Strength in Numbers: The Economic Impact of the Nonprofit Sector in Miami-Dade County

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Presented by

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Made possible by:

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MIAMI-DADE COUNTY

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Executive Summary

Nonprofit organizations make a significant impact on various aspects of life for all of Miami-Dade County's residents, including positive influences on health, social well-being, culture, education, and the economy. Nonprofits in Miami-Dade contribute to the state's economy by employing more than 76,000 people and paying wages and benefits to those employees, which has ripple effects throughout the economy as those employees spend their wages on all sorts of goods and services. These organizations also generate revenue through fundraising activities, donations, and program fees.

Miami-Dade County nonprofit organizations:

- Rank first in the state for number of nonprofits and number of nonprofit employees
- Number 2,541 (as represented in this report)
- Directly employ 76,862 people, or approx. 5.5% of the Miami-Dade County workforce
- Are larger in employment size than manufacturing and comparable to admin/support/ waste management in the county
- Pay annual wages of $5.1 billion
- Hold assets of $37.5 billion
- Generate $20.5 billion in annual revenue

Strong, connected, and powerful nonprofit organizations are instrumental in building a vibrant, inclusive society and addressing the diverse needs of the county.

ABOUT THIS REPORT

There were over 10,700 registered tax-exempt organizations in Miami-Dade County in January 2023, ranging from theaters, youth camps, and food banks to fraternal associations, pension fund management organizations, and cemeteries.

This report includes only those organizations that have:
- Reported an annual income of $50,000 or greater
- Filed a 990 with the IRS within the last four years
- Self-selected a 501(c)(3), 501(c)(4), 501(c)(5), or 501(c)(6) classification

These criteria capture most active organizations that perform charitable, social welfare, labor, union, business chamber, and association functions within the county that generate enough revenue to support employees.

The report excludes most all-volunteer run charitable organizations that provide vital services and programs to the residents of Miami-Dade County. Their exclusion here is not a commentary of their importance or effectiveness, but rather a way to gather accurate data about how nonprofits support the economy. If those organizations were included, the number of nonprofits would likely double, but the revenue, assets, and employment numbers would not change very much.

REVENUE AND ASSETS

Nonprofits experience variations in income and revenue based on their geographic location. Miami-Dade is a large, mostly urban county with a large number of nonprofits with a growing economy. It is also the top county in the state in both annual revenue and assets held. Exhibit 1 shows that Miami-Dade nonprofits bring in 17.5% of the state's nonprofit revenue and hold 15% of the assets, as well as 61% of the region's nonprofit revenue and 52% of the region's nonprofit assets.

EXHIBIT 1. Comparison of Revenue and Assets.

	REVENUE	ASSETS
Miami-Dade County	$20,510,779,782	$37,589,651,676
Broward County	$6,382,543,776	$11,610,421,141
Palm Beach County	$5,214,927,168	$19,158,095,303
Southeast Region	$33,558,214,176	$72,476,967,728
Orange County	$8,821,480,177	$18,754,028,820
Hillsborough County	$12,936,468,054	$31,676,761,746
Duval County	$11,152,689,835	$20,346.187,757
Florida	$116,584,827,407	$255,407,183,563

Source: IRS Exempt Organization Business Entity Master File, accessed January 2023.

SOCIAL FUNCTIONS

Nonprofit organizations play a crucial and multifaceted role in Miami-Dade by providing enrichment and addressing the county's most pressing challenges. Organizations such as food banks, homeless shelters, and affordable housing initiatives work tirelessly to alleviate poverty, provide essential resources, and empower individuals to improve their lives. Nonprofits in sectors like healthcare and education ensure access to vital services and opportunities for all populations. Nonprofit organizations also play an outsized role in supporting residents of Miami-Dade County during and after natural disasters.

Nonprofits enhance the quality of life for Miami-Dade residents by fostering access to arts and culture. Nonprofits also promote community development, environmental conservation, and social justice, creating a stronger and more equitable county.

Organizations self-select their social function, which could also be described as their mission area, when filing as a tax-exempt entity. Exhibit 2 identifies the number of nonprofits by social function type in the county and statewide that meet the study criteria.

