 429,381 to 440,439. Over this time period, total employment in the state decreased by 3 percent.

**EXHIBIT 14**  
Employment in Nonprofit Organizations

	2006 (3Q)	2007 (1Q)	2008 (1Q)
Arts, culture, and humanities	6,573	6,744	6,837
Education	62,581	65,133	65,483
Environment	2,661	2,500	2,508
Health	220,738	226,278	232,903
Human services	90,631	87,213	86,440
International	629	644	744
Mutual benefit	4,596	4,387	4,516
Public and societal benefit	18,567	18,869	19,180

	2006 (3Q)	2007 (1Q)	2008 (1Q)
Religion	17,687	17,400	17,410
Unknown	4,718	4,415	4,418
<b>Total</b>	<b>429,381</b>	<b>433,583</b>	<b>440,439</b>
State non-farm employment	4,348,200	4,286,800	4,215,800
Nonprofit employment as a percentage of state employment	9.9%	10.1%	10.4%

SOURCE: ES-202 data from the Michigan Office of Labor Market Information and Public Sector Consultants Inc.

Comparing nonprofit employment to other sectors in Michigan is difficult, because standard labor force numbers do not take into account the organization type (for-profit vs. nonprofit). In other words, the majority of Michigan's 440,000 nonprofit employees are already included in the 3,439,300 service-providing jobs in the first quarter of 2008.

The easiest comparison, therefore, is to sectors where few nonprofit employees would likely reside. For example, in early 2008, the number of employees in the nonprofit sector—more than 440,000—was slightly less than the 478,200 employees in the retail trade sector and the 581,500 employees in the manufacturing sector. Nonprofits employed dramatically more than the approximately 140,000 individuals employed in construction—but this was during winter months when construction employment is lower than in the summer.

Overall, the employment data follow a pattern similar pattern to that of the financial data discussed above. Specifically:

- Health services organizations are the largest source of employment in the nonprofit sector. In 2006, these organizations accounted for 51 percent of all nonprofit employment. By 2008, these organizations comprised approximately 53 percent of nonprofit employment and accounted for nearly all of the growth in nonprofit employment.
- The second largest group of organizations is human services, though employment in these organizations decreased over the last three years.
- Education organizations are the third largest group, with employment increasing slightly from 2006 to 2008.

Exhibit 15 displays the total third quarter wages paid by nonprofit organizations in 2006, and then first quarter wages for 2007 and 2008. Nonprofit organizations are grouped by major NTEE code. Total quarterly wages in the state increased nearly 11 percent from third quarter 2006 to first quarter 2008.

**EXHIBIT15**  
Quarterly Wages in Nonprofit Organizations

	2006 (3Q)	2007 (1Q)	2008 (1Q)
Arts, culture, and humanities	\$40,266,022	\$39,900,931	\$41,976,745
Education	594,460,747	643,242,762	671,817,537
Environment	18,873,037	18,284,952	19,604,399
Health	2,367,447,493	2,485,621,895	2,659,363,210
Human services	514,600,817	506,723,598	514,419,530
International	7,535,940	9,470,117	10,834,246
Mutual benefit	44,855,746	43,573,121	48,994,057
Public and societal benefit	159,483,182	175,790,624	184,054,347
Religion	72,007,420	78,185,278	79,185,760
Unknown	40,216,712	38,837,319	40,326,430
<b>Total</b>	<b>\$3,859,747,116</b>	<b>\$4,039,630,597</b>	<b>\$4,270,576,261</b>

SOURCE: ES-202 data from the Michigan Office of Labor Market Information and Public Sector Consultants Inc.

Unsurprisingly, health services organizations paid the largest amount in wages, accounting for 61 percent of wages in 2006 and 62 percent in 2008. This percentage of wages is greater than the percentage of employees in these organizations, indicating higher average wages in the health care sector. The second largest category of organizations with respect to wages was education organizations.

## ECONOMIC EFFECTS OF MICHIGAN NONPROFITS

In addition to direct employment and income, the nonprofit sector generates economic activity known as indirect and induced effects.

