

Understanding the Geography of Cuyahoga County's Nonprofit Sector Through Form-990 Data

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Agenda

- Discuss the form-990 as a data source
- Contextualize Cuyahoga County's nonprofit sector
- Describe the geography of Cuyahoga County's nonprofit sector

Is Nonprofit Location Important?

- For organizations location can enhance or restrict access to:
 - Resources and clients/consumers
 - Professional or economic networks
- For residents
 - Nonprofits provide:
 - Provide vital and highly valued services, often locally
 - Facilitate economic and social networks
 - Enhance communication and collective efficacy
 - Solving collective action problems

The Form-990

And related IRS documents

- Virtually all tax-exempt organizations must file a 1023(EZ) or 1024
 - Excludes informal organizations and mission oriented for-profit firms
 - But who remains active?
 - Some type of form-990 is required annually for most nonprofits
 - Misses many organizations: small, religious, etc...
- The form 990 was never intended to support a research program or geographic analysis
- It conflates establishments and organizations
- Reports headquarters only
 - Post office boxes
- Revenue / expenses is limited to larger organizations

Data

- The IRS Business Master File
 - A cumulative file, reported monthly
 - Contains basic information for all nonprofits that file tax documents
 - Also reported by the National Center for Charitable Statistics at irregular intervals, with additional information to assist researchers
 - All nonprofit information in this presentation comes from the NCCS BMF
- A nonprofit is considered “active” if it has filed any form of tax documents the past 2 years

Cuyahoga County's Nonprofit Sector in context (2020)