Compared to state percentages, Miami-Dade County has more arts, culture and humanities organizations and more international organizations. On the flip side, Miami-Dade County has slightly fewer environment and human services organizations than the state overall.

EXHIBIT 2. Nonprofit Type by Social Function.

SOCIAL FUNCTION	NUMBER OF NONPROFITS	% OF TOTAL (county)	% FOR FLORIDA (by social function)
Arts, culture, and humanities	190	7%	5%
Education	248	10%	10%
Environment	63	3%	4%
Health	184	7%	7%
Human Services	542	21%	22%
International	98	4%	2%
Mutual Benefit	5	<1%	<1%
Public and societal benefit	569	22%	21%
Religion	168	7%	6%
Unknown*	474	19%	22%

Source: IRS Exempt Organization Business Entity Master File, accessed January 2023

*Note: Public and societal benefit includes civil rights and advocacy, community improvement, philanthropy, science and technology, social science, and general public and societal benefit organizations. Other definitions of social functions can be found at https://flnonprofits.org/page/DataDashboard.

*Note: Unknown organizations include those that are declared "unknown" in IRS data and those without any social function identified.

SOCIAL FUNCTIONS (cont.)

Exhibit 3 outlines the revenue, assets, and % of sector employment of nonprofit organizations by social function. The largest social functions by revenue in Miami-Dade County are education and health, followed by human services. The largest social functions by assets are health and education, followed by public and societal benefit, which includes foundations. Health and Education are the top two social functions employers, each with more than 36% of the nonprofit workforce.

EXHIBIT 3. Economic Contributions by Social Function.

SOCIAL FUNCTION	TOTAL REVENUE	TOTAL ASSETS	% OF TOTAL EMPLOYMENT
Arts, culture, and humanities	$215,171,563	$969,370,782	1.75%
Education	$6,753,550,930	$9,327,460,467	36.5%
Environment	$69,350,088	$170,735,594	.2%
Health	$9,725,115,599	$15,680,963,500	39.87%
Human Services	$1,771,655,161	$2,305,118,604	12.24%
International	$275,219,725	$409,441,035	.27%
Mutual Benefit	$17,931,061	$1,950,900	
Public and societal benefit	$687,069,125	$5,603,737,973	.91%
Religion	$74,592,264	$103,004,118	.11%
Unknown*	$921,124,266	$3,017,868,703	8.13%

Source: IRS Exempt Organization Business Entity Master File, accessed January 2023

*Note: Public and societal benefit includes civil rights and advocacy, community improvement, philanthropy, science and technology, social science, and general public and societal benefit organizations. Other definitions of social functions can be found at https://flnonprofits.org/page/DataDashboard.

*Note: Unknown organizations include those that are declared "unknown" in IRS data and those without any social function identified.

CONTRIBUTIONS TO EMPLOYMENT

Employment and wages vary across the state due to factors like industry concentrations, population density, and economic development. Miami-Dade is first in the state in number of employees, and fifth in the state in wages. Miami-Dade nonprofit employees make up 17% of the state's nonprofit workforce.

At the county level, nonprofit employees make up 5.5% of the county's total workforce. This is larger than the manufacturing industry (4.2%) and on par with the admin/support/waste management industry (5.8%). The nonprofit workforce percentage for Miami-Dade is slightly higher than the state overall (5%).

Although wages in Miami-Dade County are in the top five in the state, they do not keep pace with the cost of living. According to MIT, living wage in Miami-Dade County for one adult and one child is $39.58. Nonprofits are paying $31.93, a difference of more than $7.50 per hour – and the disparity increases with family size.

Exhibit 4 shows the number of employees, average wages and total annual wages for Miami-Dade, then compares it to other counties, the Southeast Region, and the state of Florida.

