

**A Profile of Nonprofit Organizations
In Erie County, Pennsylvania**

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A Profile of Nonprofit Organizations in Erie County, Pennsylvania Executive Summary

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Nonprofit organizations are an integral part of local communities, providing a vast array of services, fostering civic participation, and building social cohesion. They also are an economic force, providing jobs, buying and selling commodities and services. But these ubiquitous organizations are poorly understood and often overlooked in public discourse. Nonprofits today face serious challenges—a realignment of public priorities, homeland security issues, state and local budget shortfalls, and increasing competition for philanthropic dollars. As government retrenches, nonprofits are being called upon to do more to address community needs and tackle public policy issues. Yet little is known about the size, scope, and structure of the nonprofit sector and its capacity to expand its operations.

This report, commissioned by the Erie Community Foundation, is the first comprehensive study of Erie County’s nonprofit sector. It gives residents the tools for understanding the basic size, scope, and financial dimensions of the sector and provides a framework for understanding the trends and issues facing the sector.

The study was guided by four basic questions:

1. What is the overall size and scope of Erie’s nonprofit sector and how does this compare with other counties of similar population size in Pennsylvania?
2. How are nonprofits distributed in the county and does this vary by type of service provided (e.g., health care, education, human services, etc.) and by location (e.g., within the Erie metropolitan area or outside it)?
3. How financially fit is the county’s nonprofit sector, and does financial well-being vary by type of service provided?
4. What are the strengths and distinctive features of Erie’s nonprofit sector?

Data for the study are from the National Center for Charitable Statistics (NCCS) at the Urban Institute and are based on the Forms 990 that nonprofits filed with the Internal Revenue Services (IRS) for the year 2003. Because of lags in data processing, 2003 data provide the most complete set of records for analysis.

Findings

- **Given its size, Erie County has an abundance of nonprofits that have a substantial financial base and are an economic force in the county.** In 2003, Erie County had 362 nonprofits—second only to Lehigh County (371) in terms of number of nonprofits. Erie also has a high density of nonprofits (12.8 nonprofits per 10,000 residents), higher than the national average (9.9). Financially, Erie reported \$1.2 billion, each, in revenue and expenses in 2003, ranking second behind Lehigh with \$1.5 billion. Nonprofit expenditures are roughly on a par with the annual payroll of Erie County’s

manufacturing sector (\$1.1 billion in 2002). These data suggest a rich history and deep roots for support of the nonprofit sector in Erie in addressing community need.

- **Human services and educational nonprofits are the most common types of nonprofit services in Erie County.** Human services account for nearly one in three nonprofits in the county, while educational nonprofits (i.e., K–12 schools, PTAs, and supportive programs) account for roughly one in five. Hospitals and higher education make up less than 5 percent of nonprofits in the county. This pattern of services is typical for small counties in Pennsylvania.
- **Hospitals and health care dominate spending in Erie’s nonprofit sector, followed by human services.** Although hospitals and health care represent only a small share of nonprofits, they account for the majority of nonprofit expenditures. Together, they spent \$650 million in 2003—or 56 percent of all nonprofit expenditures. Human services also report considerable expenditures: \$288 million, or 24 percent of the sector’s overall resources. Other nonprofits offering arts and culture, youth development, and educational programs had much smaller shares of the financial pie—just 1 percent each.
- **The overwhelming majority of the nonprofit sector’s resources is concentrated within the metropolitan area.** The resources of Erie’s nonprofit sector are heavily skewed toward Erie’s metropolitan area, leaving the remainder of the county with fewer agencies and less financial support. The numbers are telling. Although roughly two-thirds (64 percent) of the county’s population lives in the metro area, three-quarters (78 percent) of the nonprofits are located in the metro region. What is more, 95 percent of the revenue and expenditures of the nonprofit sector are in the Erie metro area.
- **Nonprofits in Erie, especially hospitals, health care, and human services, are extremely reliant on government as a source of revenue.** The vast majority of revenue supporting the nonprofit sector comes from government. For hospitals, health care, and human services, over 90 percent of their funding is from government grants, contracts, and user fees, such as payments from Medicare and Medicaid. In contrast, the most important source of support for arts and cultural groups and youth development programs is private donations from corporations, foundations, and individuals. Two of every five dollars come from private contributions.
- **Erie’s nonprofit sector ended 2003 with a slim operating margin of 1.8 percent above the break-even point.** Overall, nonprofits in Erie County operate on a fairly slim margin. Erie’s nonprofit hospitals, health providers, and human services reported the most financial vulnerability. Although most (54 percent) of the county’s nonprofits ended the year with a positive operating margin, more than half of the arts groups and human service nonprofits reported deficits. The pervasiveness of the annual losses and the small operating margins suggest a sector that is vulnerable to economic shocks and policy shifts.
- **Nonprofit assets in Erie County totaled \$1.5 billion in 2003, but they are concentrated in nonprofits located in the Erie metro area and in a few industries.** Almost 95 percent of the nonprofit assets in Erie County are located within the Erie

metro area. The only notable exception is for educational programs (i.e., K–12 schools, PTAs, and supportive services), where less than half (43 percent) of the nonprofit assets are in the metro area. Although the nonurban areas held the lion’s share of educational assets, the dollar value was very small compared to other industries. Educational nonprofits held just 2 percent of all assets in the county.

Implications

- **The sector’s financial picture shows stark contrasts, largely reflecting the differences in industry size.** Erie’s nonprofit sector is divided between large industries (i.e., health care and human services) that hold the majority of financial resources and show signs of financial vulnerability, and smaller industries (education, youth development, and the arts), which operated on a much smaller scale but appear to be healthier financially. This pattern suggests the need for different policies and strategies to assist these different types of nonprofits and build the capacity of the sector.
- **Erie nonprofits’ heavy reliance on government grants and contracts makes them very vulnerable to shifts in government priorities.** This situation seems fairly typical of smaller counties that lack access to wealthy corporate, foundation, and individual donors. A similar pattern was uncovered in smaller counties in the Pittsburgh metropolitan area. Careful monitoring of federal and state policy developments will be crucial, given the sector’s dependence on government as a source of financial support.
- **Erie’s substantial assets are not likely to be a panacea for correcting financial difficulties for the sector or the community.** Although Erie’s nonprofit sector holds \$1.5 billion in assets, the form and liquidity of these assets could not be determined through this study. It is clear, however, that the majority of assets are held by three industries—health care, human services, and higher education. Yet these are the same industries that seem to be most financially vulnerable. Policies aimed at tapping into the asset base of nonprofits would need to be carefully crafted to avoid weakening or undermining the financial base of this vital part of the community.
- **Despite the abundance of nonprofits, access to services may be difficult for residents in rural areas.** Because of the concentration of nonprofit services in the Erie metro region, residents who reside in the more rural parts of the county may find it more difficult to access services. This problem may be particularly acute for older and frail residents. Because the study was not able to measure the extent of satellite offices or mobile services, the extent of the problem is not known. However, through a series of town meetings, it would be possible to obtain this information, pinpoint gaps in service, and begin to craft incentives to fill these gaps.

Strengthening Erie’s nonprofit sector will require targeted strategies to address the specific needs of both the larger and smaller components of the sector. A one-size-fits-all approach is likely to be inadequate. Building the capacity of Erie’s nonprofit sector will take time, but the challenge can be met through community support and committed leadership.

A PROFILE OF NONPROFIT ORGANIZATIONS IN ERIE COUNTY, PENNSYLVANIA

INTRODUCTION

Nonprofit organizations are an integral part of local communities. Through their wide array of activities, they make our lives safer, culturally richer, more caring, and more socially connected. They help build relationships and trust among residents, foster civic participation and social cohesion, and generally help to strengthen and enrich communities. Nonprofits are also an economic force, providing jobs, purchasing commodities, and selling services to patrons and consumers.

Although we often take these organizations for granted, nonprofits provide a vast array of vital services for every age and income group. They do not simply provide services for poor and vulnerable residents. They touch everyone's lives. These organizations provide child care, elder care, health care, legal services, and educational opportunities. They often are the purveyors of arts and cultural traditions, advocates in the political arena, and venues for people to come together to meet, pray, and support one another in times of need. Yet despite the pervasiveness of nonprofits, most residents have only a vague idea of the number and types of nonprofits found in their local area or the amount of financial resources needed to support and sustain their work.

Today, nonprofits are facing some serious challenges—a realignment of government priorities, homeland security issues, state and local budget shortfalls, and increasing competition for private philanthropic dollars. As government retrenches, nonprofits are called upon to do more to address community needs and tackle important public policy issues. Yet little is known about the size, scope, and structure of the nonprofit sector in local areas and their capacity to expand their current operations.

This report, commissioned by the Erie Community Foundation, is the first comprehensive study of Erie County’s nonprofit sector. It gives residents the basic tools for understanding the parameters of the county’s nonprofit sector—its size, scope, and financial underpinning—and a framework for understanding the trends and issues facing the sector. Using the most current data available,¹ the report provides a profile of nonprofits in Erie County, outlining the size and scope of their activities and comparing them with five other counties in Pennsylvania of similar population size—Cumberland, Lackawanna, Lehigh, Luzerne, and Northampton. The report then takes an in-depth look at nonprofits within the county, analyzing the overall number, type, and financial picture of these groups and comparing those located in the greater Erie city metropolitan area with those in the rest of the county.

