

The Virginia Nonprofit Sector

MORE THAN CHARITY

Nonprofit organizations:

- Define, shape, and improve the quality of life in local communities.
- Attract businesses to communities by providing services and cultural richness.
- Provide opportunities for citizens to engage in their communities through volunteerism.
- Improve the work force through direct job training programs.
- Reduce unemployment by providing job opportunities to underemployed or unemployed citizens.
- Bring foundation and federal grants into the region.

Virginia's nonprofit organizations represent a major social and economic resource that contributes significantly to the vitality of our state. In every city and county you will find nonprofits serving citizens, meeting needs, and addressing issues of community concern.

This report summarizes the most recent available data on Virginia's nonprofits and illustrates the significant role this sector plays. Much attention is given to the condition of government and business in the Commonwealth, but let's not forget that nonprofits fill a critical role as a third and independent sector. The primary source for this data are fiscal year annual reports filed with the IRS by charitable nonprofits with over \$25,000 in gross annual receipts. The data in this report was released in June 2007 by the National Center for Charitable Statistics. Data is based on information from 2006 IRS Form 990 filings, detailing 2005 activities.

Through this report we aim to build awareness about the vital role nonprofits play and to educate policymakers, the media, and the public about charitable giving in Virginia. Some highlights of this report are:

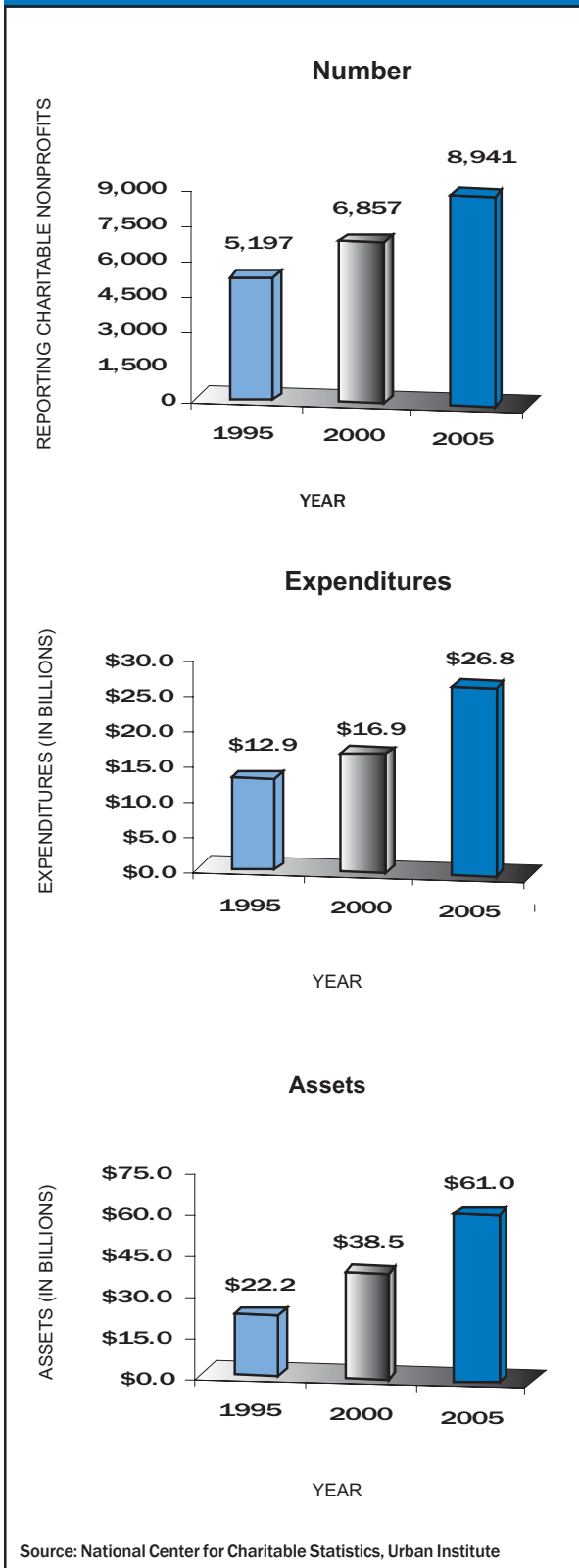
- There were 8,941 reporting charitable nonprofits, as designated by Section 501(c)3 of the Internal Revenue Code, in Virginia in 2005.
- The 1,354 foundations in Virginia held \$7.0 billion in assets and gave \$357 million in grants.
- In 2005, the average charitable deduction for itemizing taxpayers in Virginia was \$3,650—about 6.0% of their incomes. Both of these figures were slightly below the national averages.