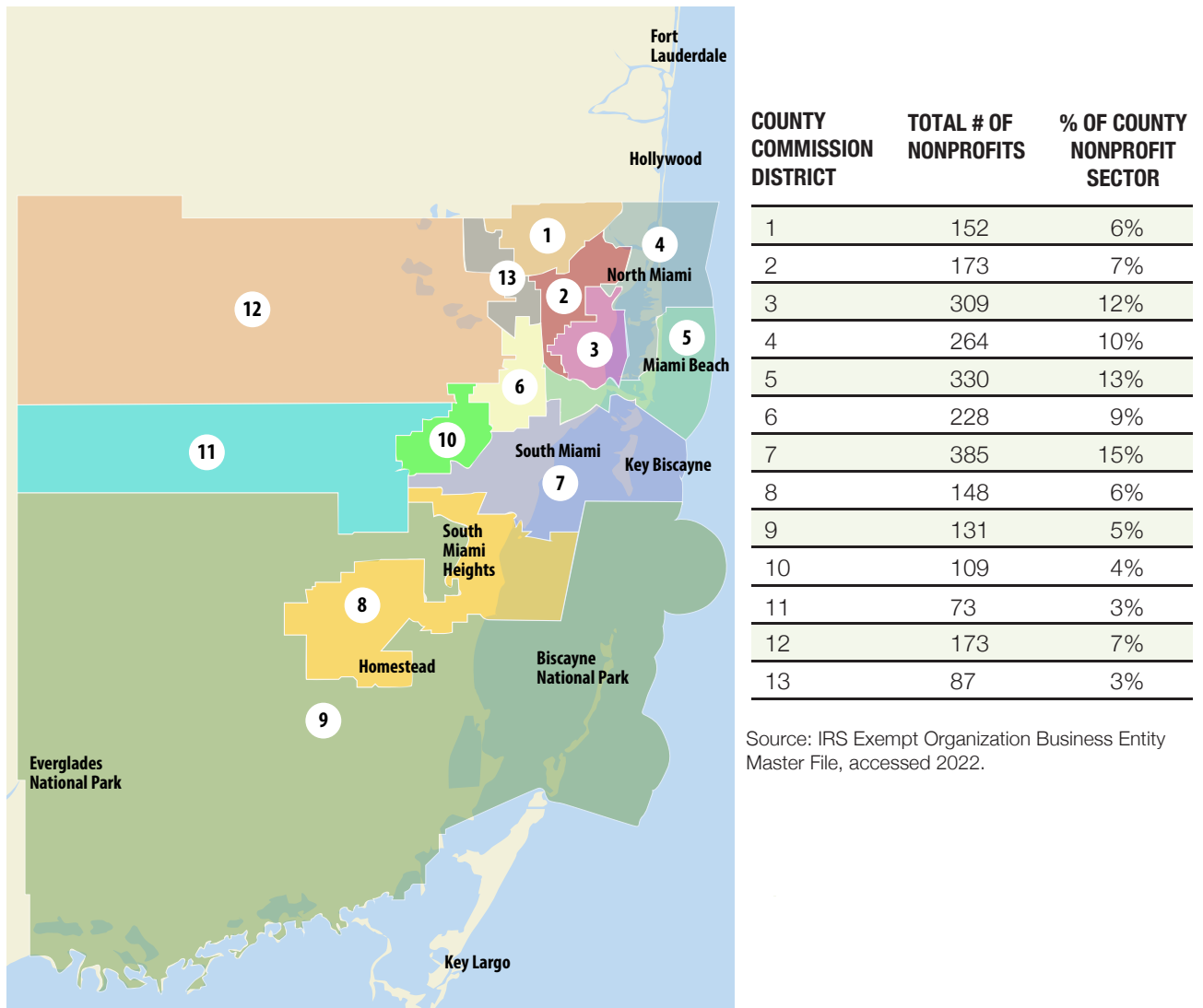**EXHIBIT 4.** Comparison of Employment and Wages.

	NUMBER OF EMPLOYEES	AVERAGE HOURLY WAGE	AVERAGE ANNUAL WAGE	TOTAL ANNUAL WAGES
Miami-Dade County	76,862	$31.93	$66,639	$5,122,000,912
Broward County	23,023	$27.65	$57,701	$1,328,448,516
Palm Beach County	24,817	$24.23	$50,581	$1,255,281,016
Southeast Region	132,725	$24.72	$51,418	$8,074,637,668
Orange County	40,997	$35.50	$74,097	$3,037,758,080
Hillsborough County	47,611	$30.79	$64,273	$3,060,097,996
Duval County	37,125	$28.09	$58,632	$2,176,708,428
Florida	456,881	$22.05	$46,018	$27,526,120,504

Source: IRS Exempt Organization Business Entity Master File, accessed January 2023.