The findings highlight the strengths and shortcomings of Erie’s nonprofit sector and the challenges that the sector faces. Armed with facts, community leaders and public policymakers can strategically plan how to build the capacity of the sector and invest in its infrastructure. These findings also serve as a benchmark to track the financial health of Erie’s nonprofit sector over time, giving decisionmakers an important tool to help determine when to stay the course and when to change.

THE STUDY’S APPROACH AND METHODS

To understand Erie’s nonprofit sector, four basic questions were posed:

1. What is the overall size and scope of Erie’s nonprofit sector, and how does this compare with other counties of similar population size in Pennsylvania?

¹ Data for the study are drawn from the National Center for Charitable Statistics (NCCS) at the Urban Institute and are based on the Forms 990 that nonprofits filed with the Internal Revenue Service (IRS) for the year 2003. Because of lags in data processing, 2003 data provide the most complete set of records for analyzing financial data.

2. How are nonprofit resources distributed in Erie County, and does the distribution vary by type of service provided (e.g., health care, education, human services, etc.) and by location (e.g., within the Erie metro area versus outside the metro region)?
3. How financially fit is the county's nonprofit sector, and does financial well-being vary by type of service provided?
4. What are the strengths and distinctive features of Erie's nonprofit sector? Are there notable gaps or dominance by particular types of service providers?

These questions were investigated using data from the Forms 990 that nonprofits file each year with the Internal Revenue Service (IRS). The Form 990 provides a wealth of financial data on an organization's revenue, expenses, assets, and liabilities. Small nonprofits with gross income of less than \$25,000 annually and religious organizations are not required to file the Form 990, but some do. These organizations, therefore, are underrepresented in the database. Nonetheless, the vast majority of the sector's financial data are captured in this database. The analysis was restricted to 501(c)(3) organizations, that is, the charitable component of the nonprofit sector.

To capture the diversity of the nonprofit sector, organizations were classified into eight industry groups or types of service:

1. arts and culture;
2. education, excluding higher education;
3. higher education;
4. health providers, excluding hospitals and their affiliated organizations;
5. hospitals and their affiliated organizations;
6. human services;
7. youth development organizations; and
8. all other types of 501(c)(3) organizations.

These industry groups capture much of the essence and dynamics of Erie's nonprofit sector, and they are important categories for analyzing the financial scope, resource concentration, and fiscal health of the sector. Because higher education (i.e., colleges and universities) and hospitals are frequently large components of the nonprofit sector, they are analyzed

separately to provide a clearer picture of nonprofit resources, especially in the educational and health fields.

ERIE'S NONPROFIT SECTOR STANDS OUT AMONG ITS PEERS

The nonprofit sectors of local areas often reflect the social, economic, and historical roots of their communities. Population size and density are important factors that determine the size, scope, and composition of the sector, and the community's economic vitality suggests not only potential need for services but also the ability of local donors to support and sustain nonprofit activities. Very large metropolitan areas, such as Pittsburgh and Philadelphia, have large and robust nonprofit sectors offering a multitude of services. What is less well-documented is the size and structure of the nonprofit sector in smaller places, such as Erie, that have extensive rural areas.

For this study, five counties, similar in population size to Erie County, were selected to provide a context for understanding the size, scope, and composition of Erie's nonprofit sector. Two counties (Lehigh and Luzerne) had populations that were slightly larger than Erie's, while two others (Cumberland and Lackawanna) were slightly smaller. Northampton County is similar to Erie in population size, although it is a wealthier county with fewer people living in poverty.²

² According to the U.S. Census Bureau's American Community Survey, the 2003 median income of residents in Northampton was about one-third higher than that of Erie (\$49,000 compared with \$37,000), and the percentage of people living below poverty was about 60 percent lower (i.e., 7.7 percent in Northampton compared with 12.6 percent in Erie).

- *Given its size, Erie County has an abundance of nonprofits.*

In 2003, Erie County had 362 nonprofits that were registered with the IRS as 501(c)(3) organizations and that filed Forms 990 (table 1). This number includes very large multimillion dollar organizations as well as smaller nonprofits with revenues of \$25,000.³ Only Lehigh County had more nonprofits (371) than Erie. Lackawanna County had the fewest nonprofits, with 213 organizations filing the Form 990.

Table 1. Size of the Nonprofit Sector in Erie and Five Other PA Counties, 2003

County	County Seat	Number of Nonprofits	Population 2003	Median Income (\$) 2003	% in Poverty 2003	Nonprofits per 10,000 Residents
Erie	Erie	362	283,033	37,045	12.6	12.8
<i>County with a similar population</i>						
Northampton	Easton	233	278,086	48,704	7.7	8.4
<i>Counties with larger populations</i>						
Lehigh	Allentown	371	321,707	44,335	9.6	11.5
Luzerne	Wilkes-Barre	228	314,218	35,448	10.8	7.3
<i>Counties with smaller populations</i>						
Cumberland	Carlisle	293	219,622	48,977	6.2	13.3
Lackawanna	Scranton	213	210,365	36,632	10.2	10.1

Source: National Center for Charitable Statistics (NCCS)/ Buisness Master Files 2006 and U.S. Bureau of the Census, 2003.

Even when taking population into account, Erie ranks high in terms of nonprofit density. With 12.8 nonprofits per every 10,000 residents, Erie is second to Cumberland County (13.3 per 10,000) in density. Indeed, Erie has a higher per capita measure than counties with somewhat larger populations, such as Northampton, Lehigh, and Luzerne.

³ Nonprofits with gross income below \$25,000 do not have to file the Form 990, but nonprofits with income of \$5,000 or more must register with the IRS. In 2003, there were 870 registered nonprofits in Erie County, Pennsylvania.

Although Cumberland County is smaller than Erie in population, it is adjacent to Harrisburg, the state capital, making it a magnet for nonprofits that want to be close to the seat of state government. But even in a national context, Erie has a higher-than-average density of nonprofits. Nationally, there were 9.9 nonprofits per 10,000 residents in 2003, compared with 12.8 for Erie County. Although these data cannot tell us why Erie developed a dense pattern of nonprofits, they suggest a rich history and deep roots for support of the nonprofit sector in the region.

- ***Compared with other small Pennsylvania counties, Erie's revenue and expenses are among the more generous, but its assets are comparatively modest.***

There is a considerable range in the operating budgets of nonprofits in relatively small Pennsylvania counties.⁴ The largest budget was in Lehigh County, reporting \$1.5 billion in revenue and expenditures, and the smallest was Luzerne County at approximately \$700,000 (table 2). Erie County tied with Cumberland County for second place—each reporting revenue and expenditures of approximately \$1.2 billion. These patterns are not related to the absolute size of a county's population but more likely reflect local history, traditions, and possibly level of economic need in the area. Erie, for example, had the highest poverty rate of the six counties studied (12.6 percent of residents), which was above the poverty rate for Pennsylvania as a whole (10.6 percent). The relatively high expenditures in Erie may in part be addressing economic needs.

⁴ Because smaller, registered nonprofits are not required to file a Form 990, the financial analyses in this report are limited to groups that file the annual Form 990 financial return. Also, local chapters of national organizations such as the Alzheimer's Association, the March of Dimes, and the American Cancer Society, sometimes file group returns. In such cases, data for a single chapter cannot be disentangled from those of other chapters.

Table 2. Nonprofit Financial Resources in Erie and Five Other PA Counties, 2003

Dollars in thousands

County	County Seat	Number of Nonprofits	Total Revenue	Total Expenses	Total Assets
Erie	Erie	362	1,197,923	1,176,159	1,528,880
<i>County with a similar population size as Erie</i>					
Northampton	Easton	233	978,255	979,667	3,085,564
<i>Counties with larger populations than Erie</i>					
Lehigh	Allentown	371	1,591,676	1,544,311	2,590,365
Luzerne	Wilkes-Barre	228	698,624	706,042	992,749
<i>Counties with smaller populations than Erie</i>					
Cumberland	Carlisle	293	1,183,348	1,207,911	1,855,577
Lackawanna	Scranton	213	1,056,305	1,073,259	1,251,076

Source: National Center for Charitable Statistics (NCCS) and Core Files and U.S. Bureau of the Census, 2005.

Although the annual operating budget of Erie's nonprofits appears generous, its asset base is relatively modest, suggesting a set of organizations that are likely to be dependent on yearly fundraising without much of a cushion from investments.⁵

Northampton County reported the largest asset base (\$3.1 billion), while Luzerne had the smallest (\$992 million) in 2003. Erie's asset base ranked fourth among the six counties at \$1.5 billion. As will be shown later, much of these assets is concentrated in the hospital and higher education fields.

- ***Despite differences in size, the types of services are similar across counties.***

Despite differences in size, the mix of services offered in each county is fairly similar (table 3). In all but Northampton County, human service providers account for the largest share of

⁵ Assets are broadly defined as land, buildings, equipment, investment portfolios, accounts receivable, etc.

the sector.⁶ This category includes YMCAs, the Salvation Army, the Urban League, foster care, elder services, food banks, homeless shelters, and more. Human services typically account for between one-fifth and one-quarter of all nonprofit agencies in these six communities. Erie County has a slightly higher share of human service providers (29 percent) than comparable counties.