Yet these numbers don't tell the whole story. In addition to the reporting 501(c)3s, there are 12,987 organizations not required to file, including booster clubs, local PTAs, youth soccer, Little League, and numerous other small organizations that are active in our communities but whose limited finances exempt them from the IRS reporting requirement.

Charitable nonprofits benefit us in ways that can't easily be quantified. They are tools for community building, fostering civil society, and strengthening our social fabric, and are essential to improving the quality of life in the Commonwealth. Virginians have and will continue to place their trust in the responsiveness, performance, and quality of services provided by these organizations. The Virginia Network of Nonprofit Organizations is pleased to present this report, in collaboration with the National Council of Nonprofit Associations, to promote better understanding and appreciation of our state's nonprofit community.

Deborah Barfield Williamson
Executive Director
Virginia Network of Nonprofit Organizations

FIGURE 1 Reporting Charitable Nonprofits in Virginia, 1995-2005



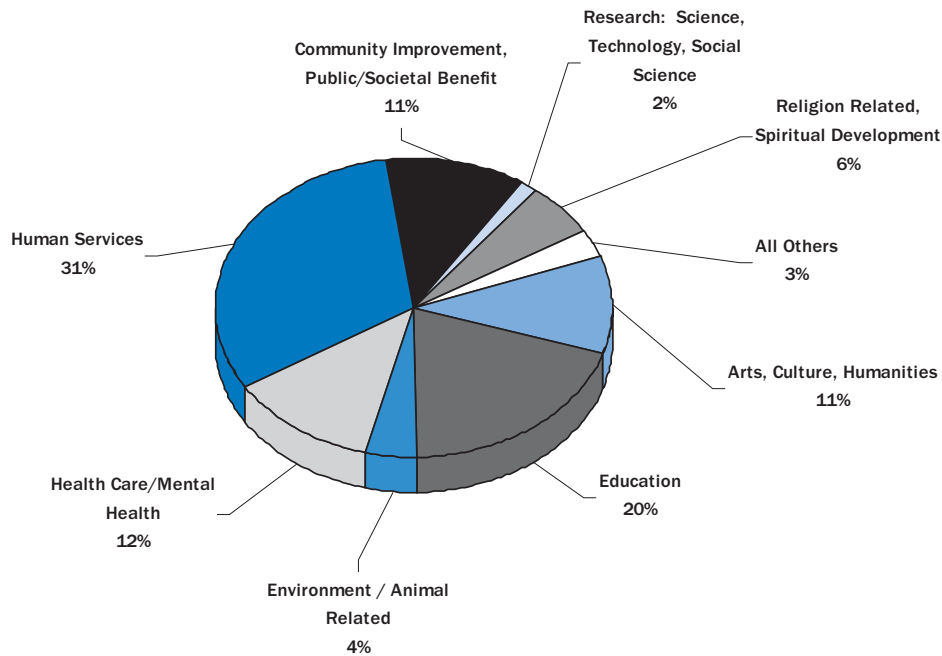
- In 2005, there were 8,941 reporting charitable nonprofits that were tax-exempt under Section 501(c)(3) of the IRS code. Private foundations are not included but are discussed on page six. Religious congregations are not required to report and are also not included (Fig. 1).
- Reporting charitable nonprofits in Virginia had \$26.8 billion in expenditures in 2005.
- The value of assets held reached \$61.0 billion in 2005, which is a 175% increase from \$22.2 billion reported in 1995 (Fig. 1).