- **Indirect** effects are the result of purchases by the nonprofit sector from other sectors of the economy—for example, transportation, communications, and utilities services—that generate income and employment in these other sectors.
- **Induced** effects are the result of nonprofit employees spending their income on goods and services provided by businesses other than their employer, such as grocery stores and dry cleaners.

Public Sector Consultants developed estimates of the direct expenditures for charitable and noncharitable organizations using information available from IRS data.

- Private foundations were excluded because many of their expenditures are in the form of grants to public charities, which would result in double counting if they were included.
- Public charity and noncharitable nonprofit expenditures were estimated at \$60.3 billion annually, based on reporting public charities and noncharitable nonprofits.

The expenditure estimates for the various categories were entered into the IMPLAN input-output model for the state of Michigan. On the basis of estimates that take into

account direct, indirect, and induced economic effects, the model calculates that the nonprofit sector:

- Generates total economic activity (output) of \$107.8 billion
  - \$60.3 billion in direct effects
  - \$22.8 billion in indirect effects
  - \$24.7 billion in induced effects
- Generates total personal income of \$47.1 billion
- Generates 821,319 jobs
  - 440,439 jobs in direct employment
  - 161,740 in indirect employment
  - 219,140 in induced employment

Nonprofit organizations in Michigan serve a variety of purposes that aid individuals in need across the state. In addition, their expenditures provide vital economic support to the state's economy. While the nonprofit sector is not traditionally thought of as an economic powerhouse, its billions of dollars in expenditures and the hundreds of thousands of employees are clearly a benefit to the state.

# Nonprofit Organizations in Detail

Nonprofit organizations in Michigan differ in their mission and structure. This section provides more detailed economic data about the nonprofit sector in Michigan. Data about public charities are disaggregated based on their social function, while information about private foundations and noncharitable nonprofit organizations is provided for the sector as a whole.