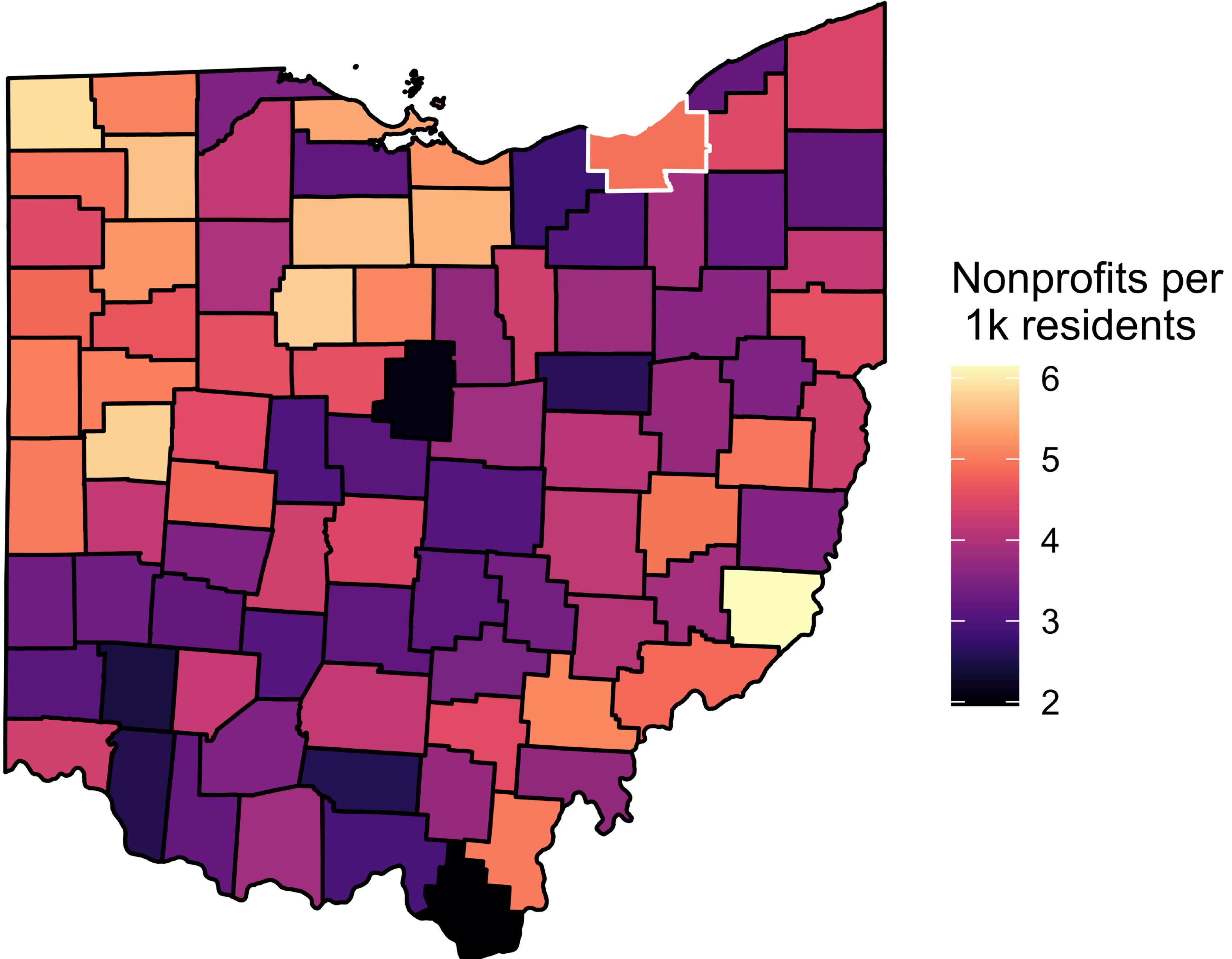
Ohio's Nonprofit Sector

2020

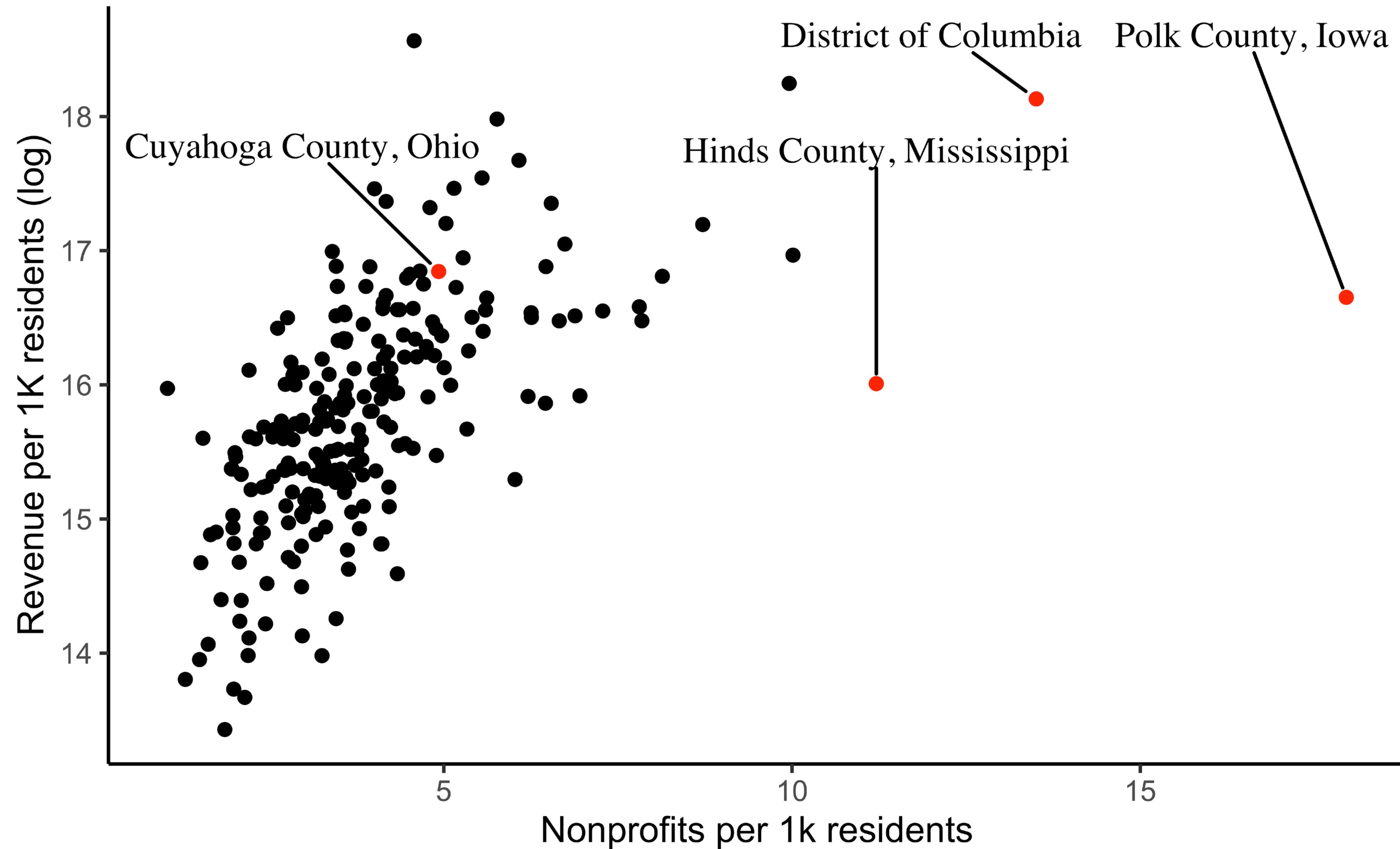
- Cuyahoga County has the largest nonprofit sector in terms of organizations, revenue, and assets
- As a share of the state, it accounts for:
 - 13 percent of the state's nonprofits
 - 29 percent of their assets
 - 25 percent of their revenue
 - Nearly 4 percent of state GDP