FIGURE 2 The Virginia Nonprofit Sector, 2005

Tax-Exempt Organizations	Registered with IRS (over \$5,000 in gross receipts)	Filing Annual IRS Report (over \$25,000 in gross receipts)
501(c)(3)*	24,140	10,838
501(c)(4) social welfare	3,259	1,034
501(c)(5) labor/agricultural	1,238	481
501(c)(6) business leagues	2,363	1,353
501(c)(other)	4,722	1,357

*Includes private foundations, but not religious congregations.
 Source: National Center for Charitable Statistics, Urban Institute.
 NOTE: Data from 11/2005 NCCS Business Master File database and may not match other figures in this report

- 24,140 organizations (including charitable nonprofits and private foundations) are registered as tax exempt under 501(c)(3), but only 10,838 (45%) are required to file an annual report with the IRS because they meet the filing requirement of over \$25,000 in gross receipts (Fig. 2). There may also be charitable nonprofits that are registered but no longer exist.

FIGURE 3 Reporting Charitable Nonprofits in Virginia by Field, 2005

Source: National Center for Charitable Statistics, Urban Institute

- Human service organizations make up the largest proportion of Virginia's reporting charitable nonprofits (31%). They provide a broad spectrum of services including youth development, disaster relief, housing services, and family support (Fig. 3).
- Organizations in the Religion Related/Spiritual Development field make up 6% of reporting nonprofits. However, religiously-affiliated charitable nonprofits that provide specific programs, such as mental health services or day care, are placed with organizations providing similar services, not under the Religion Related heading.

- In 2005, Virginia nonprofit hospitals represented only 1.2% of total reporting charitable nonprofits, but they had 31.5% of expenditures and 23.3% of the total assets (Fig. 4).
- Human service organizations, representing approximately one third (31.7%) of the total number, had only 13.4% of the total expenditures and 11.4% of the total assets (Fig. 4).

FIGURE 4 Number, Expenditures, Assets, and Revenues of Reporting Charitable Nonprofits in Virginia by Field, 2005