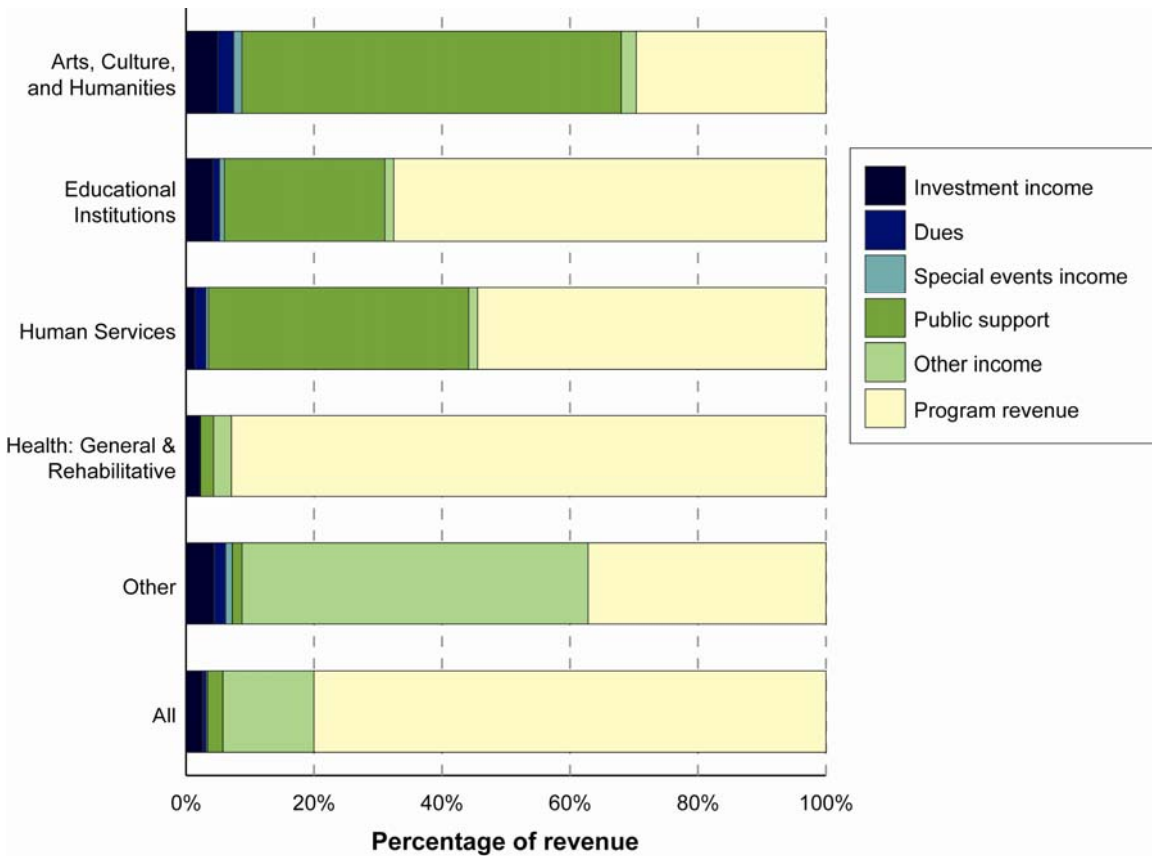
## PUBLIC CHARITIES IN MICHIGAN BY SOCIAL FUNCTION

Public charities in Michigan serve a variety of social functions. Within each category these organizations differ greatly in the manner in which they raise, save, and spend money.

Revenues for reporting public charities come from a wide variety of sources. Exhibit 16 shows revenue by source for the major categories of public charities.

### EXHIBIT 16

Sources of Revenue for Reporting Public Charities by NTEE Code, 2006



SOURCE: 2006 NCCS Public Charity Core Files.

Overall, public charities receive approximately 80 percent of their revenue from program revenue. This is primarily a function of health services organizations, the largest category, receiving over 90 percent of their revenue from this source. Other categories of public charities, such as arts, culture, and humanities and human services, receive far less money from program revenue. Arts organizations receive only 30 percent of their revenue from program revenue and 60 percent from public support—which includes donations, government grants, and other funds. In addition to these differences in revenue sources, the concentration of assets and expenditures varies across the different types of organizations. These differences are detailed in the following exhibits.

Exhibit 17 displays the distribution of assets and expenditures for public charities in the health services sector.

**EXHIBIT 17**  
Reporting Health Services Public Charities, Assets and Expenditures, 2006

	Number	Cumulative percentage	Amount	Cumulative percentage
<b>Assets category</b>				
\$0–50,000	281	21.4%	\$4,799,810	0.0%
50,001–250,000	267	41.7	33,918,721	0.1
250,001–1,000,000	239	59.9	124,750,584	0.4
1,000,001–5,000,000	238	78.0	583,564,547	2.0
5,000,001–10,000,000	99	85.5	719,313,839	3.9
10,000,001–25,000,000	73	91.1	1,176,355,802	7.1
25,000,001–100,000,000	61	95.7	2,966,079,034	15.0
100,000,000+	56	100.0	31,847,528,742	100.0
<b>Total</b>	<b>1,314</b>		<b>\$37,456,311,079</b>	
<b>Expenditures category</b>				
\$0–50,000	202	15.4%	\$5,163,366	0.0%
50,001–250,000	327	40.3	41,241,812	0.2
250,001–1,000,000	254	59.6	137,696,580	0.7
1,000,001–5,000,000	228	76.9	569,850,500	2.8
5,000,001–10,000,000	103	84.8	775,431,320	5.7
10,000,001–25,000,000	74	90.4	1,140,745,851	10.0
25,000,001–100,000,000	74	96.0	3,341,499,688	22.6
100,000,000+	52	100.0	20,636,757,884	100.0
<b>Total</b>	<b>1,314</b>		<b>\$26,648,387,001</b>	

SOURCE: 2006 NCCS Public Charity Core Files.

In this category:

- The largest organizations (those with assets of more than \$100 million) represent approximately 4 percent of organizations but account for approximately 85 percent of total assets.

- This pattern is similar for expenditures; the largest organizations account for 4 percent of organizations and 77 percent of assets.
- In 2006, a larger number of reporting health services charities have more than \$100 million in assets and expenditures than in 2001, when only 51 organizations reported that level of assets and only 44 reported that level of expenditures.
- About 85 percent of organizations have less than \$10 million in assets and expenditures. This is similar to 2001, when 85 percent of health services charities were in this category.
- In total, there are more reporting health services public charities in 2006 (1,314) than there were in 2001 (1,086).

