

Key Facts on U.S. Nonprofits and Foundations



1,812,473

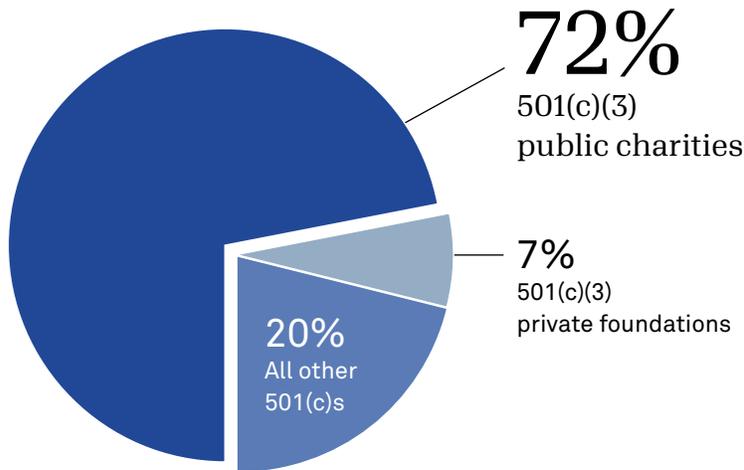
nonprofits are registered with the IRS

Some nonprofits are not required to register. How many is unknown.

Source: 2020 IRS Business Master File (BMF). Captures organizations based in the U.S. (including territories) appearing on any BMF in calendar year 2020. This approach represents a slight shift in methodology from the April 2020 *Key Facts* in which we looked at organizations on the December 2019 BMF only.

The most common type of nonprofit is the public charity

Nonprofits by type



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).

Source: 2020 IRS BMFs.

What are public charities?

- Primarily administer programs; occasionally make grants
- What most people think of when they hear the word *nonprofit*
- 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 Ford Foundation and The California Endowment
- 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.

Public charities

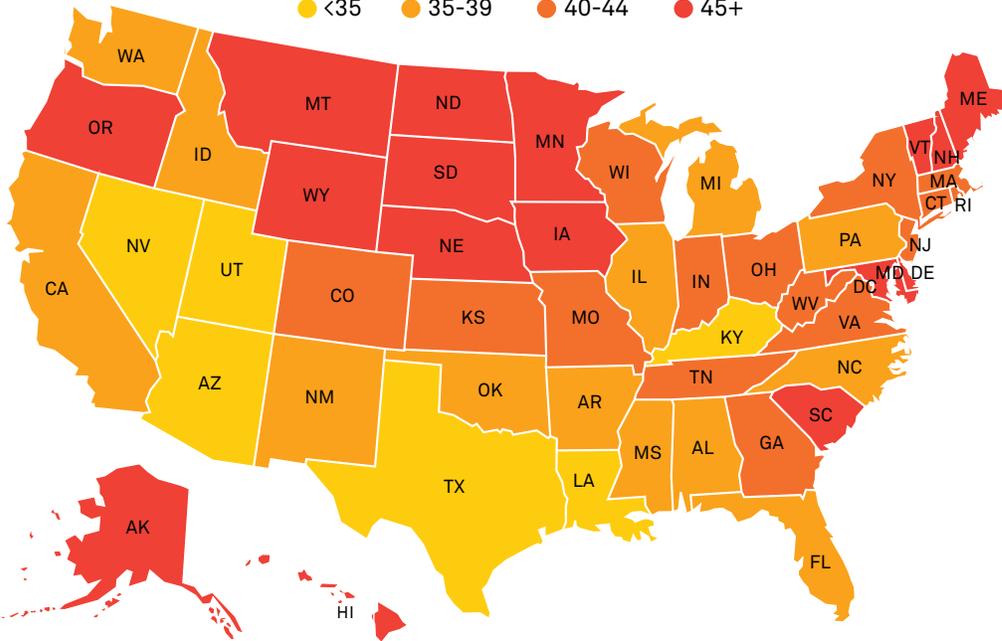
Public charities are everywhere

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+



Sources: 2020 IRS BMFs; U.S. Census Bureau, Population Division—December 2019.

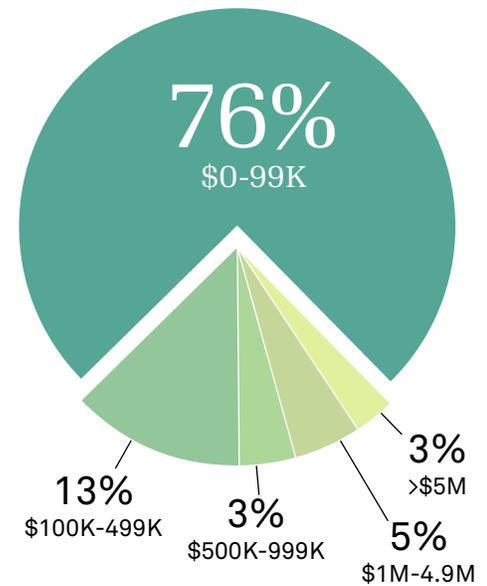
They raise money from a variety of sources

53% of all charities rely on contributions for the majority of their revenue. For 32% of charities, the majority of revenue comes from program services.