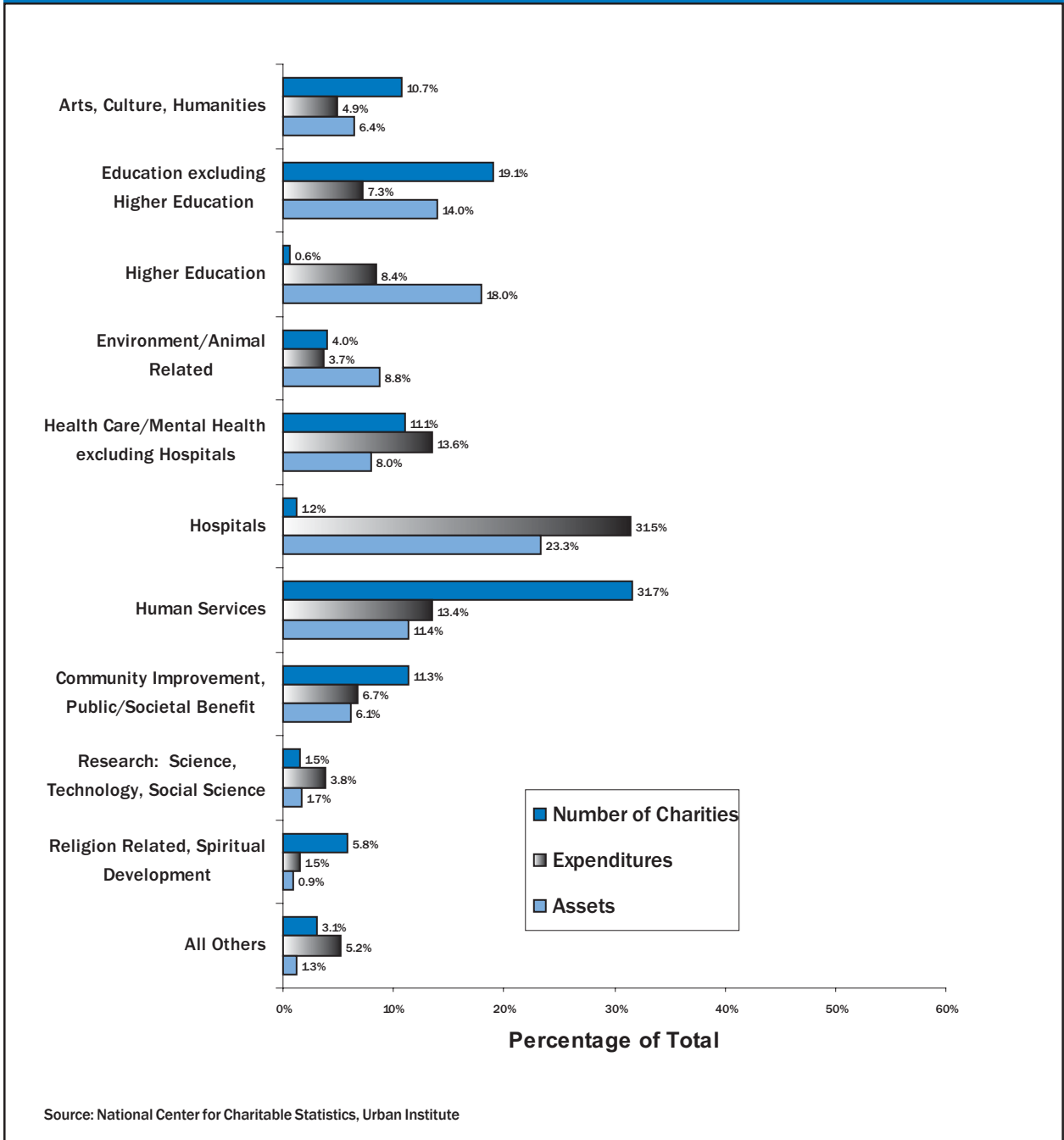


FIGURE 5 Reporting Charitable Nonprofits in Virginia by City and/or County, 2005

County	Number of Organizations	Expenditures	Assets	County	Number of Organizations	Expenditures	Assets
Accomack	30	\$19,333,438	\$28,311,802	Pittsylvania	26	\$29,486,882	\$73,593,504
Albemarle	86	\$59,830,593	\$185,228,288	Powhatan	11	\$1,510,126	\$3,016,517
Alleghany	12	\$2,086,249	\$9,396,550	Prince Edward	30	\$113,165,008	\$302,915,583
Amelia	4	\$1,270,730	\$917,034	Prince George	8	\$624,673	\$3,940,995
Amherst	21	\$44,702,502	\$176,579,879	Prince William	167	\$438,520,348	\$701,012,223
Appomattox	10	\$1,250,712	\$3,086,664	Pulaski	21	\$5,616,761	\$12,134,566
Arlington	477	\$2,326,747,438	\$7,459,114,060	Rappahannock	14	\$3,909,897	\$5,164,245
Augusta	50	\$185,624,646	\$322,410,517	Richmond	15	\$3,755,518	\$7,398,940
Bath	12	\$12,325,983	\$22,783,085	Roanoke	103	\$135,142,503	\$336,410,882
Bedford	77	\$43,897,527	\$74,964,164	Rockbridge	12	\$3,400,077	\$6,486,306
Bland	5	\$2,086,295	\$2,344,294	Rockingham	52	\$70,874,896	\$190,417,855
Botetourt	27	\$5,196,846	\$11,005,355	Russell	18	\$6,416,413	\$6,216,027
Brunswick	13	\$17,285,774	\$30,500,898	Scott	17	\$8,288,896	\$13,600,637
Buchanan	19	\$46,244,600	\$93,029,244	Shenandoah	46	\$45,514,289	\$76,097,639
Buckingham	9	\$19,608,018	\$9,802,922	Smyth	30	\$65,536,993	\$110,789,774
Campbell	28	\$40,353,684	\$59,655,812	Southampton	9	\$6,275,077	\$10,192,122
Caroline	16	\$1,745,455	\$9,348,255	Spotsylvania	39	\$89,331,613	\$57,788,186
Carroll	10	\$4,428,740	\$8,746,434	Stafford	57	\$21,128,085	\$38,215,668
Charles City	4	\$3,035,803	\$3,634,812	Surry	4	\$318,429	\$601,592
Charlottesville	10	\$1,698,803	\$2,061,761	Sussex	8	\$6,555,938	\$9,270,665
Chesterfield	203	\$154,076,701	\$228,770,118	Tazewell	36	\$33,909,916	\$60,772,393
Clarke	22	\$141,665,415	\$78,527,397	Warren	47	\$105,574,317	\$143,752,461
Craig	3	\$436,192	\$815,556	Washington	49	\$115,259,876	\$313,283,450
Culpeper	61	\$135,000,331	\$352,616,635	Westmoreland	21	\$6,143,354	\$40,591,832
Cumberland	3	\$245,806	\$1,337,637	Wise	32	\$9,953,554	\$31,223,289
Dickenson	8	\$20,012,548	\$4,551,608	Wythe	26	\$75,697,440	\$93,009,235
Dinwiddie	2	\$188,480	\$2,856,268	York	36	\$14,096,240	\$34,507,100
Essex	11	\$4,065,768	\$10,095,575				
Fairfax	1,330	\$3,483,050,330	\$7,792,756,827	City	Number of Organizations	Expenditures	Assets
Fauquier	97	\$180,581,977	\$287,062,994	Alexandria	654	\$3,205,607,300	\$3,591,856,632
Floyd	14	\$1,593,565	\$2,566,007	Bristol	27	\$297,808,690	\$91,944,508
Fluvanna	15	\$1,223,416	\$3,814,470	Buena Vista	8	\$14,981,857	\$17,512,593
Franklin	46	\$31,738,199	\$92,427,484	Charlottesville	225	\$725,473,042	\$5,214,249,321