Exhibit 18 lists the top ten health services public charities by assets, with their associated expenditures. Trinity Health Corporation and Trinity Health of Michigan are the two largest organizations in the state in terms of assets. Together, they account for approximately \$10 billion in assets.

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**EXHIBIT 18**  
**Largest Reporting Health Services Public Charities,**  
**Assets and Associated Expenditures, 2006**

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<b>Reporting health services public charity</b>	<b>Assets</b>	<b>Expenditures</b>
Trinity Health Corporation	\$7,363,065,632	\$375,196,023
Trinity Health of Michigan	2,996,870,261	1,882,645,302
William Beaumont Hospital	2,330,002,654	1,645,545,044
Henry Ford Health System	1,638,088,604	1,619,380,257
Spectrum Health Hospitals	1,415,167,578	935,921,967
St. John Health Corporation	822,307,812	188,096,079
Oakwood Healthcare Inc.	806,241,254	864,178,729
Providence Hospital	698,444,810	477,305,153
St. John Hospital and Medical Center	684,072,269	1,520,914,754
Edward W. Sparrow Hospital Association	631,345,656	546,263,271

SOURCE: 2006 NCCS Public Charity Core Files.

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Exhibit 19 contains asset and expenditures information by size for public charities in the human services sector.

**EXHIBIT 19**  
Reporting Human Service Public Charities,  
Assets and Expenditures, 2006

	Number	Cumulative percentage	Amount	Cumulative percentage
<b>Assets category</b>				
\$<0	19	0.6%	-\$203,833	0.0%
0–50,000	1,063	31.5	20,051,526	0.3
50,001–250,000	829	55.7	101,797,539	2.0
250,001–1,000,000	702	76.1	379,886,176	8.2
1,000,001–5,000,000	581	93.0	1,347,159,213	30.4
5,000,001–10,000,000	137	97.0	943,679,208	45.9
10,000,001–25,000,000	67	99.0	1,026,190,737	62.8
25,000,001–100,000,000	30	99.9	1,463,217,528	86.9
100,000,000+	5	100.0	797,754,503	100.0
<b>Total</b>	<b>3,433</b>		<b>\$6,079,532,597</b>	
<b>Expenditures category</b>				
<0	2	0.1%	-\$47,734	0.0%
\$0–50,000	756	22.1	21,712,340	0.5
50,001–250,000	1,178	56.4	142,065,732	3.5
250,001–1,000,000	783	79.2	402,897,661	12.1
1,000,001–5,000,000	511	94.1	1,111,464,630	35.9
5,000,001–10,000,000	105	97.1	757,116,287	52.1
10,000,001–25,000,000	71	99.2	1,010,147,466	73.7
25,000,001–100,000,000	25	99.9	932,761,159	93.7
100,000,000+	2	100.0	293,859,033	100.0
<b>Total</b>	<b>3,433</b>		<b>\$4,671,976,574</b>	

SOURCE: 2006 NCCS Public Charity Core Files.

In the human services category:

- The 102 organizations with more than \$10 million in assets account for more than half (54 percent) percent of total assets in this sector.
- A similar pattern can be seen for expenditures.
- About 97 percent of reporting human services organizations have less than \$10 million in assets and expenditures. This is the same as in 2001.
- In 2006, there were considerably more reporting human services organizations (3,433) than there were in 2001 (2,600).

Exhibit 20 lists the ten largest human services public charities in terms of assets, with their associated expenditures. Three of the top four largest human services public charities are in the home health care and hospice industry. The fourth largest, Starr Commonwealth, is a boarding school for teenagers, located in Albion.