Contributions include government grants, individual donations, and foundation grants.

Most are small

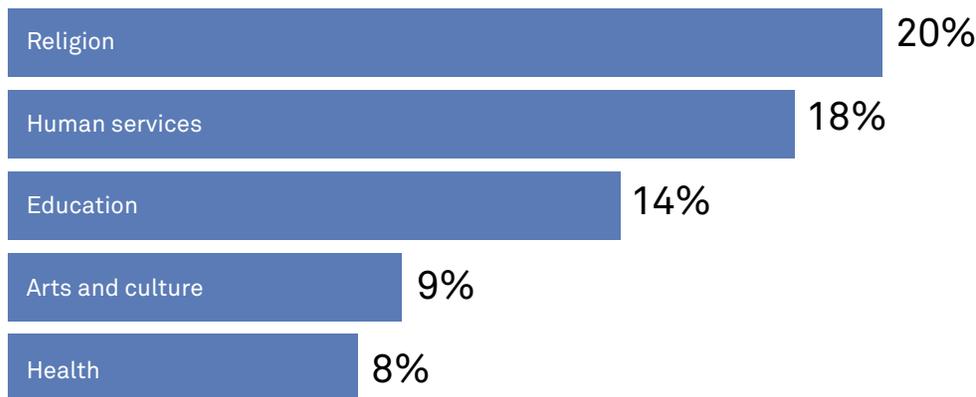
Public charities by annual revenue



Source: Based on most recent IRS filing available, 2016 or later, for organizations appearing on any 2020 BMF. Excludes organizations that did not report revenue figures, with the exception of the chart above where organizations filing form 990-N are included in the lowest tier.

They reflect every aspect of life

Top 5 public charity subject areas



Source: 2020 IRS BMFs. Based on the [Philanthropy Classification System](#). Organizations may receive more than one subject code.

Foundations

Private foundations

- **Independent:** Includes 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.

Community foundations

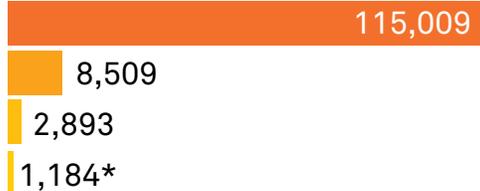
- Raise funds from the public and engage in grantmaking primarily within a defined geographic area.

Foundations by the numbers

- Independent ● Operating ● Corporate ● Community



Total foundations = 127,595



Total assets = \$1.2 trillion



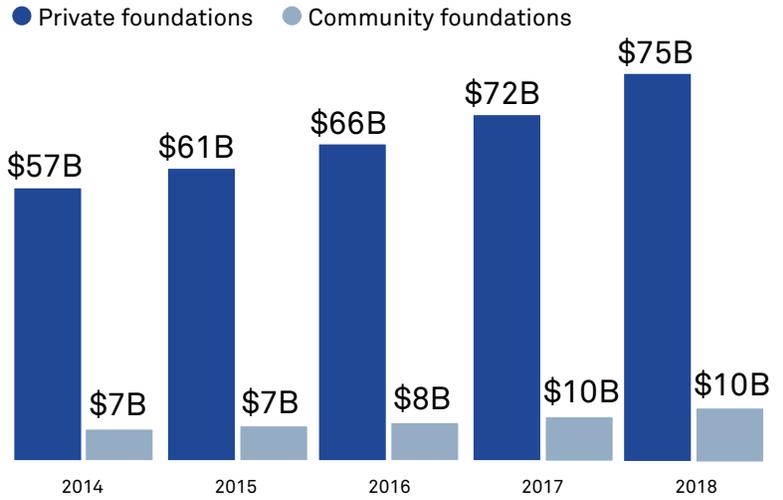
Total giving = \$90 billion



Source (left): Based on most recent IRS filing, 2016 or later, available for organizations appearing on any 2020 IRS BMF.

*In the previous Key Facts, the count of community foundations is listed as 1,067. Due to changes in methodology allowing us to identify more community foundations on the BMF, the figure increased by 11%.

