

The 2008 Kansas City Nonprofit Sector At a Glance

Produced by the Midwest Center for Nonprofit Leadership
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Nonprofit public service organizations play a unique and vital role in the growth and development of the Greater Kansas City metropolitan region. These organizations are integral to the region's economy, and they are central to the overall health of the community. Therefore, each year the Midwest Center for Nonprofit Leadership organizes and analyzes data from multiple sources (including the IRS and the Census Bureau) to track and document the size and scope of the region's sector and its growth and development. This Sector at a Glance Report presents a few highlights from the current year's research.

For the first time in more than a decade, Kansas City's charitable nonprofit sector demonstrated a decline in both revenue and in the number of organizations. This year, there are 7,403 Kansas City charitable nonprofit organizations (501c3s) registered with the IRS, a decrease of 209 (or approximately 2.8%). About forty-four percent of these organizations, or 3,257, have revenues of at least \$25,000 per year (this is an increase of 13 over last year). In addition, there are an estimated 1,552 religious congregations operating in the Greater Kansas City metro region. The restructuring of the Kansas City nonprofit sector also is illustrated by a decline in overall sector revenue of approximately one-half billion dollars (about a 5% decline); the nonprofit sector now comprises 13.7% of the region's economy, down from 14.4 % last year. A detailed report on the topics of this summary, including trend information on the sector plus highlights from the most current report on Kansas City nonprofit wages and benefits, is available on the Midwest Center's website (www.mcnl.org).

The Nonprofit Share of the Kansas City Economy

- The nonprofit sector (excluding congregations) comprises 3.5 percent of the total number of Kansas City organizations, yet it generates more than seven percent of total revenue for the region's economy (see figure 1 below). As the nonprofit economic activity declined from 2007 the share of Kansas City's estimated Gross Metropolitan Product (GMP) fell with about 0.6%.

Figure 1: Nonprofits as Part of the Kansas City Economy

	Number	% of Total	Revenue	% of Total Revenue
All Other Organizations	87,971	96.3%	\$138,349,200,000	92.8%
Charitable Organizations	3,257	3.7%	\$10,780,106,072	7.2%
Total	91,228	100.0%	\$149,129,306,072	100.0%

How Kansas City's Nonprofit Sector Compares

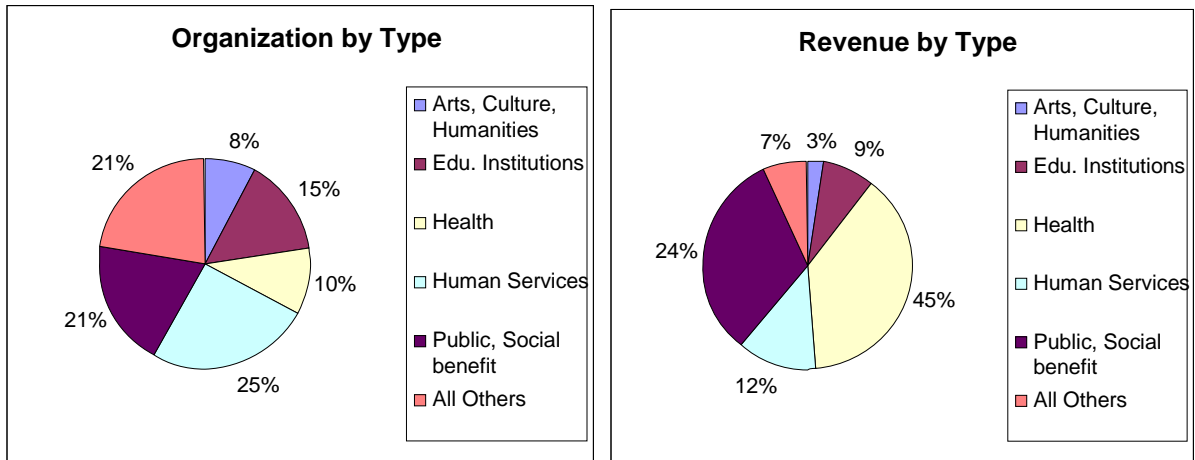
- Kansas City's nonprofit organization population is comparable to that of other similarly-sized U.S. metropolitan areas. It has an average number of nonprofits for its population, although the assets and revenues of these organizations average significantly less than the assets of many comparable cities. Kansas City, St. Louis and Minneapolis all showed decreased revenues compared to 2007; most others showed marked growth.

