The most common type of nonprofit is the 501(c)(3) public charity

What are public charities?
- Primarily administer programs; occasionally make grants
- What most people think of when they hear the word non profit
- Small and local (e.g., an animal shelter) or large and national or international (e.g., Save the Children)

What are private foundations?
- Primarily grantmaking institutions; occasionally administer programs
- Examples include the Bill & Melinda Gates Foundation and the W.K. Kellogg Foundation
- Typically are founded by and receive support from a small number of individuals or corporations

There are more than 30 other types of 501(c) nonprofits in the U.S., including social welfare groups, business associations, veterans’ organizations, labor unions, and federal credit unions.

501(c) refers to the section of the Internal Revenue Code under which these nonprofits are tax exempt. Public charities and private foundations are grouped under the same section—501(c)(3).
Public Charities

Public charities are everywhere
You can find them in every state, and in U.S. territories.

Public charities per capita by U.S. state
Number of public charities for every 10,000 residents

- <35
- 35-39
- 40-44
- 45+

They reflect every aspect of life

Top 5 public charity subject areas

- Human services: 27%
- Religion-related: 19%
- Education: 14%
- Public, societal benefit: 10%
- Arts, culture, and humanities: 9%

Most are small

Public charities by annual revenue

- 75%: $0-99K
- 13%: $100K-499K
- 5%: $500K-999K
- 4%: $1M-4.9M
- 3%: >$5M

They raise money from a variety of sources

Program services account for 72% of public charity revenue. They also raise money from contributions, including government funding, individual donations, and foundation grants.

In 2017, at least 18% of U.S. public charities had received a grant from a U.S. grantmaker.

Source: December 2019 IRS BMF. Only includes 501(c)(3) public charities in the 50 U.S. states and D.C. Based on National Taxonomy of Exempt Entities.

Source: December 2019 IRS BMF. Only includes 501(c)(3) public charities in the 50 U.S. states and D.C.

Source: Based on the most recent IRS filing available, 2015 or later, available for organizations appearing in the December 2019 IRS BMF. Only includes 501(c)(3) public charities in the 50 U.S. states and D.C. Does not include organizations that aren't registered with the IRS or did not report revenue figures, with the exception of the chart above where organizations filing form 990-N are included in the lowest tier.

Key Facts on U.S. Nonprofits and Foundations | candid.org
Private foundations

- **Independent**: Include most of the nation’s largest foundations. Generally established by individual donors or donor families.
- **Operating**: Primarily run their own programs, but some also make grants. Generally established by individuals or families.
- **Corporate**: Established by large or small businesses, although legally separate entities.

Community foundations raise funds from the public and engage in grantmaking primarily within a defined geographic area.

Foundation giving is a modest but growing slice of overall giving in the U.S.

**Private giving by source**

- **18%** Foundations
- **68%** Individuals
- **9%** Bequests
- **5%** Corporations

**Foundation giving over time**

- **$52B** 2013
- **$57B** 2014
- **$61B** 2015
- **$66B** 2016
- **$72B** 2017

Source: Figures for 2018 from Giving USA Foundation, Giving USA, 2019. Per Giving USA criteria, corporate foundations are included under ‘Corporations’ and community foundations are excluded.

Source: Based on a historical view of the IRS BMF for the given fiscal year end. Limited to organizations with a filing address in the 50 U.S. states and D.C.

Source (left): Based on most recent IRS filing, 2015 or later, available for organizations appearing in the December 2019 IRS BMF.
Grantmaking priorities

What do foundations fund most?

Top 5 subject areas by dollar amount

<table>
<thead>
<tr>
<th>Subject Area</th>
<th>Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>28%</td>
</tr>
<tr>
<td>Education</td>
<td>24%</td>
</tr>
<tr>
<td>Human services</td>
<td>12%</td>
</tr>
<tr>
<td>Community and economic</td>
<td>12%</td>
</tr>
<tr>
<td>economic development</td>
<td></td>
</tr>
<tr>
<td>Arts and culture</td>
<td>8%</td>
</tr>
</tbody>
</table>

Top 5 populations served by dollar amount

<table>
<thead>
<tr>
<th>Population</th>
<th>Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economically disadvantaged</td>
<td>34%</td>
</tr>
<tr>
<td>people</td>
<td></td>
</tr>
<tr>
<td>Children and youth</td>
<td>23%</td>
</tr>
<tr>
<td>Women and girls</td>
<td>7%</td>
</tr>
<tr>
<td>Ethnic and racial groups</td>
<td>7%</td>
</tr>
<tr>
<td>People with disabilities</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source (for all figures on this page): 2017. Subject, population, and support strategy categories are based on the Philanthropy Classification System. The full value of each grant is counted toward each applicable category.

In order to analyze grantmaking priorities by U.S. funders, Candid examines all grants of $10,000 or more awarded by 1,000 of the largest U.S.-based private and community foundations. These funders account for about half of all grantmaking dollars awarded by private and community foundations.

About Candid data: candid.org/about-our-data
For more information contact: researchteam@candid.org

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