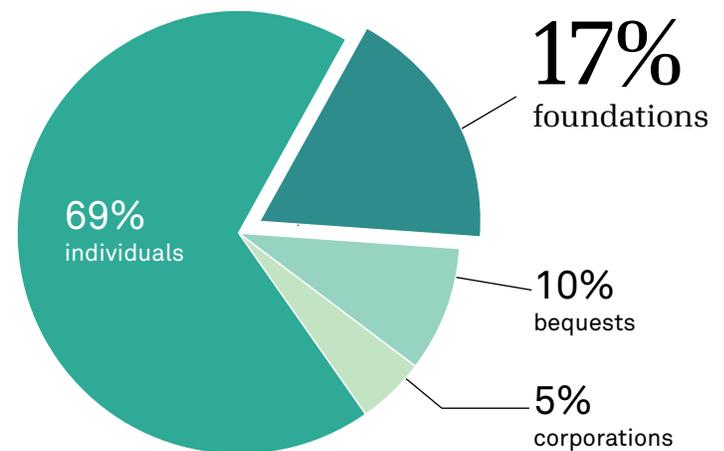
Foundation giving over time



Source: Based on IRS filings associated with the given fiscal year. Most recent complete year is 2018.

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

Private giving by source

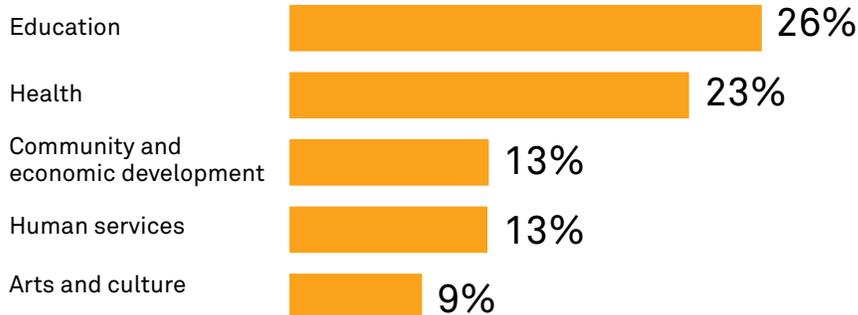


Source: Figures from Giving USA Foundation, *Giving USA, 2020*. Per Giving USA criteria, corporate foundations are included under 'corporations' and community foundations are excluded.

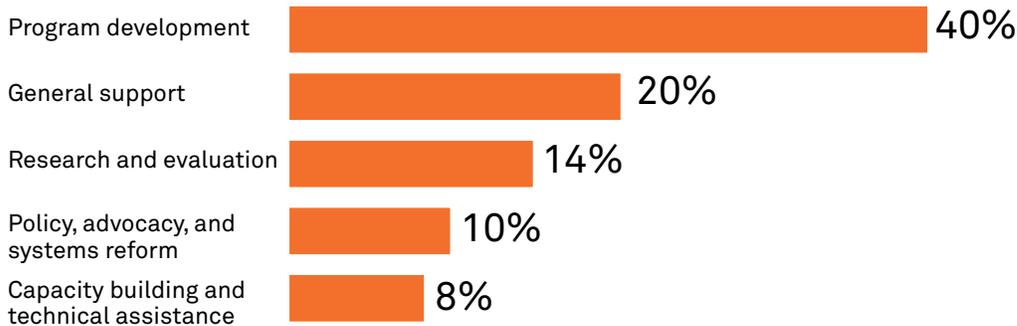
Grantmaking priorities

What do foundations fund most?

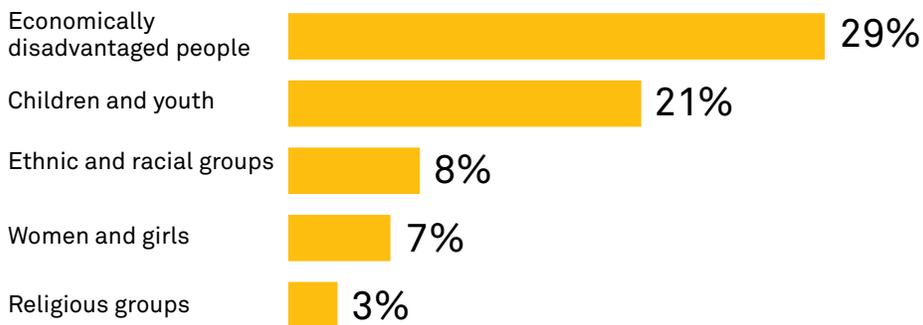
Top 5 subject areas by percentage of total funding



Top 5 support strategies by percentage of total funding



Top 5 populations served by percentage of total funding



Source (for all figures on this page): 2018. 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.

23%

of grant dollars from U.S. funders were awarded for international purposes



The median number of grants awarded by foundations was

73



1%

of recipient organizations captured nearly half of grant dollars



3 of the top 10

grants recipients by dollars were providers of donor-advised funds*



*A donor-advised fund (DAF) is a charitable giving account that is established at a public charity. DAFs allow donors to receive an immediate tax deduction, but allow grants to be awarded over time to eligible nonprofits.

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



© 2021, Candid. This work is made available under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License. creativecommons.org/licenses/by-nc/4.0.

doi.org/10/gjz2m9