Frederick	31	\$20,306,944	\$117,762,783	Chesapeake	124	\$34,927,898	\$85,681,517
Giles	13	\$7,301,790	\$9,926,840	Colonial Heights	13	\$3,577,813	\$1,788,534
Gloucester	33	\$11,770,037	\$24,535,825	Covington	13	\$2,780,325	\$6,534,485
Goochland	16	\$10,233,066	\$18,224,748	Danville	75	\$238,418,359	\$633,239,626
Grayson	10	\$686,176	\$3,734,627	Fairfax	114	\$124,219,036	\$374,250,473
Greene	9	\$8,379,185	\$25,990,659	Falls Church	54	\$35,492,888	\$47,176,390
Greensville	17	\$8,306,718	\$7,177,633	Franklin	12	\$7,293,568	\$21,245,954
Halifax	27	\$80,653,898	\$139,648,829	Fredericksburg	78	\$445,587,145	\$787,912,642
Hanover	100	\$116,633,309	\$381,340,281	Galax	17	\$52,372,955	\$37,184,527
Henrico	383	\$806,457,529	\$2,075,251,322	Hampton	79	\$217,168,226	\$505,945,241
Henry	15	\$3,160,396	\$5,434,802	Harrisonburg	107	\$341,765,785	\$850,368,479
Highland	12	\$2,378,971	\$5,585,442	Hopewell	14	\$4,058,496	\$40,930,533
Isle of Wight	28	\$5,779,552	\$13,612,232	Lexington	49	\$179,828,162	\$1,517,986,818
James City	83	\$100,261,248	\$352,289,770	Lynchburg	146	\$705,108,253	\$1,455,156,090
King and Queen	8	\$697,561	\$1,889,812	Manassas	72	\$260,574,800	\$437,368,115
King George	9	\$1,072,778	\$2,394,422	Martinsville	46	\$34,393,683	\$318,890,692
King William	11	\$2,146,579	\$3,909,039	Newport News	132	\$889,700,438	\$1,560,582,860
Lancaster	39	\$54,784,105	\$111,290,777	Norfolk	309	\$3,196,198,691	\$4,597,330,574
Lee	8	\$12,580,258	\$9,441,622	Norton	11	\$162,518,860	\$61,546,916
Loudoun	276	\$1,302,858,151	\$2,905,150,478	Petersburg	49	\$179,253,197	\$282,365,782
Louisa	21	\$3,750,980	\$16,488,152	Poquoson	8	\$454,709	\$1,517,225
Lunenburg	4	\$4,195,454	\$3,977,210	Portsmouth	65	\$41,054,514	\$69,943,261
Madison	22	\$31,595,238	\$279,745,044	Radford	25	\$13,438,236	\$57,957,970
Mathews	13	\$1,272,174	\$4,303,365	Richmond	425	\$1,082,965,985	\$4,295,301,808
Mecklenburg	40	\$76,726,313	\$71,643,864	Roanoke	171	\$999,771,766	\$1,768,997,706
Middlesex	25	\$10,826,929	\$30,773,087	Salem	37	\$137,024,938	\$283,912,583
Montgomery	106	\$167,853,913	\$908,606,503	Staunton	45	\$49,574,536	\$95,890,328
Nelson	30	\$9,730,576	\$20,981,590	Suffolk	47	\$142,741,883	\$206,365,079
New Kent	9	\$703,757	\$3,202,589	Virginia Beach	332	\$895,050,418	\$1,191,504,789
Northampton	35	\$65,931,552	\$70,598,495	Waynesboro	43	\$18,620,095	\$44,096,296
Northumberland	9	\$944,247	\$4,602,628	Williamsburg	32	\$186,465,082	\$1,827,570,796
Nottoway	5	\$2,187,357	\$3,500,826	Winchester	85	\$462,504,700	\$816,327,025
Orange	41	\$16,851,492	\$66,011,738				
Page	16	\$17,059,682	\$20,436,680				
Patrick	15	\$10,595,144	\$8,110,116				
				Total	8,941	\$26,787,971,176	\$60,988,209,242