COUNTY COMMISSION DISTRICTS

The PhilanthropyMiami report *Miami-Dade County Commission Districts: Nonprofit Engagement* breaks down breaks down the number of nonprofits in Miami-Dade County by County Commission district. There are 13 county commission districts, designed to have relatively equal population in each. However, the location of nonprofits is not equally disbursed. District 7 has the highest number of nonprofit organizations, followed by Districts 5, 3, and 4.

EXHIBIT 5. Nonprofits by Miami-Dade County Commission Districts.

COUNTY COMMISSION DISTRICT	TOTAL # OF NONPROFITS	% OF COUNTY NONPROFIT SECTOR
1	152	6%
2	173	7%
3	309	12%
4	264	10%
5	330	13%
6	228	9%
7	385	15%
8	148	6%
9	131	5%
10	109	4%
11	73	3%
12	173	7%
13	87	3%

Source: IRS Exempt Organization Business Entity Master File, accessed 2022.

ADDRESSING COMMUNITY NEED

Many nonprofits serve the essential needs of individuals in the county, and the needs in Miami-Dade County are great. This report looks at the percentage of each county that falls below the federal poverty threshold, as well as the ALICE threshold.

Developed by United for ALICE, the United Way ALICE threshold identifies households that are Asset Limited, Income Constrained, Employed. United Way ALICE represents the significant share of Florida households that earn above the Federal Poverty Level but still struggle to afford the basic cost of living. The United Way ALICE Threshold takes into account the actual cost of essential household expenses – housing, child care, food, transportation, health care, technology, and taxes, in each US county.

Miami-Dade is above both the state (45%) and national (41%) rates of poverty, including those below the United Way ALICE threshold.

To address the need in the county, there are only approximately 2.6 nonprofits per 1,000 households, the same as the state of Florida. Florida ranks 48th in number of nonprofits per 1,000 households among the 50 states and the District of Columbia.

EXHIBIT 6. Comparison of Need.

	% OF HOUSEHOLDS BELOW ALICE THRESHOLD	% OF HOUSEHOLDS BELOW FEDERAL POVERTY LEVEL
Miami-Dade County	50.7%	16.7%
Broward County	46.4%	13.4%
Palm Beach County	43.3%	11.8%

Source: United for ALICE. "National Overview - 2021." https://unitedforalice.org/national-overview. Accessed May 15, 2023.

HOW TO USE THIS REPORT

This report can be used by nonprofits in a variety of ways, including:

- **Demonstrating economic value:** Nonprofit organizations can use data to showcase their economic impact in Miami-Dade County, in the Southeast Region, and the entire state. This includes quantifying the number of jobs created and revenues generated. By highlighting nonprofits' economic value, the nonprofit sector can strengthen its position when advocating for policy changes, funding support, or collaborations with government entities.

- **Influencing public opinion:** The nonprofit sector can leverage these data to educate the public and tell their stories through media campaigns, social media, or public presentations, increasing awareness and rallying public support for Florida's nonprofits.

- **Informing policy decisions:** By providing robust economic data, the nonprofit sector can influence policy discussions and advocate for favorable policies or changes that support their work.

- **Attracting funding and donations:** Economic impact data can help the nonprofit sector make a compelling case for nonprofit funding by demonstrating the sector's effectiveness in generating economic growth, job creation, and social progress and offering evidence of nonprofits' efficiency and the return on investment for potential donors, as well as highlighting the need to invest in wages for nonprofit employees.

- **Demonstrating need:** Nonprofits are a vital part of the ecosystem that supports the needs of economically insecure Floridians and the communities they live in. The data can be leveraged to make the case for additional investments in the sector.