Figure 2: Metro Area Nonprofit Sector Comparison

	Nonprofit Organizations	Revenue (in billions)	Assets (in billions)	Region Population	Nonprofits per 1,000 People	Sector Share of GMP*
Chicago	15,354	\$86.59	\$119.51	9,524,673	1.61	20.51%
Atlanta	7,991	\$25.28	\$45.44	5,278,304	1.52	11.90%
Minneapolis	6,847	\$28.78	\$44.85	3,208,212	2.14	18.94%
Denver	5,838	\$13.22	\$24.50	2,464,866	2.37	11.35%
Milwaukee	4,539	\$19.40	\$25.39	1,544,398	2.94	30.45%
St. Louis	4,316	\$22.28	\$37.32	2,803,707	1.54	20.45%
Cincinnati	3,526	\$16.20	\$28.74	2,133,676	1.65	19.66%
Kansas City	3,257	\$10.78	\$18.37	1,985,429	1.64	13.71%
Indianapolis	3,028	\$17.36	\$29.68	1,695,037	1.77	25.12%
Orlando	2,739	\$9.48	\$15.38	2,032,707	1.35	11.31%

Nonprofit Mission and Market

- The charts below illustrate the distribution of missions and resources for various types of nonprofits in Greater Kansas City metropolitan region. Revenues and numbers of organizations for each mission area vary significantly. For example, human service organizations comprise a quarter of all Kansas City charitable organizations that file with the IRS, yet they receive only twelve percent of the revenues. Health organizations comprise only ten percent of the agencies, yet they account for 45 percent of all revenues received by the city's sector (up from 37% in 2007). Conversely, nonprofits in the arts and culture mission area comprise eight percent of all agencies, yet secured only about three percent of resources (no change from 2007).



Foundations and Philanthropy

- Kansas City has a strong foundation community that exhibits an exceptional record of giving, including one of the most successful community foundations in the nation (Greater Kansas City Community Foundation). Just over 22 percent of all Missouri and Kansas foundations are based in the Kansas City metro region, yet these foundations hold more than 52 percent of all foundation assets and comprise more than 51 percent of all foundation giving for the two states combined.

Figure 4: Kansas City Metro Area Foundation Statistics (circa 2006)

	Number	% Of MO/KS	Assets (in millions)	% Of MO/KS Assets	Total Giving (in millions)	% Of MO/KS Total Giving
Independent	413	22.89%	\$5,130.95	51.74%	\$239.17	45.91%
Corporate	21	22.58%	\$124.63	23.71%	\$16.77	15.83%
Community	2	9.52%	\$1,083.22	74.57%	\$174.51	85.33%
Operating	17	14.52%	\$30.98	9.60%	\$1.13	13.48%
KC MSA Total*	453	22.25%	\$6,369.78	52.13%	\$431.58	51.40%
MO/KAN Total*	2,036	100%	\$12,217.68	100%	\$839.64	100%

Source: Foundation Center

* Figures may not total exactly due to rounding.

A more detailed report on the topics and information presented in this summary, as well as additional trend information and overview information on nonprofit salary and benefits trends, will be available on the Midwest Center's website (www.mcnl.org) in November 2008.

The Midwest Center for Nonprofit Leadership is the nonprofit research and leadership education center of the Department of Public Affairs of the Henry W. Bloch School of Business and Public Administration at the University of Missouri – Kansas City. The mission of the Midwest Center is to enhance the effectiveness and performance of the people and organizations of the region's nonprofit sector through high quality programs of education, applied research, problem solving and service. The center serves more than 4,000 nonprofit leaders each year, through more than 40 public programs as well as hundreds of customized individual agency retreats, workshops and programs. For more information about the Midwest Center and its programs and services, please visit our web site at www.mcnl.org, or call us at 816-235-2305. We help build a healthier community through strong nonprofit leadership.