**EXHIBIT 20**  
Largest Reporting Human Services Public Charities,  
Assets and Associated Expenditures, 2006

Reporting human services charity	Assets	Expenditures
Holland Home	\$228,506,724	\$47540,538
Michigan Masonic Home	164,099,203	25,193,044
Michigan Masonic Home Charitable Foundation	130,415,496	4,963,083
Starr Commonwealth	104,864,825	32,509,880
Cook Valley Estates	95,027,098	22,557,282
YMCA of Metropolitan Detroit	89,775,072	34,932,026
Leader Dogs for the Blind	83,466,865	10,331,223
Oakwood Health Promotions Inc.	81,444,240	29,968,923
Glacier Hills Inc.	78,186,969	26,919,107
United Methodist Retirement Communities Inc.	65,609,072	33,948,015

SOURCE: 2006 NCCS Public Charity Core Files.

Exhibit 21 displays the assets and expenditures of public charities in the education sector. The concentration of these public charities is similar to that of the human services sector.

**EXHIBIT 21**  
Reporting Education Public Charities, Assets and Expenditures, 2006

Assets category	Number	Cumulative percentage	Amount	Cumulative percentage
\$<0	5	0.3%	-\$78,966	-0.0%
0-50,000	615	43.0	11,636,094	0.2
50,001-250,000	305	64.2	34,754,401	0.6
250,001-1,000,000	226	79.9	122,476,820	2.3
1,000,001-5,000,000	171	91.7	408,868,053	7.9
5,000,001-10,000,000	32	94.0	236,833,588	11.2
10,000,001-25,000,000	37	96.5	592,865,138	19.3
25,000,001-100,000,000	32	98.8	1,567,886,408	40.9
100,000,000+	18	100.0	4,299,489,207	100.0
<b>Total</b>	<b>1,441</b>		<b>\$7,274,730,743</b>	

Expenditures category	Number	Cumulative percentage	Amount	Cumulative percentage
\$<0	2	0.1%	-\$16,427	-0.0%
0–50,000	654	45.5	16,476,720	0.6
50,001–250,000	392	72.7	41,393,236	2.2
250,001–1,000,000	178	85.1%	\$90,118,108	5.6%
1,000,001–5,000,000	128	94.0	275,507,234	16.0
5,000,001–10,000,000	34	96.3	248,972,259	25.4
10,000,001–25,000,000	26	98.1	442,597,677	42.1
25,000,001–100,000,000	24	99.8	1,182,598,316	86.8
100,000,000+	3	100.00	348,931,081	100.0
<b>Total</b>	<b>1,441</b>		<b>\$2,646,578,204</b>	

SOURCE: 2006 NCCS Public Charity Core Files.

In this category:

- Over 90 percent of organizations have less than \$5 million in assets, and 94 percent have less than \$5 million in expenditures.
- The largest 18 organizations, those with more than \$100 million in assets, account for less than 2 percent of organizations and approximately 60 percent of all assets.
- A larger number of organizations in 2006 (50) than in 2001 (37) have more than \$25 million in assets.
- There are more reporting education public charities in 2006 (1,441) than in 2001 (1,082).

Exhibit 22 shows the ten largest public charities in the education sector in terms of assets, with their associated expenditures. The largest education public charities are Hillsdale College and the Cranbrook Educational Community—a private K–12 school in Southeastern Michigan.

**EXHIBIT 22**  
Largest Reporting Education Public Charities,  
Assets and Associated Expenditures, 2006

Reporting education public charity	Assets	Expenditures
Hillsdale College	\$534,144,437	\$67,099,508
Cranbrook Educational Community	447,691,580	69,842,508
Michigan State University Foundation	407,712,689	23,447,784
Hope College	366,441,775	120,909,121
Calvin College	312,927,954	120,621,346
Albion College	307,989,917	49,548,864
Kalamazoo College	265,323,651	57,512,963
Wayne State University	212,941,676	25,464,248

Reporting education public charity	Assets	Expenditures
Western Michigan State University Foundation	190,693,479	15,838,657
Kettering University	169,476,714	57,241,942

SOURCE 2006 NCCS Public Charity Core Files.

Reporting public charities in the arts and humanities sector appear to be much smaller in financial terms than public charities in the other sectors. Exhibit 23 contains information on the distribution of assets and expenditures in this category.