Source: National Center for Charitable Statistics, Urban Institute.

Note: 9 organizations, with expenditures of \$13,786,105 and assets of \$8,542,745 do not have cities or counties assigned, but are included in the totals

FIGURE 6 Overview of Virginia Foundations, 2005

Foundation Type	Number of Foundations	Assets	Total Giving
Independent Foundations	1,184	\$4,551,447,110	\$243,445,409
Corporate Foundations	54	\$486,040,880	\$53,022,046
Community Foundations	15	\$645,970,094	\$25,327,669
Operating Foundations	101	\$1,332,850,411	\$35,625,398
Total in Virginia	1,354	\$7,016,308,495	\$357,420,522
Total in United States	71,095	\$550,552,049,000	\$36,402,633,000
Virginia as % of U.S.	1.90%	1.27%	0.98%

Source: The Foundation Center

- There were a total of 1,354 foundations in Virginia in 2005 (Fig. 6).
- The total assets of Virginia foundations were over \$7 billion and their giving totaled over \$357 million (Fig. 6).
- The 1,354 foundations in Virginia represented 1.9% of all foundations in the United States in 2005 (Fig. 6).
- The ten largest foundations in Virginia had over \$3.1 billion in assets (Fig. 7).
- The ten largest foundations in Virginia gave over \$107 million in 2005 (Fig. 8).