County	Number of organizations	Total assets (millions)	Total Revenue (millions)
Cuyahoga	6,115	57,952.09	25,530.15
Franklin	5,817	32,148.24	20,405.44
Hamilton	3,544	34,922.77	16,465.04
Summit	2,098	77,18.85	3,922.11
Montgomery	1,774	13,866.58	12,756.26

- The average among counties in Ohio is 4 nonprofits per 1k residents
- Cuyahoga is slightly above 5 nonprofits per 1k residents
 - Ranking 21st among ohio counties
- Some sparsely populated counties have a disproportionate number of nonprofits
 - (e.g., Monroe county has ~ 6 nonprofits per capita)



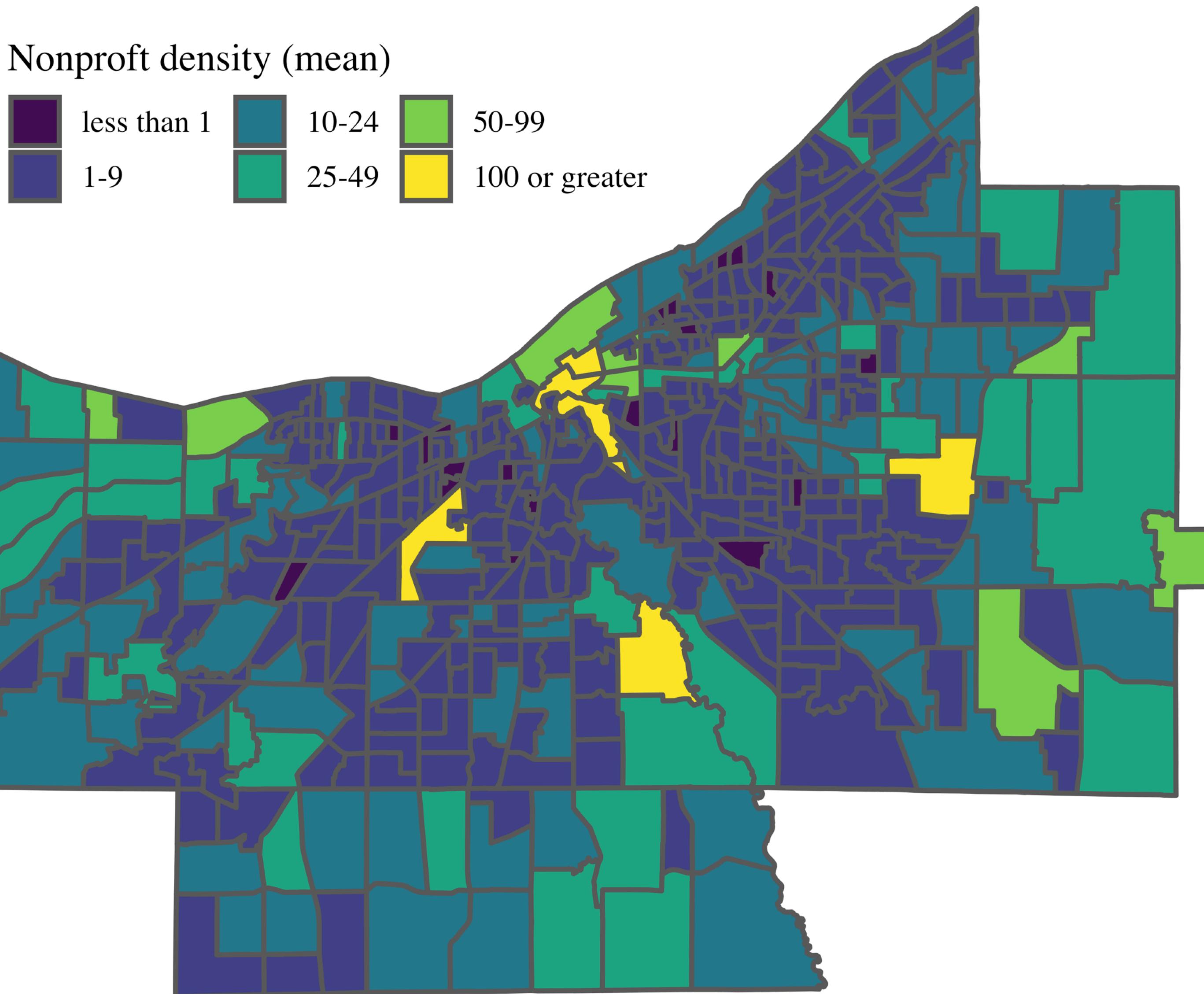
- Among US counties with at least 1k nonprofits Cuyahoga County ranks:
 - 34th in nonprofits per capita
 - 22 in nonprofit revenue per capita