### EXHIBIT 23 Reporting Arts Public Charities, Assets and Expenditures, 2006

	Number	Cumulative percentage	Amount	Cumulative percentage
<b>Assets category</b>				
\$<0	2	0.2%	-\$7,936	0.0%
0–50,000	348	36.0	7,460,094	0.4
50,001–250,000	288	65.7	35,069,258	2.2
250,001–1,000,000	199	86.2	101,882,212	7.4
1,000,001–5,000,000	96	96.1	201,382,532	17.8
5,000,001–10,000,000	14	97.5	105,986,301	23.2
10,000,001–25,000,000	9	98.5	117,312,165	29.3
25,000,001+	15	100.0	1,374,161,752	100.0
<b>Total</b>	<b>971</b>		<b>\$1,943,246,378</b>	
<b>Expenditures category</b>				
\$0–50,000	334	34.4%	\$8,780,329	1.6%
50,001–250,000	423	78.0	46,406,023	10.2
250,001–1,000,000	150	93.4	72,591,540	23.5
1,000,001–5,000,000	49	98.5	95,905,162	41.2
5,000,001–10,000,000	7	99.2	48,992,021	50.2
10,000,001–25,000,000	4	99.6	58,281,954	60.9
25,000,001+	4	100.0	212,513,512	100.0
<b>Total</b>	<b>971</b>		<b>\$543,470,541</b>	

SOURCE: 2006 NCCS Public Charity Core Files.

In this category:

- More than 65 percent of organizations report less than \$250,000 in assets.
- Only 15 organizations have more than \$25 million in assets, accounting for over 70 percent of all assets. In 2001, only 9 organizations were in this category.
- Four arts and humanities public charities report expenditures greater than \$25 million in 2006. This is the same number reporting this level of expenditures in 2001.

- There are more reporting arts and humanities organizations in 2006 (971) than there were in 2001 (606).

Exhibit 24 lists the ten largest arts and humanities public charities in terms of assets, with their associated expenditures. The largest arts organization in the state is the Edison Institute, the organization that operates the Henry Ford Museum and Greenfield Village in Dearborn. This organization has more than twice the assets of the Detroit Institute of Arts, the second largest arts and humanities public charity in the state.

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**EXHIBIT 24**  
Largest Reporting Arts Public Charities,  
Assets and Associated Expenditures, 2006

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Reporting arts public charity	Assets	Expenditures
The Edison Institute, Inc.	\$448,387,963	\$56,068,167
The Detroit Institute of Arts	188,442,633	85,886,777
Detroit Symphony Orchestra Hall	147,850,988	37,455,146
Interlochen Center for the Arts	105,577,224	33,103,422
Grand Rapids Art Museum	81,751,104	5,479,709
Michigan Opera Theatre	72,177,433	15,031,653
Midland Center for the Arts, Inc.	69,823,776	7,480,695
Flint Cultural Center Corporation, Inc.	41,587,431	9,845,707
Flint Institute of Arts	38,236,197	3,792,741
Flint Institute of Music	35,965,299	4,489,938

SOURCE: 2006 NCCS Public Charity Core Files.

