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Florida Philanthropic Network: More nonprofit support due

Tampa Bay Business Journal - by Margie Manning Senior staff writer

TAMPA -- Nonprofit organizations in the Tampa Bay area generated \$9 billion in revenue, spent \$8.4 billion and employed 5.5 percent of the area's work force in 2005. Chellie Lisenby, CEO of the Nonprofit Leadership Center of Tampa Bay Inc., hopes those statistics and others in a new study will help boost business backing and stave off government funding cuts to nonprofit organizations.

The report, commissioned by the Florida Philanthropic Network and prepared by Johns Hopkins University, found Florida's nonprofit organizations rank as the state's fourth-largest work force, employing 380,000 paid workers and 250,000 full-time equivalent volunteer workers. That exceeds the work force of the state's real estate industry by more than 3 to 1 and its banking and insurance industry by nearly 50 percent, the report says. The nonprofit sector generated more than \$48 billion in revenue statewide in 2005, the latest year for which data was available, with workers accounting for nearly \$13 billion in wages. "It's a stronger sector than most people realize," said Lisenby, who plans to present the data to local chambers of commerce and to government officials. "It has been hard to articulate to Tallahassee the positive impact of the nonprofit sector. Hopefully we'll be able to incorporate this information into proposals."

Lagging the nation

Although the nonprofit sector is sizeable in Florida, it's proportionately smaller than its counterparts elsewhere in the nation, the report says. Employment in nonprofits accounted for 4.9 percent of total employment in Florida, versus a U.S. average of 7.2 percent. Nonprofit expenditures, including payroll, per capita in Florida are nearly one-third less than in the nation as a whole. Floridians contributed an average of 5 percent less than the U.S. average to nonprofit groups and Florida also lagged the nation in its rate of volunteering, according to the report. "Given the enormous challenges this state faces, the fact that its nonprofit sector lags its counterparts elsewhere should be a cause for concern, especially in view of the tightness of state and local budgets," Lester Salamon, study author and director of the Hopkins Center for Civil Society Studies, said in a release.

Filling gaps

Florida's rapid population growth and large proportion of elderly residents means demands for human services are increasing, according to the report. Nonprofits fill a vital need, especially among the "missing class," workers who earn between \$25,000 and \$40,000 a year and for whom one catastrophic illness could mean financial disaster, Lisenby said. "If (employers) were to poll their employees to find out how many have relied on a nonprofit over the past year, I think they'd be shocked," she said. She cited Tampa nonprofits such as Wheels of Success, which provides personal transportation to working families; MacDonald Training Center, which provides employment and other services to people with disabilities; and YMCA summer programs and affordable child care services. "The nonprofit sector picks up the gap where government and corporations leave off," Lisenby said.

Saving tax dollars

It typically costs \$25,000 a child per year to attend a classroom for deaf children, or an average over 10 years of \$250,000 in taxpayer expense, said Kim Hanna, executive director of Bolesta Center, a Tampa nonprofit. At Bolesta, which provides auditory-verbal therapy for deaf and hard-of-hearing children, the cost is \$5,000 a child per year for an average of four years. Bolesta is reimbursed \$16.67 an hour from Florida's Early Steps program. Hanna said that doesn't cover the cost of services provided. The Centers for Disease Control and Prevention estimates the lifetime costs for all people with hearing loss born in 2000 will total \$2.1 billion. "Our kids won't fall into that category. By the time they're going into kindergarten, they're on par with their hearing peers," Hanna said.

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