Cuyahoga County's Nonprofit Sector

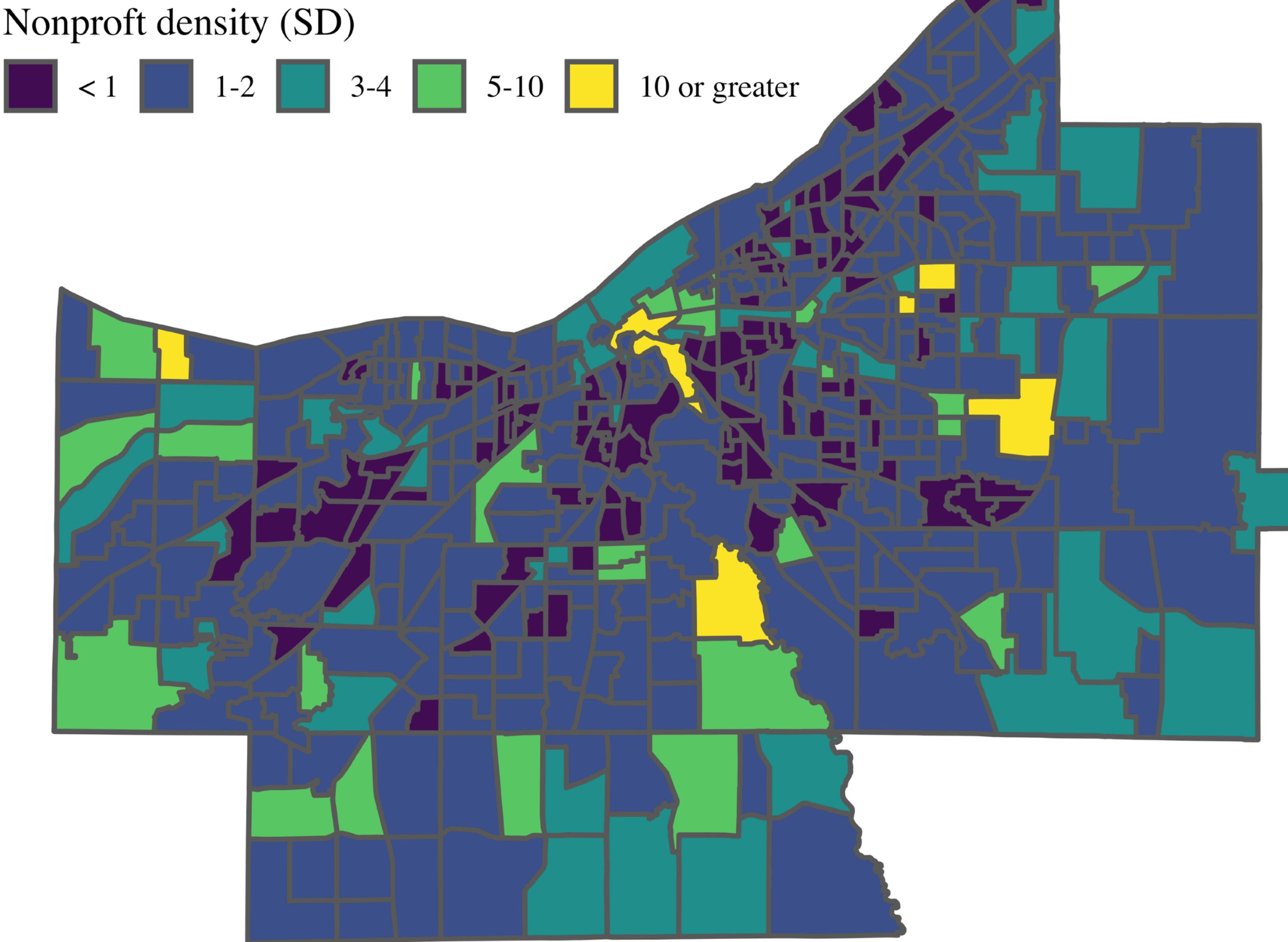
Nonprofit density 2010-2020

- We see industrial clusters in
 - Cleveland (downtown)
 - Beachwood
 - Independence
 - Brooklyn
- Few neighborhoods with high density in
 - East Cleveland
 - Cleveland - outside downtown
- Many suburbs have a strong nonprofit presence