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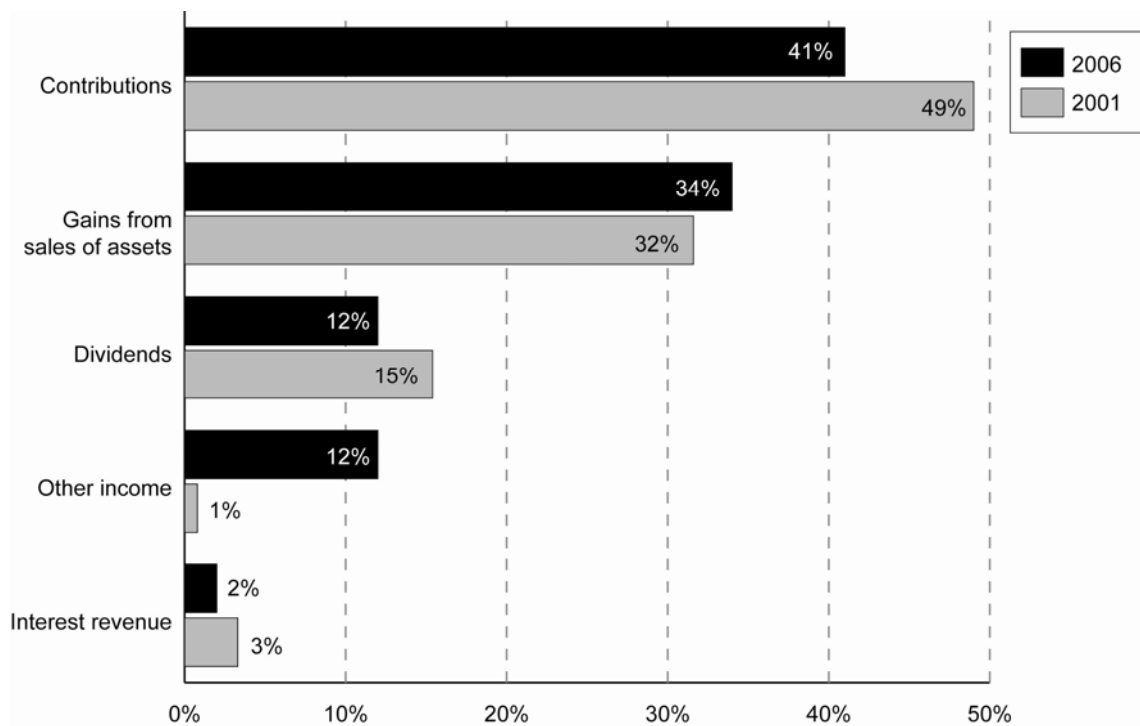
## PRIVATE FOUNDATIONS IN MICHIGAN

Of the 3,043 private foundations in the Business Master File, 2,404 generated more than \$25,000 in revenue and filed a form 990 with the IRS in 2006. Financial data from the NCCS Core File were supplemented by information from the annual reports of the largest foundations. Exhibits 25 and 26 provide information on the revenue-generating activities of private foundations and financial information on the largest foundations in the state.

Revenues for private foundations are generated by a number of activities. Exhibit 25 contains the percentage of revenue by source in both 2001 and 2006. The largest source of revenue for foundations is contributions, though this makes up a smaller percentage of revenue in 2006 than in 2001. Roughly one-third of revenue comes from the gain and sale of assets.

## EXHIBIT 25

### Sources of Revenue for Reporting Private Foundations, 2001 and 2006



SOURCE: 2006 NCCS Private Foundation Core Files.

Exhibit 26 displays data on the assets and income of the largest reporting private foundations in Michigan in 2006. The largest foundation in the state is the W. K. Kellogg Foundation. With nearly \$8 billion in assets, this foundation is more than twice as large as the Kresge Foundation. The three largest foundations hold close to \$14 billion in assets. This is considerably more than the next seven largest foundations, and nearly 45 percent of the assets of all reporting private foundations.

## EXHIBIT 26

### Largest Reporting Private Foundations, Assets and Income, 2006

Reporting private foundation	Assets	Income
W. K. Kellogg Foundation	\$7,799,270,734	\$400,495,408
Kresge Foundation	3,329,856,115	546,145,722
Charles Stewart Mott Foundation	2,629,297,079	304,997,601
Skillman Foundation	557,299,864	50,582,598
Herbert H. and Grace A. Dow Foundation	504,957,502	21,728,797
John E. Fetzer Institute, Inc.	493,666,493	47,279,387
Jay and Betty Van Andel Foundation	438,776,196	32,251,274
Ruth Mott Foundation	246,941,193	32,441,233

Reporting private foundation	Assets	Income
Richard and Jane Manoogian Foundation	\$237,507,311	\$20,843,523
General Motors Foundation Inc.	222,500,120	17,001,343

SOURCE: 2006 NCCS Private Foundation Core Files and Private Foundation Annual Reports.