Table 3. Mix of Nonprofit Services in Erie and Five Other PA Counties, 2003

Type of Service	Percentage of Organizations					
	Erie	Northampton	Luzerne	Lehigh	Lackawanna	Cumberland
Arts and culture	9	13	8	15	8	9
Education*	17	23	15	17	11	15
<i>Higher education</i>	1	1	1	1	3	1
Health providers**	12	11	12	7	14	10
<i>Hospitals & affiliates</i>	3	2	4	2	6	2
Human services	29	16	25	18	24	17
Youth development	7	10	7	13	6	11
All others	23	24	28	26	29	35
Total	100	100	100	100	100	100
Number of nonprofits	362	233	228	371	213	293

Source: NCCS/Guidestar National Nonprofit Database and Core Files

*Excludes higher education

**Excludes hospitals and health systems

The second most common nonprofit service in Erie, and in many other counties, is education, such as K–12 schools, PTAs, and supportive services. In Erie, 17 percent of the nonprofit sector was designated as educational providers. Only Northampton County reported a higher share of educational nonprofits (23 percent). The prevalence of nonprofit education groups in Erie County suggests a strong community commitment to supporting educational activities through its nonprofit sector.

⁶ The pattern of nonprofit services was slightly different in Northampton County. Educational services were the most prevalent (23 percent of all nonprofits in the county), followed by human services (16 percent). This is the reverse of the pattern found in Erie and most of the other counties where human services are most prevalent, followed by nonprofit educational groups.

Not surprisingly, there are only a handful of higher education facilities and hospitals in these counties, although every county has at least one nonprofit college or university and at least one hospital, sometimes including affiliated (but independently incorporated) services such as a cancer center or an outpatient facility. Hospitals and colleges tend to be more plentiful in larger metropolitan areas than in smaller communities because large cities can attract and support such activities more readily. It should be noted, however, that smaller counties in Pennsylvania are often served by the extensive Pennsylvania system of state universities and community colleges, which are public entities and therefore out of scope for this study.⁷

As table 3 also shows, roughly 25 to 35 percent of the nonprofits in the six counties cannot be classified into one of the study's seven major categories. These groups include, for example, environmental organizations, credit unions, veterans' organizations, technology centers, and the like. The large number of "all other" nonprofits illustrates the vast range of services and activities that the sector provides. However, as shown below, these groups tend to be small, accounting for less than 5 percent of the sector's expenditures in Erie County.

AN IN-DEPTH LOOK AT ERIE COUNTY'S NONPROFIT SECTOR

The financial structure of the nonprofit sector (that is, its revenues, expenditures, and assets) is a critical underpinning of nonprofit activities. It also is an important component to consider when planning and investing in the capacity of the sector. Given the sector's enormous diversity, these financial measures vary from industry to industry and by geographic location within or outside the greater Erie metro area.

⁷ Identifying nonprofit schools of higher education in Erie County is challenging. Several well-known schools, such as Edinboro University and Penn State Erie–The Behrend College, are part of the state's extensive system of higher education and are not nonprofit entities. These schools were excluded from the analysis in Erie and other counties, although nonprofit alumni groups have been included.

- **The nonprofit sector is an economic force in Erie County.**

With revenues and expenditures each totaling nearly \$1.2 billion, Erie's nonprofit sector is an economic force in the county. When compared with for-profit industries, Erie's nonprofits make a substantial contribution to the community. Nonprofit revenues, for example, are roughly equivalent to the revenues generated from all forms of wholesale trade in the county (\$1.2 billion in 2002), and nonprofit expenditures are on a par with the annual payroll of Erie County's manufacturing sector (\$1.1 billion).⁸

While public perception often thinks of nonprofits as small and struggling, in the aggregate, the sector holds substantial economic resources. But the strength of nonprofit resources varies enormously by industry. Some programs rely heavily on volunteers; others require professional staff. Some incur high material costs; others require limited supplies and equipment to run their services. These differences are reflected in spending patterns of the various nonprofit industries in Erie. Below are some examples.

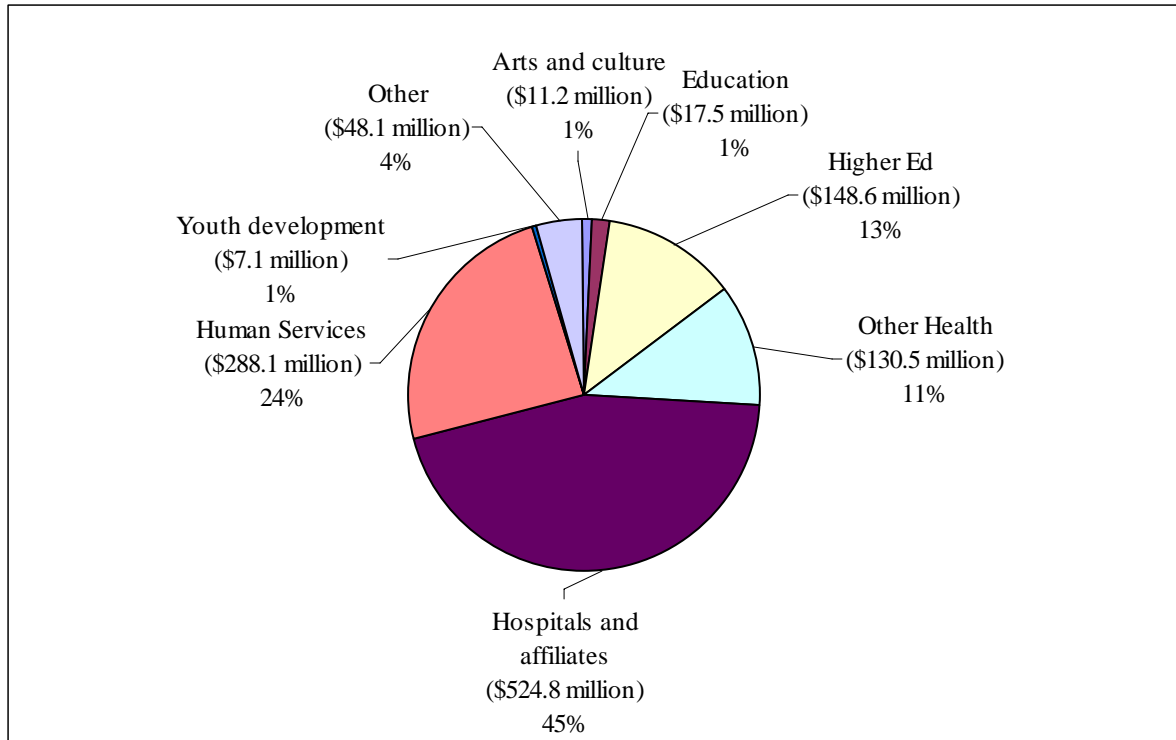
- **Hospitals and health care dominate spending in the nonprofit sector.**

More than two of every five dollars spent by the Erie nonprofit sector is by hospitals and their affiliates (figure 1). If other types of health care, such as community-based clinics, are added to this total, the sum exceeds \$650 million, or 56 percent of all nonprofit expenditures. The complexities of the health care industry make it difficult to accurately track the finances of these organizations. Mergers, acquisitions, bankruptcies, and closures of hospitals and health systems all present data challenges. However, these data clearly show the tremendous impact that nonprofit health care has on the local area.

⁸ Data on for-profit industries are from the U.S. Census Bureau's *2002 Economic Census*.

Figure 1. Concentration of Financial Expenditures by Type of Nonprofit in Erie County, 2003

Total Expenditures= \$1.2 billion



Source: NCCS/Guidestar National Nonprofit Database and Core Files.

- **Nonprofit human services and higher education also are significant economic factors in Erie County.**

After hospitals, human services account for the second largest share of nonprofit spending in the county (\$288 million, or 24 percent of all expenditures), while higher education (\$149 million, or 13 percent) ranked third. Together with hospitals and other health care, these four major industries account for more than 90 percent of nonprofit spending in Erie County.

- **All other nonprofit industries, combined, hold less than 10 percent of the nonprofit financial pie.**

Although the number of arts and cultural nonprofits and youth development nonprofits in Erie County is roughly the same, arts and cultural organizations spent nearly 60 percent

more than youth development nonprofits—\$11.2 million versus \$7.1 million—perhaps reflecting the fixed costs and economies of scale needed to deliver these two types of services. Arts and culture and youth development services are the smallest components of the seven specific industries analyzed in this study.

- **Except for hospitals and higher education, the typical nonprofit in Erie County operates on a fairly modest budget.**

Although the nonprofit sector is a billion-dollar industry in Erie County, the average or typical nonprofit operates on a relatively modest budget. As table 4 shows, the operating budget for the average nonprofit in Erie County is about \$3.3 million, but this figure overstates the typical size of nonprofits because very large organizations, such as hospitals and colleges, are included in the average. If hospitals and higher education are excluded, the average budget of nonprofits in Erie County is \$1.2 million.