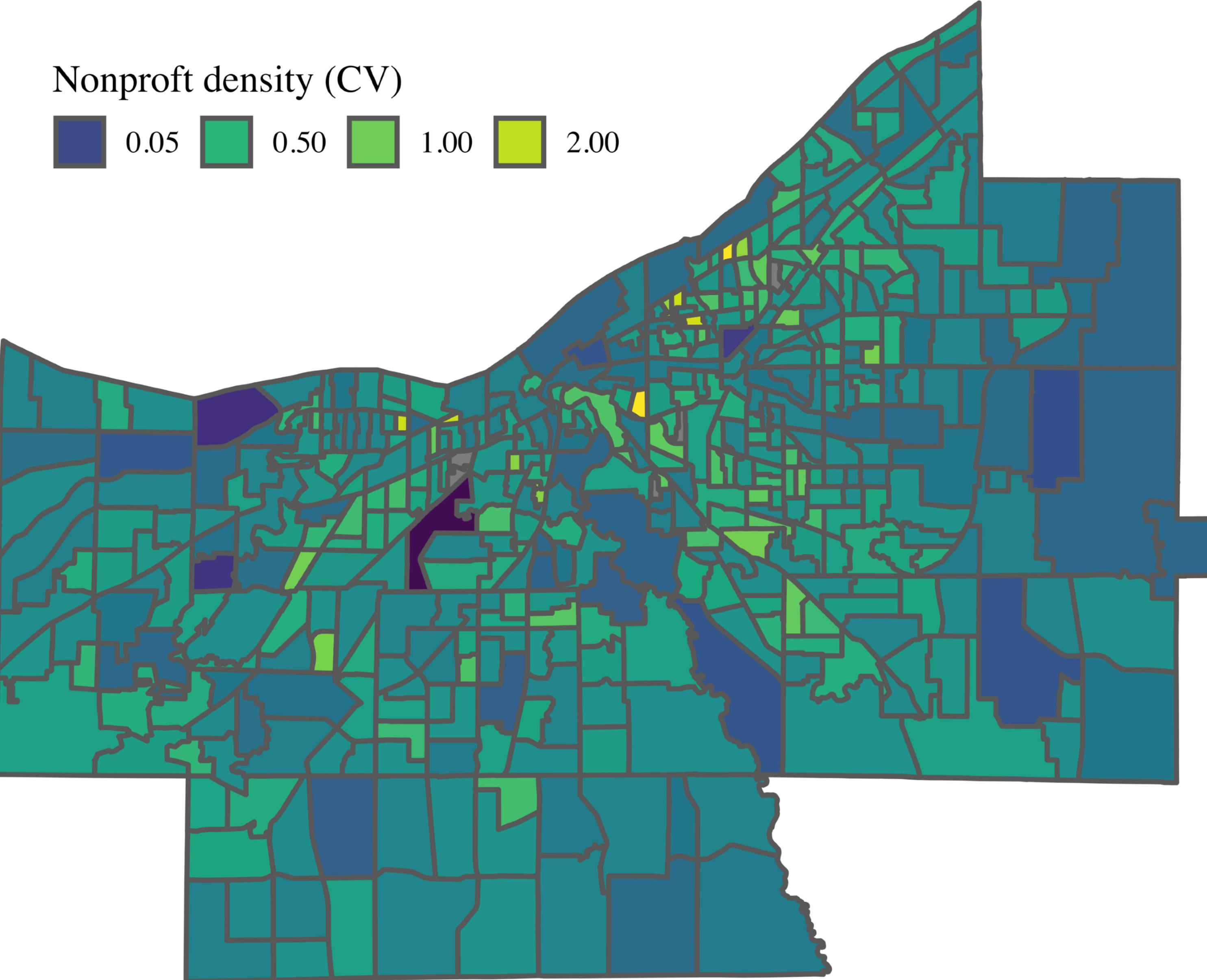
Variation in Nonprofit Density 2010-2020

- High variation in many of industrial clusters
- Just over 6,500 average active nonprofits
- Substantial variation in active nonprofits
 - In total, all neighborhoods have a SD of over 1,300
 - 10 neighborhoods account for over 40 percent of the variation
 - Those 10 neighborhoods have a SD over 500