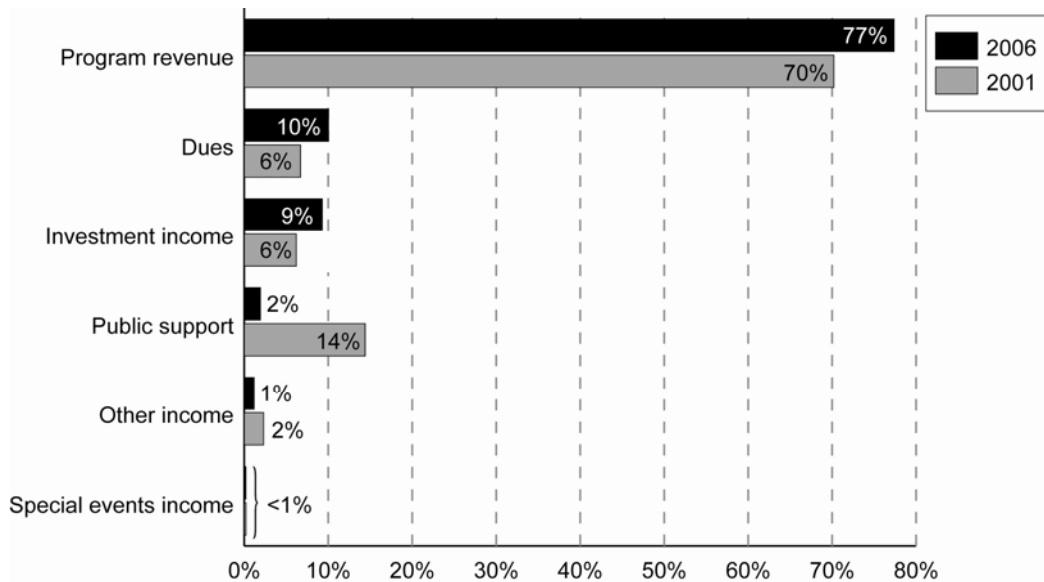
## NONCHARITABLE NONPROFIT ORGANIZATIONS IN MICHIGAN

Among the noncharitable nonprofit organizations in the state of Michigan, 4,849 earned more than \$25,000 and filed a form 990 with the IRS in 2006. Exhibits 27 and 28 provide information on the revenue-generating activities of noncharitable nonprofit organizations in 2006.

The largest source of revenue for noncharitable nonprofit organizations is program revenue. In 2006, this category accounted for 77 percent of all revenue for noncharitable nonprofit organizations compared to 70 percent in 2001, a 10 percent change. In 2006, the second largest category of revenue was dues. This is a change from 2001 when public support was the second largest category, accounting for approximately 14 percent of revenue in that year.

### EXHIBIT 27

Sources of Revenue for Reporting Noncharitable Nonprofit Organizations, 2001 and 2006



SOURCE: 2006 NCCS Noncharitable Organization Core Files.

Exhibit 28 displays data on the assets and income of the largest noncharitable nonprofit organizations in Michigan in 2006. The largest noncharitable nonprofit organization in 2006 was the General Motors Welfare Benefits Trust, with over \$20 billion in assets, followed by the Michigan Department of Commerce Financial Institute Bureau Chartered Credit Union. The third largest organization, the Michigan Catastrophic Claims

Association, is less than half the size of these first two, with approximately \$9.3 billion in assets and \$1.4 billion in income.

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**EXHIBIT 28**

Largest Noncharitable Nonprofit Organizations, Assets and Income, 2006

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<b>Reporting noncharitable nonprofit</b>	<b>Assets</b>	<b>Income</b>
General Motors Welfare Benefits Trust	\$21,817,759,992	\$1,278,128,685
Michigan Dept. of Commerce Financial Institute Bureau Chartered Credit Union	20,831,739,020	1,352,062,194
Michigan Catastrophic Claims Association	9,308,311,344	1,363,668,009
Ford-UAW Benefits Trust	8,545,690,734	612,478,650
Gleaner Life Insurance Society	1,223,927,165	186,792,777
International Union United Auto Aerospace and Agricultural Workers	1,182,328,054	331,110,265
Independent Health Care Trust for UAW Retirees of General Motors	881,238,357	1,082,216,636
Blue Care Network of Michigan	756,041,673	1,622,520,694
Health Alliance Plan of Michigan	427,008,802	1,595,753,661
Priority Health	344,897,987	1,097,740,999

SOURCE: 2006 NCCS Noncharitable Organization Core Files.

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