FIGURE 7 Top 10 Virginia Foundations by Assets, 2005

Foundation Name	Assets	Foundation Type
The Freedom Forum, Inc.	\$1,071,127,819	Operating
Jack Kent Cooke Foundation	\$637,795,172	Independent
The Community Foundation Serving Richmond & Central Virginia	\$297,707,558	Community
Freddie Mac Foundation	\$206,483,808	Corporate
The Norfolk Foundation	\$192,374,269	Community
Blue Moon Fund, Inc.	\$189,776,311	Independent
The Claude Moore Charitable Foundation	\$167,080,098	Independent
Williamsburg Community Health Foundation	\$127,631,000	Independent
Robins Foundation	\$122,218,206	Independent
Oak Hill Fund	\$98,775,346	Independent
Total	\$3,110,969,587	

Source: The Foundation Center

FIGURE 8 Top 10 Virginia Foundations by Total Giving, 2005

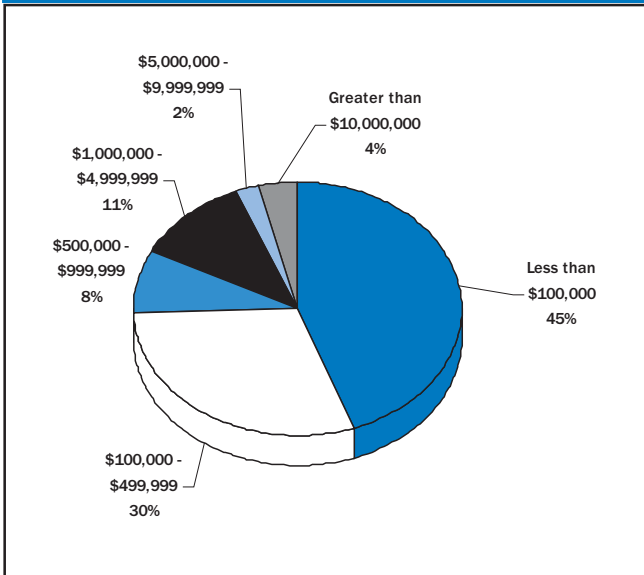
Foundation Name	Total Giving	Foundation Type
The Freedom Forum, Inc.	\$28,368,456	Operating
Freddie Mac Foundation	\$22,363,126	Corporate
Jack Kent Cooke Foundation	\$15,759,958	Independent
The Community Foundation Serving Richmond & Central Virginia	\$7,887,857	Community
The Norfolk Foundation	\$6,654,080	Community
Mustard Seed Foundation, Inc.	\$5,785,384	Independent
Robins Foundation	\$5,655,818	Independent
Charles E. Smith Family Foundation	\$5,578,850	Independent
Williamsburg Community Health Foundation	\$5,073,832	Independent
Oak Hill Fund	\$4,364,158	Independent
Total	\$107,491,519	

Source: The Foundation Center

The Foundation Center describes foundations as follows:

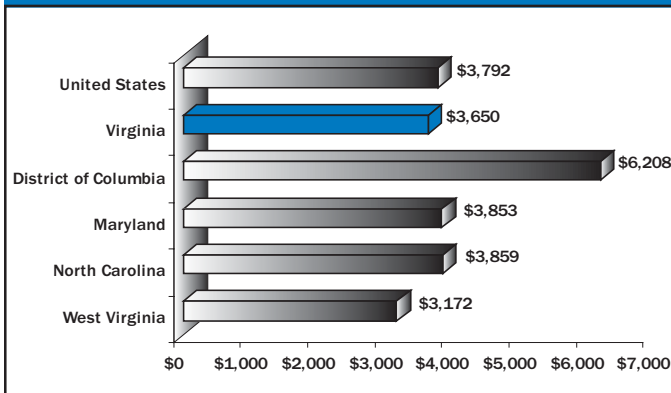
- Independent foundations are grantmaking organizations.
- Corporate foundations are independent grantmakers with ties to corporation benefactors.
- Operating foundations conduct research, provide a direct service, and make few grants.
- Community foundations pool donations and make grants, usually in a specific community.