Table 4. Operating Budgets in 2003 for Nonprofit Organizations in Erie County

Type of Service	N	Average (\$)		Median (\$)	
		Revenue	Expenditures	Revenue	Expenditures
Arts and culture	31	391,808	362,935	153,447	157,601
Education*	63	314,692	277,211	64,714	77,174
Higher ed	3	51,598,805	49,529,913	60,425,606	65,662,688
Health**	42	3,047,654	3,108,054	651,708	519,891
Hospitals and affiliates	10	53,006,752	52,483,846	26,553,463	28,819,682
Human services	104	2,799,914	2,770,260	347,182	359,486
Youth development	25	298,703	287,303	72,351	63,431
Other	84	647,948	573,659	136,593	120,782
All Nonprofits	362	3,309,180	3,249,057	194,165	183,760

Source: NCCS/Guidestar National Nonprofit Database and Core Files

*Excludes higher education

**Excludes hospitals and health systems

By any measure, hospitals and higher education are the dominant components of the Erie County nonprofit sector, with average budgets of more than \$50 million. Following these two giants are community health providers and human service programs. The average

budget for a nonprofit human service provider in the county is \$2.8 million, but this figure is driven largely by large nonprofits such as the Dr. Gertrude A. Barber Center (reporting \$50 million in expenditures) and Greater Erie Community Action Committee (\$38 million). The more typical human service provider had an operating budget of roughly \$350,000.

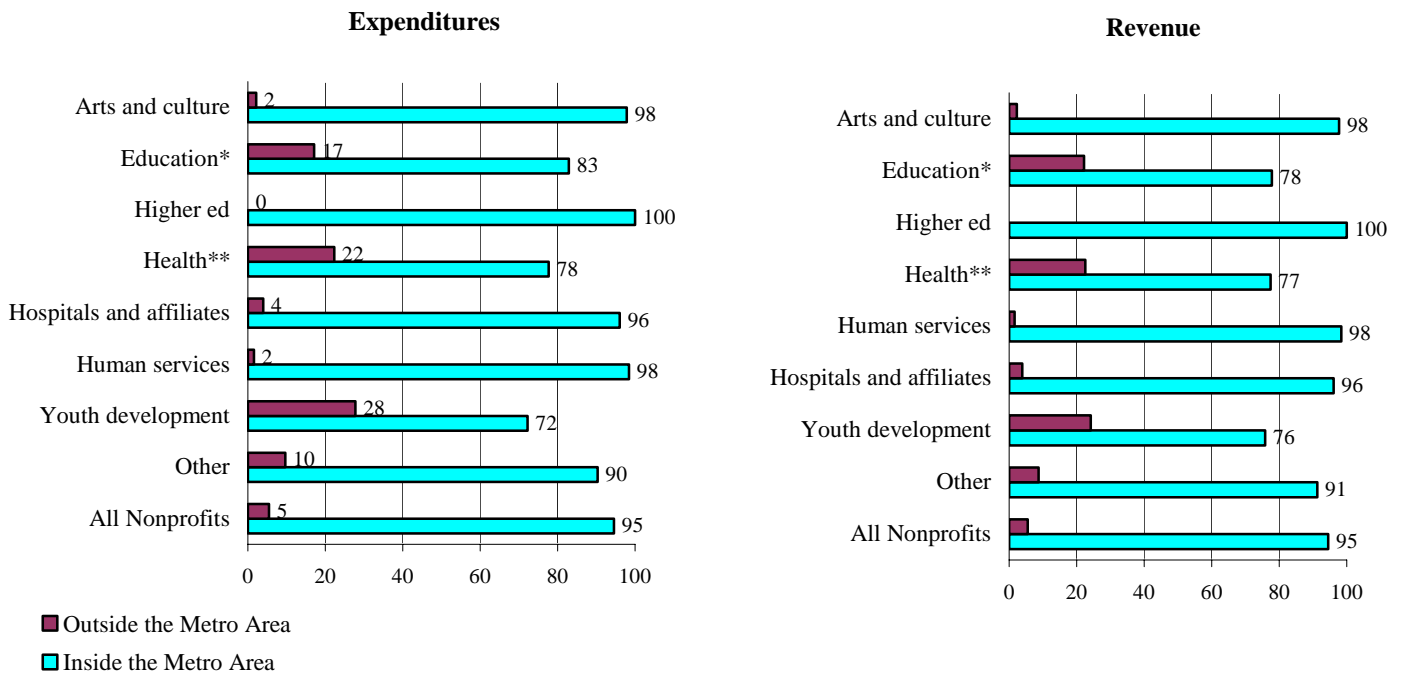
Other nonprofits operate with far fewer resources. For example, the financial base of nonprofits primarily engaged in educational and youth development services is much more limited. The typical educational group spent \$77,000 in 2003, while youth development nonprofits spent \$63,000—roughly five times less than the typical human service provider and half as much as arts and cultural nonprofits in Erie County.

- **The overwhelming majority of the nonprofit sector's financial resources is concentrated within Erie's metropolitan area.**

The resources of Erie's nonprofit sector are heavily skewed toward the city of Erie's metropolitan area,⁹ leaving the remainder of the county with fewer agencies and less financial support to address their needs. The numbers are telling. Although roughly two-thirds (64 percent) of the county's population lives within the metro area, three-quarters (78 percent) of the nonprofits are also located in the metro region. But in terms of financial resources, nearly all the revenue and expenditures (95 percent) are located in the metro area (figure 2). One important caveat: These data do not indicate if a nonprofit located within the metro area has satellite offices or mobile units that reach more rural parts of the county. However, the concentration of resources within the metro area suggests that access to services is likely to be a problem for residents who cannot easily reach the city because they lack transportation or have time or travel constraints.

⁹ The metropolitan area is defined as the city of Erie, plus the municipalities of Fairview, Millcreek, Summit, Wesleyville, and Lawrence Park.

Figure 2. Percentage of Financial Resources Concentrated the Erie Metropolitan, 2003



The concentration of services within the Erie metro area generally applies to every nonprofit industry. Higher education is entirely in the Erie metro area, as are 80 percent of the hospitals. More than four out of five human service providers and arts organizations are located in the metro area. Only youth development groups and educational nonprofits have a greater presence in the nonurban parts of the county. Roughly one in four of these organizations can be found outside the metro area. And with the exception of youth development, education, and nonhospital health providers, at least 90 percent of the revenues and expenditures of these industries are concentrated in the Erie metropolitan area.

Where Do Nonprofits Get Their Revenue?

Nonprofit organizations rely on a variety of sources to support their activities—private donations, government grants and contracts, client fees, and many others. The mix and importance of these sources generally varies by type of service, but the ability to access these financial resources is critical to creating a stable financial base for the local nonprofit sector. Research shows that heavy reliance on a single source of support can be detrimental to an organization’s financial well-being, particularly if there is a disruption in that source of support.¹⁰ A diverse funding base, on the other hand, can enhance the financial stability of a nonprofit agency and get it through difficult financial times.

- **Health care providers and higher education are highly dependent on user fees.**

Hospitals and health care providers in Erie County earn the vast majority of their revenue from user fees or through third-party payers on behalf of users, such as insurance companies, Medicare, and Medicaid. Over 90 percent of their revenues come from these sources (table 5). Similarly, almost 90 percent of the revenue for Erie’s nonprofit colleges and universities is from user fees (i.e., tuition) and contracts, including government contracts. Because user fees and contract income are reported together on one line of the Form 990 (i.e., program service revenue), the amount from each source cannot be separated. We know, however, that government plays a major role in financing health care services for seniors and low-income people, and it offers scholarships and low-cost loans for college students. Voucher income, which is becoming more prevalent in some human service areas, is generally included as a user fee on the Form 990. As a result, government funding, in its many guises, provides a major underpinning for the nonprofit sector.

¹⁰ Salamon, Lester M. 2002. “The Resilient Sector: The State of Nonprofit America.” In *The State of Nonprofit America*, edited by Lester M. Salamon. Washington, DC: Brookings Institution Press.

Table 5. Sources of Revenue for Nonprofits in Erie County, 2003

Type of Service	N	Total Revenue (in dollars)	Percentage of Total Revenue			
			Donor Support	Government Grants	User fees and Contracts	Other Income
Arts and culture	23	11,699,326	41	22	22	15
Education*	38	13,814,843	32	16	39	14
<i>Higher education</i>	3	154,796,414	3	7	89	0
Health providers**	38	123,509,694	3	3	90	5
<i>Hospitals & affiliates</i>	9	527,792,311	<1	<1	96	3
Human services	94	289,953,596	7	44	47	2
Youth development	14	7,048,543	41	8	22	29
All others	57	51,499,251	40	27	12	21
All nonprofits	276	1,180,113,978	5	14	77	4

Source: NCCS/Guidestar National Nonprofit Database

Note: Observations are from the Form 990. Because the Form 990-EZ does not include information on sources of revenue, these observations are not in the analysis.