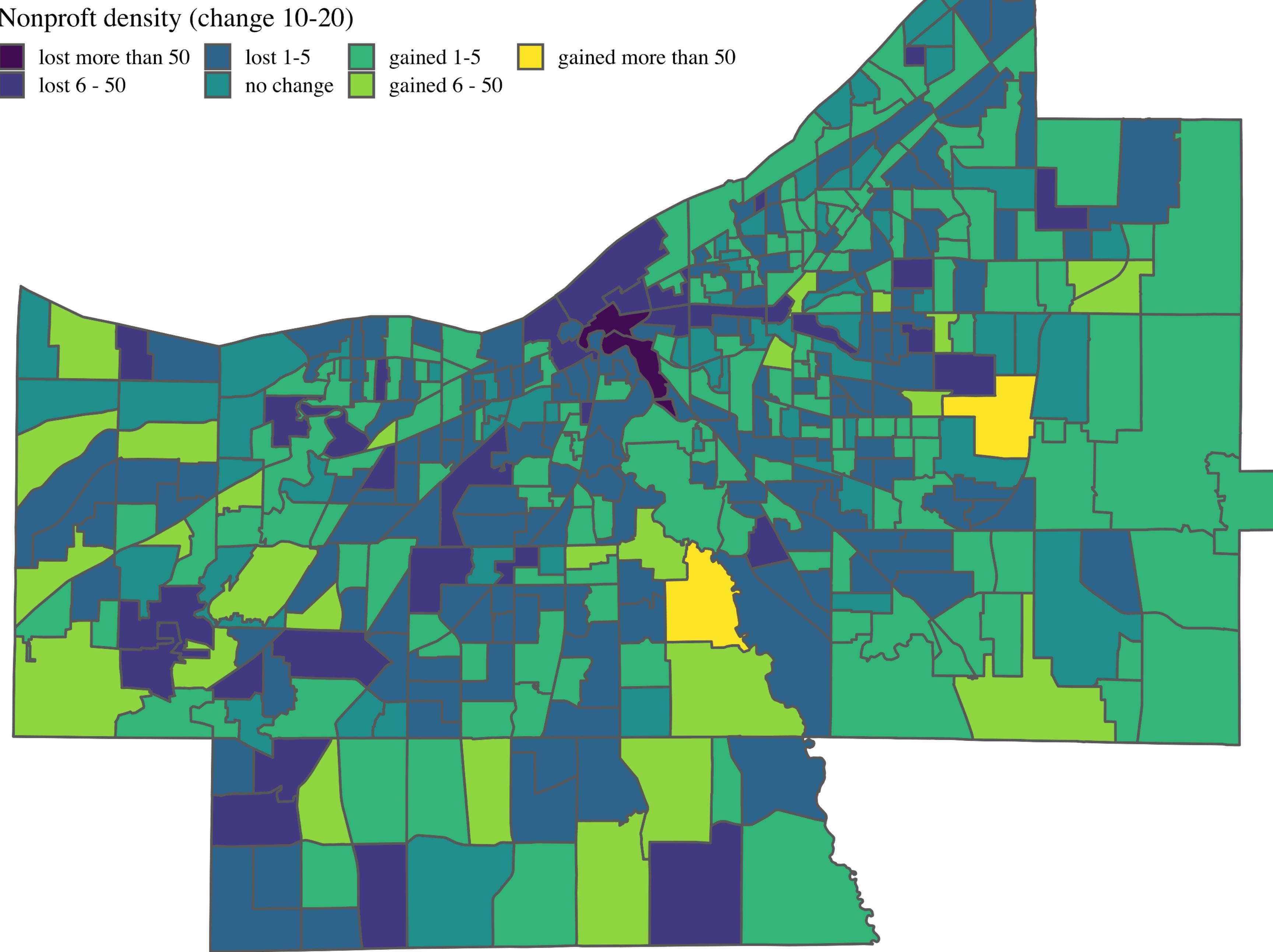
Variation in Nonprofit Density 2010-2020

- Coefficient of variation:
 - SD / Mean
- Roughly a 20 percent change in active nonprofits each year
- Relatively low variation in
 - Downtown
 - Many Suburbs
- Several tracts fluctuate between 0-3 active nonprofits
 - Euclid
 - Eastern Cleveland and east Cleveland



Change from 2010-2020

- Decreases in dense downtown Cleveland neighborhoods
- Increases in neighborhoods in:
 - Beachwood
 - Independence
 - Eastern Cleveland
 - Outer suburbs
- Overall loss of over 700 nonprofits from 2010-20



Thank you!

- Find me on
- Linkedin or Github
 - Duncan-Mayer