FIGURE 9 Reporting Charitable Nonprofits in Virginia by Expenditure Level, 2005



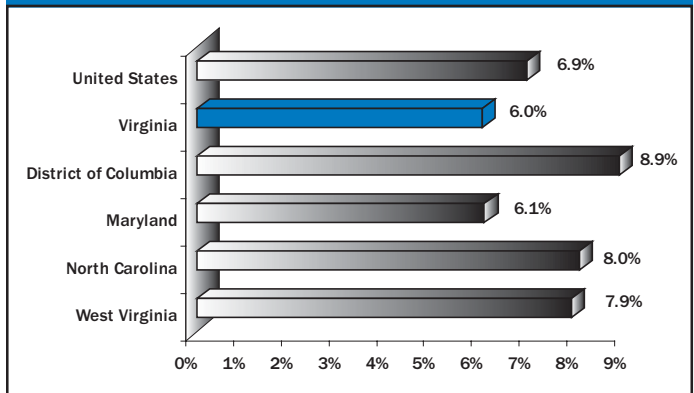
- In 2005, only 6% of reporting charitable nonprofits (554 organizations) had annual expenditures greater than \$5 million. These organizations accounted for 77% of total assets and 87% of total expenditures (Fig. 9).
- In contrast, 83% (7,379 organizations) had annual expenditures under \$1 million (Fig. 9).
- Not reflected in Figure 9 are the 12,987 small charitable nonprofits (57% of Virginia nonprofits) registered with the IRS but not required to file IRS Form 990. This includes organizations such as youth sports leagues, rescue squads, and other small groups.

FIGURE 10 Average Charitable Contribution of Itemizers, 2005



- The average charitable contribution of those who itemized deductions was \$3,650 in Virginia in 2005 (Fig. 10).

FIGURE 11 Percent of Income Contributed by Itemizers, 2005



- The percent of income contributed by these Virginia itemizers was 6.0%, below the national average of 6.9% (Fig. 11).

For more information, see Virginia Network of Nonprofit Organizations (www.vanno.org) National Council of Nonprofit Associations (www.ncna.org) National Center for Charitable Statistics at the Urban Institute (www.nccs.urban.org) Foundation Center (www.fdncenter.org);

NOTE: The data in this report was released in June 2007 by the National Center for Charitable Statistics. Data is based on information from 2006 IRS Form 990 filings, detailing 2005 activities.

The **Virginia** Nonprofit Sector

Report Highlights

- 8,941 501(c)3 charitable nonprofits (not including foundations or religious congregations) were large enough to file IRS Form 990 in 2005, reporting more than \$25,000 in annual revenue.
- Expenditures by reporting charitable nonprofits totaled \$26.8 billion and total assets were \$61.0 billion in 2005.
- The 1,354 foundations in Virginia held over \$7 billion in assets and gave over \$357 million in grants.

About the Virginia Network of Nonprofit Organizations

Founded in 2004, the Virginia Network of Nonprofit Organizations connects nonprofits to advance effective practices and enhance their ability to meet the diverse needs of communities throughout the Commonwealth.

VANNO's activities are designed to:

- maximize access to information, training, and product discounts
- disseminate best practices in management and governance
- promote ethical and accountable activity
- encourage understanding of and engagement in public policy
- communicate the value of the sector to key stakeholders.

Membership in VANNO is open to any 501 (c) organization in Virginia, regardless of size or mission. Affiliate membership is also available to businesses, consultants and other individuals concerned with strengthening and supporting the nonprofit sector. For more information, please visit our website at www.vanno.org

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