*Excludes higher education

**Excludes hospitals and health systems

- **Human service providers in Erie received most of their funding from government.**

Human service providers relied almost equally on government grants (44 percent of income) and user fees, including government contracts (47 percent). Combined, these two sources are the mainstays of the nonprofit human service sector in Erie County. Private donations from individuals, corporations, and foundations contributed an additional 7 percent. Compared with the Pittsburgh region, donor support in Erie County is somewhat low. In Pittsburgh, about 11 percent of human service revenue comes from private donations.¹¹ This contrast suggests that smaller counties, like Erie, either do not have the vast pool of corporate, foundation, and individual donors that larger metropolitan areas can draw upon for their contributions or the well of support is not as deep.

¹¹ De Vita, Carol J., Eric C. Twombly, Jennifer Auer, and Yuan You. 2004. *Charting the Resources of the Pittsburgh Region's Nonprofit Sector*. A report prepared for the Forbes Funds. Washington, DC: The Urban Institute.

- **Nonprofit arts and cultural groups and youth development organizations have the most diverse funding bases in Erie County.**

In contrast to the larger nonprofit industries in Erie, the most common source of support for nonprofit arts and youth development groups is donor support. Forty-one percent of their funding comes from private donors. In addition, user fees (e.g., ticket sales and registration fees) account for another one in five dollars. Interestingly, youth groups are the most dependent on “other” sources of income, suggesting the important role that the quintessential bake sale, car wash, and other fundraising activities play in supporting the programs and activities of many small, grassroots organizations.

Making Financial Ends Meet

Nonprofit organizations are continually challenged to raise funds, spend wisely, and serve as many people as possible with their resources. In today’s cost-conscious society, donors want to see their dollars spent directly on programs rather than on administrative, fundraising, and overhead expenses.

- **Nonprofits in Erie County have kept administrative and fundraising costs low.**

Nonprofits in Erie have a good track record in keeping their administrative expenses and fundraising costs low. On average, 84 percent of all nonprofit expenditures go to support programs and 16 percent for administrative costs, such as salaries, rent, utilities, and other expenses of running a program (table 6). Fundraising represented about 1 percent of nonprofits’ budgets in 2003.

Table 6. Expenditures Devoted to Program Costs by Service Industry, 2003

Type of Service	N	Total Expenditures	Percentage of Total Expenditures		
			Program Expense	Administrative Expense	Fundraising Expense
Arts and culture	23	10,774,761	72	17	9
Education*	38	12,017,641	82	15	2
<i>Higher ed</i>	3	148,589,740	87	12	1
Health**	38	125,900,434	83	16	<1
<i>Hospitals and affiliates</i>	9	524,123,771	81	18	<1
Human services	94	286,990,302	87	13	<1
Youth development	14	6,818,049	78	18	5
Other	57	41,916,856	86	11	3
All Nonprofits	276	1,157,131,554	84	16	1

Source: NCCS/Guidestar National Nonprofit Database

Note: Observations are from the Form 990. Because the Form 990-EZ does not include information on sources of revenue, these filers are not in the analysis.

*Excludes higher education

**Excludes hospitals and health systems

This pattern is remarkably consistent across nonprofit industries, despite the wide diversity of organizations and services. Interestingly, the two industries that rely most on private donations—arts and youth development—spent significantly larger shares of their budgets on fundraising. Other industries that are heavily dependent on government reported spending relatively little (about 1 percent) on fundraising efforts. This nearly uniform array of expenditure patterns by industry may in part be a response to donor demands that their contributions be used directly on program services. Nonprofit executives no doubt are reluctant to invest money into nonprogram areas for fear of being perceived as “wasteful.”

There is no benchmark to guide an executive director as to what are appropriate amounts to spend directly on programs or administrative activities. Research shows, however, that high levels of spending on direct services can come at the expense of

investments in the infrastructure and technical capacity of nonprofit providers.¹² Nonprofits often make do with antiquated or ill-suited equipment to free up funds for service programs, but this strategy can reduce the efficient or effective delivery of programs.

Moreover, “overspending” on direct program provision can place groups in precarious financial positions if revenues decline or program costs rise. Again, research suggests that nonprofits that spend almost all their funding on programs and services are exceedingly vulnerable in hard financial times because they have less budgetary discretion in what to trim.¹³

- **The operating margin of nonprofits in Erie County was a narrow 1.8 percent above the break-even point.**

Overall, nonprofits in Erie County had less than a 2 percent cushion in their budgets in 2003. This thin margin was most evident in the health care and human services sectors (table 7). Community-based health providers (i.e., nonhospital services) ran a deficit of –2 percent or a loss of \$2.5 million in 2003. Human services and hospitals kept just above the break-even point with a 1 percent cushion between their annual revenues and expenditures.

It appears that the smaller nonprofit industries in Erie, namely education, arts and culture, and youth development, were the most successful in balancing their budgets and maintaining small surpluses of funds at the end of the year. Education, for example, had a 12 percent operating margin, while the arts and cultural sector had a 7 percent surplus and youth development a 4 percent margin.

¹² Hager, Mark A., Thomas Pollak, Kennard Wing, and Patrick M. Rooney. 2004. “Getting What We Pay For: Low Overhead Limits Nonprofit Effectiveness.” Nonprofit Overhead Cost Project Brief #2. Washington, DC: The Urban Institute and Indiana University.

¹³ Chang, Cyril F., and Howard P. Tuckman. 1993. “Financial Vulnerability and Attrition as Measures of Nonprofit Performance.” In *The Nonprofit Sector in a Mixed Economy*, edited by Avner Ben-Ner and Benedetto Gui. Ann Arbor: The University of Michigan Press.

Table 7. Operating Margins by Industry in Erie County, 2003

Dollars in millions

Type of Service	N	Total Revenue	Total Expenses	Operating Margin	Operating Margin	
					as % of Total Revenue	Rank
Arts and culture	31	12.1	11.3	0.9	7.2	3
Education*	63	19.8	17.5	2.4	11.9	1
<i>Higher education</i>	3	154.8	148.6	6.2	4.0	4
Health providers**	42	128.0	130.5	-2.5	-2.0	8
<i>Hospitals & affiliates</i>	10	530.1	524.8	5.2	1.0	7
Human services	104	291.2	288.1	3.1	1.1	6
Youth development	25	7.5	7.2	0.3	3.8	5
Others	84	54.4	48.2	6.2	11.5	2
All nonprofits	362	1,197.9	1,176.2	21.7	1.8	

Source: NCCS/Guidestar National Nonprofit Database and Core Files

Note: Operating margin = Total Revenue minus Total Expenses

*Excludes higher education

**Excludes hospitals and health systems

The majority (54 percent) of the county's nonprofits ended the year with positive operating margins, but arts and cultural organizations and human services were least likely to do so. Just over half of Erie's arts organizations (52 percent) and human services (51 percent) had insufficient operating revenues to meet their annual expenses. Also, nonprofits located within the metropolitan area (47 percent) were more likely than those outside the metro area (43 percent) to report a deficit. For some organizations, these annual operating losses may be small and temporary. Groups may be able to rebound financially the following year. But the pervasiveness of the annual losses and the small operating margins suggest a sector that is vulnerable to economic shocks and policy shifts.

- **Nonprofit assets in Erie County totaled \$1.5 billion in 2003, but they were concentrated in nonprofits located in the Erie metro area and in a few industries.**

In tough financial times, nonprofits may look for sources of income that can tide them over for a period of time. An organization's assets can sometimes play this role, serving as

collateral for loans or even being sold to generate needed cash. Nonprofits in Erie County collectively held \$1.5 billion in assets in 2003, but as table 8 shows, they were concentrated within the metro area and not evenly spread across the different types of services.

Table 8. Financial Assets of Nonprofit Organizations in Erie County, 2003

Dollars in millions

Type of Service	N	Total Assets	Total Liabilities	Net Assets	% of	Nets Assets	% Nonprofits
					Total Assets	as % of	with Positive
					Erie Metro Area	Total Assets	Net Assets
Arts and culture	31	30.3	3.3	27.2	98	90.0	87
Education*	63	27.6	6.8	19.8	43	71.9	89
<i>Higher education</i>	3	235.9	84.0	151.9	100	64.4	100
Health providers**	42	179.2	102.3	69.4	89	38.7	90
<i>Hospitals & affiliates</i>	10	581.6	313.8	266.2	96	45.8	60
Human services	104	279.2	150.2	128.3	97	45.9	83
Youth development	25	16.6	2.9	13.5	75	81.5	88
Others	84	178.6	34.3	152.8	91	85.6	90
All nonprofits	362	1,528.9	697.6	829.2	94	54.2	87

Source: NCCS/Guidestar National Nonprofit Database and Core Files

Note: Net assets = Total assets minus Total liabilities.

*Excludes higher education

**Excludes hospitals and health systems

Most assets (94 percent) are held by nonprofits located within Erie's metropolitan area. Nonprofits located outside the metro area generally had relatively few assets to draw upon. Educational nonprofits were the exception. Only two-fifths of the assets of educational nonprofits were located within the metro area, with the remaining three-fifths located in more rural parts of the county. Although the nonurban portions of the county held the lion's share of educational assets, the dollar value was relatively small compared with other industries in the county. Educational nonprofits reported \$27.6 million in assets in 2003, or just 2 percent of the entire asset pool. Hospitals, human services, and higher

education held nearly three-quarters of the assets in Erie County. Hospitals alone held nearly 40 percent of the assets, and human services had another 20 percent.