Overall, data about the economic impacts of nonprofits can provide solid evidence to support advocacy efforts, shape public opinion, influence policymakers, foster collaborations, and attract crucial resources. By utilizing these data strategically, the Miami-Dade nonprofit sector can effectively advocate for the missions of all organizations, leading to a more favorable policy and funding environment and greater support from stakeholders.

To assist nonprofits in using this report, there are two additional resources that may be helpful.

1) **Economic Impact Data Dashboard** – located on the Florida Nonprofit Alliance website, the data dashboard allows users to change filters to a specific county, group of counties, or region of the state. This will be particularly useful for organizations located in Miami-Dade that serve a multi-county area or meetings with elected officials whose districts encompass more than one county. Visit the Data Dashboard here: https://flnonprofits.org/page/DataDashboard

2) **Miami-Dade Practical Action Guide** – this guide walks nonprofits through how to use each section of the data dashboard to improve your messaging, develop stronger coalitions, increase your fundraising, and more. Access the guide here.

DATA SOURCES

The data in this report was obtained from:

- The Internal Revenue Services (IRS) Exempt Organizations Business Master File including income, assets, revenue, and social function
- The Florida Department of Economic Opportunity (FDEO) for state employment figures, including hourly and annual wages
- The U.S. Census Bureau and United for ALICE for data on poverty and income
- The U.S. Bureau of Labor Statistics to identify social function–specific economic contributions
- MIT Living Wage Calculator: https://livingwage.mit.edu/counties/12086
- Miami-Dade Matters (2023): https://www.miamidadematters.org/demographicdata?id=414&sectionId=939

When necessary, data were coded by county and aggregated to the regional or social function-level when appropriate.

For data on wages, some data are suppressed at the social function or county level based on the number of nonprofits reporting data. As a result, totals within regional and social function analysis may not equate to state-level data. Employment is reported quarterly and averaged across quarters to provide an average annual employment rate. Wages are reported quarterly, averaged across quarters and multiplied by four to determine an average annual wage.

This report includes only those organizations that have:
- Reported an annual income of $50,000 or greater
- Filed a 990 with the IRS within the last four years
- Self-selected a 501(c)(3), 501(c)(4), 501(c)(5), or 501(c)(6) classification

The Southeast region is defined as Monroe, Miami-Dade, Broward, Palm Beach, Martin. St. Lucie, and Indian River counties.

For a detailed list of the organizations included in this report, visit https://flnonprofits.org/page/DataDashboard, and select Nonprofit Directory, then filter by Miami-Dade County.

PhilanthropyMiami is committed to building a thriving community of professionals, volunteers, and organizations working toward a greater Miami. Our mission is to increase the ability of organizations and individuals to drive social change. We do this by curating and elevating experiences for education and networking that not only enhance professional growth but also foster a strong sense of community. For more information, visit philanthropymiami.org

Florida Nonprofit Alliance (FNA) is a statewide coalition of nonprofits focused on research, collaboration and advocacy. FNA's mission is to serve as the state's collective voice, respected advocate, effective connector, and powerful mobilizer for the nonprofit sector. We provide a collective voice at the state and national levels, educating elected officials and constituents, and serve as a central resource and referral center for and about Florida nonprofits. FNA also represents Florida as the state association member of the National Council of Nonprofits. Visit www.flnonprofits.org.

Thank you to our partners for their generous support

Allegany Franciscan Ministries is a nonprofit Catholic organization, guided by this mission and rooted in the tradition and vision of the Franciscan Sisters of Allegany. A member of Trinity Health, Allegany Franciscan Ministries provides grants and work with community partners in three regions of Florida formerly served by the Sisters' hospitals: Miami-Dade County, Palm Beach, Martin and St. Lucie Counties, and the Tampa Bay area of Hillsborough and Pinellas Counties. Since awarding its first grant in 1998, Allegany Franciscan Ministries has invested nearly $124 million to over 1,800 organizations serving those most in need in these communities. For twenty-five years, Allegany has partnered and invested in community-based organizations to create more equitable, just, and caring communities. Beginning in 2024, Allegany is investing in two new priority focus areas: Climate Justice & Care for Creation, and Nonprofit Capacity & Leadership.