- **Larger industries in the sector are most likely to leverage their assets.**

Assets are often offset with financial liabilities. In 2003, nonprofits in Erie County carried approximately \$700 million in liabilities, which included accounts and grants payable, deferred revenue, mortgages, and other debts. The difference between assets (\$1.5 billion) and liabilities (\$700 million) leaves roughly \$829 million in net assets—a proxy for the overall net worth of the sector in 2003.

As table 8 shows, some types of nonprofits are more likely than others to leverage their assets (that is, borrow against them). Hospitals and human service providers, for example, have sizeable net assets, but they also have leveraged their assets more than other types of nonprofits. Less than half (46 percent) of the total assets of the hospital and human service industries are unencumbered by debt. In contrast, nearly two-thirds (64 percent) of higher education assets are debt-free, as are 90 percent of the assets of arts and culture organizations. Leveraging net assets is a strategy that nonprofits sometimes use to expand their financial positions, particularly in difficult times, but the feasibility of this approach and the risks associated with it are factors that nonprofit governing boards must carefully weigh. These data show that the nonprofit industries that have been most aggressive in tapping into their net assets are also the ones that had small operating margins in 2003. It is not clear if this financial strategy was undertaken to expand or enhance services or simply to stay afloat. Case studies of individual organizations would be needed to fully understand the motivations and expectations of these financial decisions.

CONCLUSION

With more than 360 registered and filing charities, \$1.2 billion in revenues, and \$1.5 billion in assets, Erie County's nonprofit sector is large and relatively well funded for a county of its size. But the sector has two distinct features that shape its character. First, the sector is divided into a set of very large industries—health care, human services, and higher education—and a group of relatively small industries—education, youth development, and arts and culture. The three giants dominate the sector, particularly in terms of financial resources, and shape the overall appearance of the sector. Second, the vast majority of nonprofits and financial resources are found within the Erie metro area. As a result, the capacity of meeting nonurban needs can be an issue. These two features have enormous implications for building the capacity of the sector and strengthening its financial position.

- **The sector's financial picture shows stark contrasts, largely reflecting the difference in industry size.**

Although Erie's largest nonprofit industries (health care and human services) hold the majority of financial resources, they also operated close to the margin in 2003, barely making financial ends meet. In contrast, the smaller industries (education, youth development, and the arts) operated on a much smaller scale but appear to be healthier financially. They ended the year with larger operating margins and have a relatively large unencumbered pool of assets. These differences between large and small nonprofit industries may merely reflect the demands and challenges of providing different types of services, but they may also suggest that planning for the future will require different strategies for each component of the nonprofit sector. The large and dominant industry groups may need assistance in generating a stable funding base or improving their cash flow operations, while smaller industry members may need to find ways to build their capacity and expand their programs and

activities. In short, the smaller industries might need to be encouraged to do more, while the larger industries need assistance in doing financially better.

- **Erie’s nonprofit sector is highly reliant on government grants and contracts for funding, creating a risky financial environment.**

Driven largely by hospitals and human services, the Erie nonprofit sector received about 90 percent of its financial support from government. This situation seems fairly typical of smaller counties that lack access to wealthy donors. In the Pittsburgh metropolitan area, for example, the three smallest counties (Armstrong, Butler, and Fayette) all received at least 90 percent of their revenues from government.¹⁴ Given this strong reliance of Erie’s largest nonprofit industries on government support, government cuts could trigger either an increase in user fees or a change in the organizations’ operations, such as shortened hours or reductions in staff. Either strategy is likely to create adverse effects on users, particularly on the county’s poorest and most vulnerable residents.

- **Although Erie’s nonprofit sector collectively holds sizeable assets, this resource is not likely to be a panacea for correcting financial difficulties for the sector or the community.**

In the aggregate, the nonprofit sector reports substantial assets—\$1.5 billion. But we do not have enough information to determine the form in which these assets are held (that is, as real estate, stock portfolios, or some other form of assets) or the liquidity of the assets. What is clear, however, is that there is significant variation in the types of nonprofits that are likely to hold assets. Three industries—health care, human services, and higher education—hold the vast majority of the assets in Erie County. Yet, these are the same industries that seem most financially vulnerable. Policies aimed at tapping into the asset base of the nonprofit

¹⁴ De Vita, Carol J., Eric C. Twombly, Jennifer Auer, and Yuan You. 2004. *Charting the Resources of the Pittsburgh Region’s Nonprofit Sector*. A report prepared for the Forbes Funds. Washington, DC: The Urban Institute.

sector would need to be carefully crafted to ensure that the policy achieves its objectives without weakening or undermining the financial base of this vital part of the community.

- **Despite the large number of nonprofits in the county, access to services may be problematic for residents who live outside the Erie metro area.**

With most of the nonprofits concentrated in the Erie metro region, residents in outlying areas may have fewer options for obtaining needed services, enjoying cultural activities, or engaging in the variety of programs and services offered by the nonprofit sector. Programs focused on youth seem somewhat more plentiful in the nonurban areas, but services for older people, in particular health care, seem to be in short supply outside the city. Although it may not be necessary or even desirable to have every type of nonprofit industry represented in every part of the county, it is important for residents to have access to services. Can county residents easily get to the services they need and want or must they travel great distances? Particularly for older residents who may have more difficulty getting around, access to services can be critical. Because the data in this study cannot identify satellite offices or mobile services, it is difficult to know if there are critical gaps in services. This information could be obtained, however, through a series of town meetings in different parts of the county. This process could enable residents to voice their needs, convey problems and concerns regarding access to services, and ultimately pinpoint gaps in the service delivery system. Policy incentives such as affordable space or stable funding mechanisms could be devised to help lure nonprofits to the geographic locations or services areas of greatest need.

Strengthening Erie's nonprofit sector will require some targeted strategies to address the specific needs of both the larger and smaller components of the sector. A one-size-fits-

all approach is likely to be inadequate. From a financial perspective, health care and human services appear the most vulnerable portions of the sector. Their dependence on government funding will require close attention to public policy decisions both in Washington and in Harrisburg. On the other hand, the concentration of nonprofits in the Erie metropolitan area raises questions of access to services for people living in more distant places. Because the issue cuts across nearly every service area, further study is needed to determine the scope and severity of the problems and to identify potential policy mechanisms for addressing the issue. Strengthening the nonprofit sector will take time, but the challenge can be met through community support and committed leadership.

APPENDIX A: METHODOLOGY

The primary source of data for this study is the National Nonprofit Research Database (NNRD), housed at the National Center for Charitable Statistics (NCCS) at the Urban Institute. It is the most comprehensive database on nonprofit organizations in the United States. Based on Forms 990 filed annually with the Internal Revenue Service (IRS), the NNRD contains detailed information on the finances of 501(c)(3) organizations with gross income of \$25,000 or more. Smaller organizations and religious organizations are not required to file the Form 990.

This study examines groups that filed the Form 990 in fiscal year 2003, the latest and most complete set of records available. Because some nonprofits fail to file every year, even if they are in operation, the study also includes unique cases found in fiscal year 2002 and 2004 that are not in the 2003 dataset. This technique ensures that we do not miss an organization because it failed to file its Form 990 in a particular year. In the dataset used for this analysis, 85 percent of the records were based on 2003 filings, 10 percent on 2002 filings, and 5 percent on 2004 filings. The dataset includes 362 nonprofit organizations that operated in Erie County, Pennsylvania, in 2003 and that filed a Form 990.

This study uses three basic measures as analytic tools.

- First, data on Erie County’s nonprofit sector were compared with five other Pennsylvania counties of comparable population size, namely Cumberland, Lackawanna, Lehigh, Luzerne, and Northampton.
- Second, the data were categorized into eight major nonprofit industries—arts and culture; higher education; education, excluding higher education; hospitals and their affiliated units; other health providers; human services; youth development; and all other nonprofits. “Other” nonprofits include organizations that focus on a wide range of issues such as the environment, international affairs, civil rights, science and technology, and more. Higher education and hospitals were distinguished from broader categories of education and health because these institutions generally have extremely large financial resources that can bias the data analysis. The nonprofits in the study were classified by their primary activity using codes from the National Taxonomy of Exempt Entities—Core Code System (NTEE—CC).
- Third, organizations were classified by their geographic location, namely within the Erie metropolitan area and outside the metro area. The metropolitan area was defined as the City of Erie and nearby towns of Fairview, Millcreek, Summit, Wesleyville, and Lawrence Park. All other towns and places were designated outside the metro area.

Prior to analysis, the database was reviewed and cleaned carefully for errors. NTEE codes were checked and updated for large organizations (that is, the 10 percent of organizations with the largest expenditures), and financial variables were checked and corrected for mathematical errors. Geographic codes were also reviewed to ensure that organizations were properly assigned to their county and metropolitan designations.

Although the NNRD is the most comprehensive database available on U.S. nonprofits, it has two limitations. First, because the IRS does not require small organizations (those with less than \$25,000 in gross receipts) and religious congregations to file Form 990, these groups are missing from the database. While we expect the effect of these omissions to be negligible on the financial analysis, the study undercounts the number of nonprofits in the community. Second, Form 990 contains organizational rather than establishment data, which means that the dataset misses satellite offices of groups that work in multiple locations.

The analysis used basic statistics to determine the size and fiscal health of the nonprofit sector in Erie County. Size was assessed as the number of organizations and their level of spending. Fiscal health was analyzed as reliance on various sources of income, operating margins and net assets. Operating margin is calculated as total revenues minus total expenditures. Net asset is equal to total assets minus total liabilities. Each measure is further described in the text.

APPENDIX B: NONPROFITS IN ERIE COUNTY, PENNSYLVANIA

Arts and Culture

Artists Incorporated	Erie
Barrow-Civic Theatre Fd Per Endow	Erie
City of Erie Cable TV Access Corp.	Erie
Corry Area Fine Arts Council	Corry
Cultures Arts Festivals and Events of Erie	Erie
Dafmark Dance Theater	Erie
Discovery Square, Inc.	Erie
Edinboro Area Historical Society	Edinboro
Erie All-City Band Boosters	Erie
Erie Art Museum	Erie
Erie Civic Ballet Company, Inc.	Erie
Erie Civic Music Association	Erie
Erie Civic Theatre Association	Erie
Erie County Historical Society	Erie
Erie Opera Theatre	Erie
Erie Philharmonic, Inc.	Erie
Erie Summer Festival of Arts	Erie
Erie Times Needy Fund of Times Publishing Co.	Erie
ExpERIEnce Children's Museum	Erie
Flagship Niagara League	Erie
Great Lakes Film Association	Edinboro
Greater Erie Youth Symphony Penn State Erie–Reed Union Building	Erie
Lake Shore Railway Historical Society, Inc.	North East
Northwest Pennsylvania Vietnam Veterans' Memorial, Inc.	Erie
Palmer R. Chitester Fund	Erie
Public Broadcasting of Northwest Pennsylvania, Inc.	Erie
Roadhouse Theater for Contemporary Art	Erie
The Arts Council of Erie, Inc.	Erie
Warner Theatre Preservation Trust	Erie
Waterford Community Fair Association	Waterford

Education, Excluding Higher Education

Adopt an Artist	Erie
Albion Area Public Library Associations Dept of Pennsylvania	Albion
Americans for the Competitive Enterprise System, Inc.	Erie
Asbury Elementary School PTA, Inc	Erie
Belle Valley PTA	Erie
Chestnut Hill School PTA	Erie
Corry Area School District	Corry
Corry Higher Education Council	Corry
Corry Public Library, Inc.	Corry
Dr. Gertrude A. Barber Educational Institute, Inc	Erie
Early Connections (formerly Young Women's Christian Assoc)	Erie
Edinboro Elementary Parent-Teacher Organization	Edinboro
Edinboro University Alumni Association	Edinboro
Edinboro University Foundation	Edinboro

Edinboro University of PA Student Government Association	Edinboro
Ellen Curry Foundation	Erie
Erie Council for Exceptional Children	Erie
Erie County Bar Foundation, Inc.	Erie
Erie County Library Foundation, Inc.	Erie
Erie Day School, Inc	Erie
Erie School District Foundation	Erie
Erie Times-News in Education, Inc.	Erie
Fairview School Foundation	Erie
Friends of the Erie County Library	Erie
Gecac Community Charter School	Erie
Glenridge Montessori, Inc.	Erie
H.O. Hirt Scholarship Fund	Erie
Harborcreek Music Boosters Club	Erie
Har-lin Community Center, Inc.	Erie
Healing Heart Ministries, Inc.	Erie
J W Parker Middle School PTSA	Edinboro
Jefferson School PTA	Erie
Kidco/Tadco, Inc.	Erie
McCord Memorial Library Association	North East
McDowell Band Aides	Erie
Mercyhurst Child Learning Center, Inc	Erie
Millcreek School Foundation	Erie
Montessori Children's House of Erie, Inc	Erie
Montessori Regional Charter School	Erie
National Association of Laboratory Schools, Inc.	Edinboro
North East Joint Schools PTA	North East
Northwest Pennsylvania Band Boosters Association, Inc.	Erie
Orange & Black Football Boosters of Erie County	Erie
Pennsylvania Global Academy Charter School	Erie
Pennsylvania School Counselors Assoc.	Erie
Perseus House Charter School of Excellence	Erie
PTA PA Congress McKean Elementary PTA Inc	McKean
PTA Pennsylvania Congress JS Wilson Middle School PTA Inc	Erie
PTA Pennsylvania Congress	Erie
PTA Pennsylvania Congress PTA Grandview Elementary School Inc	Erie
PTA Pennsylvania Congress Ridgefield School PTA Inc	Erie
PTA Pennsylvania Congress Vernondale PTA Inc	Erie
PTA Westlake Middle School	Erie
Resources For Prevention, Inc	Erie
Rice Avenue Community Public Library	Girard
Ron Costello Memorial Scholarship Fund	Erie
Technology Education Association of Pennsylvania	Erie
The John Tramontano Jr. Education Foundation	Erie
The Woman's Club of Erie	Erie
Union City Public Library	Union City
Villa Maria Center	Erie
Walnut Creek PTA	Erie
Waterford Public Library	Waterford

Higher Education

Gannon University	Erie
Lake Erie College of Osteopathic Medicine	Erie
Mercyhurst College	Erie

Health, Excluding Hospitals and Their Affiliates

American Respiratory Alliance of Northwest Pennsylvania	Erie
Central Erie County Paramedics Association	Edinboro
Clinical Pathology Institute Cooperative, Inc.	Erie
Community Blood Bank of Erie County	Erie
Community Health Net	Erie
Community Nursing Services	North East
Corry Ambulance Service	Erie
Corry Memorial Hospital Auxiliary	Corry
Erie Center on Health & Aging, Inc.	Erie
Erie County Diabetes Association, Inc.	Erie
Forestview Health Care Center	Erie
Hamot Aid Society	Erie
Hamot Health Foundation	Erie
Health Care Cost Summit	Erie
Healthcare Ventures Alliance, LLC	Erie
Hess Roth Kaminsky Urological Foundation	Erie
Lake Erie Center for Medical Research Inc	Girard
Lions Eye Bank of Northwestern Pennsylvania	Erie
Lions Club of Erie Save-An-Eye Fund Inc.	Erie
Lutheran Home for the Aged D/B/A/ The Village at Luther Square	Erie
Metro Medical Services	Erie
Millcreek Health System Medical Professional Liability Self-Ins Tr	Erie
Millcreek Manor	Erie
Millcreek Paramedic Service, Inc.	Erie
Multi Cultural Health Evaluation Delivery System, Inc.	Erie
Nami of PA, Erie County Affiliate	Erie
New Opportunities, Inc.	Erie
Northwest Pennsylvania Area Health Education Center, Inc.	Erie
Northwestern PA Cleft Palate Institute Hamot Medical Center	Erie
Pleasant Ridge Manor	Girard
Presbyterian Homes in the Presbytery of Lake Erie	Erie
Presque Isle Psychiatric Associates, Inc.	Erie
Regional Heart Network	Erie
Saint Vincent Foundation for Health & Human Services	Erie
Saint Vincent Health Center Auxiliary	Erie
St. Paul's Neighborhood Free Clinic	Erie
The Regional Cancer Center Foundation	Erie
Tri-State Emergency Systems, Inc. D/B/A Emergycare, Inc.	Erie
Union City Ambulance Service Company	Union City
Union City Memorial Hospital Foundation	Union City
Visiting Nurse Association of Erie County	Erie

Hospitals and Their Affiliates

Corry Medical Services, Inc.	Corry
Corry Memorial Hospital Association	Corry
Hamot Medical Center	Erie
Millcreek Community Hospital	Erie
Northwest Regional Gamma Knife Network	Erie
Regional Health Services, Inc.	Erie
Saint Vincent Health Center	Erie
Saint Vincent Health System	Erie
Saint Vincent Medical Education & Research Institute	Erie
The Regional Cancer Center	Erie

Human Services

Achievement Center, Inc.	Erie
Alex W. Thompson Housing Corporation	Erie
Ball Pavilion	Erie
Barber Center Press, Inc.	Erie
Battle's Village, Inc.	Girard
Bayfront East Side Taskforce, Inc. (Best)	Erie
Bayfront Nato, Inc.	Erie
Because You Care, Inc.	Mc Kean
Benetwood Corporation	Harborcreek
Better Housing for Erie	Erie
Booker T. Washington Center, Inc.	Erie
Brighter Horizons Behavioral Health	Edinboro
Capabilities of Crawford County	Erie
Case Management Support Services	Erie
Children's Advocacy Center of Erie County, Inc.	Erie
City Mission of the Evangelical Churches of Erie	Erie
Coalition Pathways, Inc.	Erie
Community House, Inc.	Erie
Community Integration, Inc.	Erie
Community of Caring, Inc.	Erie
Community Resources for Independence, Inc.	Erie
Community Shelter Services, Inc.	Erie
Congregational Action to Life with Love (C.A.L.L.)	Erie
Conrad House	Erie
Corry Area Food Pantry	Corry
Corry Concerned for Youth	Corry
Counseling Services Center, Inc.	Corry
Crime Victim Center of Eric Cuntil, Inc.	Erie
Dr. Gertrude A. Barber Center, Inc.	Erie
Dr. Gertrude A. Barber In Home Services	Erie
Dufford Terrace, Inc.	Erie
E I H Bayview, Inc.	Erie
E I H McClelland Avenue Apartments, Inc.	Erie
Enterprise Development Center of Erie County, Inc.	Erie
Enterprise Development Fund of Erie County, Inc.	Erie
Erie County Casa, Inc.	Erie
Erie Dawn, Inc.	Erie
Erie Family Life Skills, Inc.	Erie

Erie Homes for Children & Adults, Inc.	Erie
Erie Independence House, Inc.	Erie
Erie United Methodist Alliance	Erie
Family Services of Northwestern PA	Erie
First Erie Better Housing East Corp.	Erie
First Erie Better Housing West Corp.	Erie
Gannondale	Erie
Gaudenzia Erie	Erie
Gifts for Kids, Inc.	Erie
Greater Erie Area Habitat for Humanity, Inc.	Erie
Greater Erie Community Action Committee	Erie
HANDS Center City Apartments	Erie
HANDS Metro Apartments, Inc.	Erie
HANDS Triad Housing, Inc.	Erie
Hispanic-American Council	Erie
Hospice of Metropolitan Erie, Inc.	Erie
House of Healing	Erie
Housing and Neighborhood Development Service	Erie
International Institute of Erie, Pennsylvania, Inc.	Erie
Invest Erie	Erie
Joel II Restoration Outreach	Erie
John F. Kennedy Center, Inc.	Erie
Kuehl Apartments, Inc.	Erie
Lakeshore Community Services, Inc.	Erie
LifeCare Pregnancy and Family Resource Center, Inc.	Corry
Local #348 Structural Ironworkers Education & Training Fund	Erie
Love, Inc of West Erie County	Lake City
Loyal Christian Benefit Association Foundation	Erie
Maria House Projects	Erie
Maryvale Apartments, Inc.	Erie
Meca, Inc	Erie
Mental Health Association of Northwestern Pennsylvania	Erie
Mercy Center for Women, Inc.	Erie
Mercy Terrace Apartments	Erie
Methodist Towers, Inc.	Erie
Metro Erie Meals on Wheels, Inc .	Erie
Niagara Apartments, Inc.	Erie
North East Community Food Pantry	North East
Perseus House, Inc.	Erie
Poux Apartments, Inc.	Erie
Protection from Abuse Coordinated Services, Inc.	Erie
Safe Horizon Services for Women, Inc.	Union City
Safe Kids ID Program	Erie
Safenet (Domestic Violence Safety Network)	Erie
Saint Mary's Home of Erie	Erie
Sarah A. Reed Retirement Center	Erie
Sarah A. Reed Children's Center	Erie
Second Harvest Food Bank of NW PA, Inc.	Erie
Smith Street Commons, Inc.	Erie
St Martin Center	Erie
St. Joseph Apartments, Inc.	Erie
St. Patrick's Haven	Erie
Stairways Behavioral Health, Inc.	Erie
Stairways Housing Corp.	Erie
Stairways Supported Housing Corp.	Erie
Supportive Living Services, Inc.	Erie

Terrace Overview Housing Corporation	Erie
The ARC Erie County	Erie
Union City Family Support Center, Inc.	Union City
Union City Senior Center Cooperative, Inc.	Union City
Urban Erie Community Development Corporation	Erie
Vision & Blindness Resources–Erie Center	Erie
Voices for Independence	Erie
Women’s Care Center of Erie County, Inc.	Erie
Young Men’s Christian Association of Corry	Corry
Young Men’s Christian Association of Erie, Pennsylvania	Erie

Youth Development

Boy Scouts of America-French Creek Council No. 532	Erie
Boys & Girls Club of Erie, Inc.	Erie
Boys Baseball in Erie	Erie
Camp Notre Dame Catholic Diocese of Erie	Erie
Corry Area Little League, Inc.	Corry
Corry Beaver Club, Inc.	Corry
Erie Lady Lions Girls Hockey Assn.	West Springfield
Erie Saints Basketball Organization	Erie
Erie Youth Hockey Association	Erie
Erie Youth Lacrosse Association	Erie
Family First Foundation	Erie
Foundation for Free Enterprise Education	Erie
Harborcreek Little League	Erie
Lake Erie Fanfare, Inc.	Erie
Little League Baseball, Inc.	Erie
Little League Baseball, Inc.	Union City
Lower Eastside Sports Center	Erie
Millcreek Youth Athletic Association, Inc.	Erie
Northwestern Youth Baseball/Softball	Albion
Penn Lakes Girl Scout Council, Inc.	Edinboro
The Ophelia Project	Erie
United States Pony Clubs Inc Lost Hounds Pony Club	Erie
Westminster Figure Skating Club of Erie	Erie
Women’s International Bowling	Erie
Youth for Christ–Greater Erie	Erie

All Other Nonprofits

A.F. Dobler Hose and Ladder Company	Girard
Albion Area Fair, Inc.	Albion
Always On Our Own	Erie
Amsco Employees Good Neighbor Fund (a.k.a. Steris Employees Good Neighbor)	Erie
Awareness Ministries, Inc.	Erie
Ben Franklin Center of Excellence of Northwest Pennsylvania, Inc.	Erie
Brookside Apartments, Inc.	Erie
Business Retention Technologies, Inc.	Erie
Center for Advanced Manufacturing & Technology	Erie
Chosen Mission Project	Erie
Church of the Nativity of Christ Foundation	Erie

Confident Beginnings	Erie
Corry Community Foundation	Erie
Corry Industrial Benefit Association	Corry
Dr. Gertrude A. Barber Employee Service Fund	Erie
Dr. Gertrude A. Barber Foundation, Inc.	Erie
East Erie County Emergency Corp.	Harborcreek
Ecclesia Center	Girard
Edinboro Firemen's Relief Association	Edinboro
Erie Community Foundation	Erie
Erie Conservation District	Erie
Erie Downtown An Improvement District Association	Erie
Erie Earn-It Program, Inc.	Erie
Erie Insurance Group Employees Community Service Fund	Erie
Erie Regional Chamber & Growth Partnership	Erie
Erie Zoological Society	Erie
Fairfield Fire Department	Erie
Fairview Borough and Township Firemen's Relief Association	Erie
Franklin Township Volunteer Fire	Edinboro
Fraternal Order of Police 48	Erie
Friends of Erie County Casa, Inc.	Erie
Friends of L'arche, Inc.	Erie
Friends of The Tom Ridge Center	Erie
Fuller Hose Company No. 1	North East
Garden Club Federation of Pennsylvania	Erie
General Electric Employees	Erie
Girard Area Industrial Development Corporation	Girard
Greater Erie Economic Development Corporation	Erie
Harborcreek Fire Department	Harborcreek
Hellfighter Ministries, Inc.	Edinboro
Humbleheart Ministries, Inc.	North East
Hunt of a Lifetime	Harborcreek
Inspiration Time, Inc.	Waterford
Italian American Women's Association	Erie
Jewish Community Council of Erie	Erie
Junior League of Erie, Inc.	Erie
Lake Erie Arboretum at Frontier	Erie
Lake Erie Community Park	Lake City
Lake Erie Region Conservancy	Erie
Lake Shore Firemans Auxiliary	Erie
Lake View County Club Charity Pro-Am Association	North East
Martin Ministries, Inc.	Edinboro
Mead Park Association	Corry
Meeting God In Missions	Erie
North East Community Foundation	North East
North East United Fund Association D/B/A North East Community Chest	North East
Northwest PA Industrial Resource Center	Erie
Northwestern Legal Services	Erie
Northwestern Pennsylvania Humane Society	Erie
Northwest Pennsylvania Trail Assn.	Erie
Parade Street Development Corporation	Erie
Pax Christi USA	Erie
Pennsylvania Kiwanis Foundation	Erie
Pennsylvania Trout, Inc.	Northeast
Perry Hi-Way Hose Co Relief Association	Erie
Platea Volunteer Fire Department, Inc.	Girard
Pleasant Ridge Manor Friends Forever	Girard

Presque Isle Partnership, Inc.	Erie
Purple Martin Conservation Association	Edinboro
Ronald McDonald House Charities of Erie	Erie
Save Our Native Species of Lake Erie, Inc.	Erie
Shankar Service Foundation, Inc.	Erie
Shoreline Administrative Resources, Inc.	Erie
Society of Plastic Engineers, Inc.	Erie
St. Paul's Church TW of Carlson	Erie
The Crescent Hose Company	North East
The Goodell Project, Inc.	Edinboro
Union City Volunteer Fire Department	Union City
United Fund of the Corry Area	Corry
United Way of Erie County	Erie
Vanguard Ministries, International	Erie
VFW-Post 470	Erie
Wattsburg Agricultural Society	Wattsburg
West Erie County Emergency Communication Center	Girard