SCHAR SCHOOL OF POLICY AND GOVERNMENT
George Mason University

Center on Nonprofits, Philanthropy, and Social Enterprise

Spotlight on Nonprofit Wages

George Mason University – Nonprofit Employment Data Project

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INTRODUCTION

The **Center on Nonprofits, Philanthropy, and Social Enterprise** in George Mason University's Schar School of Policy and Government is pleased to release this fourth report from the **George Mason University – Nonprofit Employment Data Project (GMU-NED)**. Led by Center Director Dr. Alan Abramson in collaboration with his Center faculty colleagues Dr. Mirae Kim and Dr. Stefan Toepler and in partnership with Chelsea Newhouse from the East-West Management Institute, the GMU-NED Project aims to continue and expand on the important, earlier efforts of Johns Hopkins University's Center for Civil Society. Both the previous Hopkins initiative and this new Mason project have been made possible by support from the Charles Stewart Mott Foundation.

This report follows our ***2024 Nonprofit Employment Report***, released in December of 2024, which provided an overview of national-level data on nonprofit employment and wages between 2017 and 2022 from the U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW). Drawing on this same dataset, this report will drill down into nonprofit average weekly wages in comparison to wages in for-profit companies and government institutions as of 2022, the latest year for which QCEW nonprofit data are available. Importantly, this report will look not only at nonprofit wages overall and by field but will examine whether and how wages paid to workers in large institutions like hospitals and universities may impact the understanding of nonprofit wage competitiveness with for-profit businesses and government institutions. Finally, the report will compare nonprofit wages to the earnings of workers in the four largest for-profit industries.

For even more granular data, we invite those interested to consult our **GMU Nonprofit Works** website that provides user-guided access to these data points down to the county and metro statistical area (MSA) levels, and enables users to compare changes in wage levels in nonprofits, for-profits, and the government sector over time from 1991 – 2022. Please see **Appendix A** for additional detail about the QCEW and the methodology used for this report.

PART I: NONPROFIT WAGES COMPARED TO FOR-PROFIT AND GOVERNMENT WAGES

Overall, as of 2022, an employee of a nonprofit organization was paid an average annual weekly wage of $1,315, representing 97% of the average paycheck of an employee of a for-profit business, and 101% of a government employee's average weekly salary, as shown in **Figure 1**.

Figure 1. Average weekly nonprofit wages overall vs. for-profit and government, 2022

However, given the diversity of fields in which nonprofits operate, this overall figure does not reveal the full picture. While nonprofits employ workers across a broad range of industries, two sub-fields that are dominated by large professional institutions comprise sizeable portions of the nation's 12.8 million nonprofit workers — hospitals, which employ over 4.3 million workers and colleges, universities, and professional schools, which account for approximately 1.2 million sector jobs.

Taken together, these two industries employ nearly 45% of all nonprofit workers — in some cases, highly-skilled workers who earn relatively high salaries, such as hospital and university administrators, doctors, and college professors. As a result, when hospital and higher education workers are removed from the calculation, the average weekly wages of the remaining 55% of nonprofit workers are substantially below the average weekly wage for for-profit and government workers, as shown in **Figure 2**. In particular, a nonprofit employee of a non-hospital or higher education institution received, on average, a paycheck that was 14% ($193/week or $10,012/year) smaller than the average non-hospital or higher education for-profit worker and 9% ($109/week or $5,690/year) less than the average government worker in non-hospital or higher education settings.

Figure 2. Average weekly nonprofit, for-profit, and government wages, less hospitals and higher education institutions, 2022

PART II: NONPROFIT vs. FOR-PROFIT AND GOVERNMENT WAGES BY SUB-SECTOR

While nonprofit workers can be found in many fields across the economy, over 91% are concentrated in five fields — health care; education; social services; arts, entertainment, and recreation; and religious, civic, grantmaking, professional and similar organizations. Only small numbers of 501(c)(3) nonprofits operate in some of the most highly-paid industries — such as finance and insurance, real estate, wholesale trade, information services, and legal services. As such, while it is useful to compare wages in the sectors overall, it is also important to compare wages within the fields in which nonprofits employ substantial shares of the workforce to get a complete picture of how nonprofit wages stack up against those paid to workers doing similar jobs for for-profit businesses and government institutions.

This section will examine wages in the five primary areas of 501(c)(3) nonprofit employment and will drill down into key sub-fields to highlight where nonprofit wages were competitive — and where they weren't — as of 2022.

Health Care Services

Health care services nonprofits employed just under seven million workers, representing over half of all nonprofit workers in the U.S. (*see* **Appendix B** for a full break-down of nonprofit employment by field). As shown in **Figure 3**, the average weekly pay for a worker in one of these organizations was $1,486, placing nonprofit wages 3% ($54/week or $2,798/year) lower than those paid by government health care institutions, but 24% ($287/week or $14,915/year) higher than those paid by for-profit health care businesses.

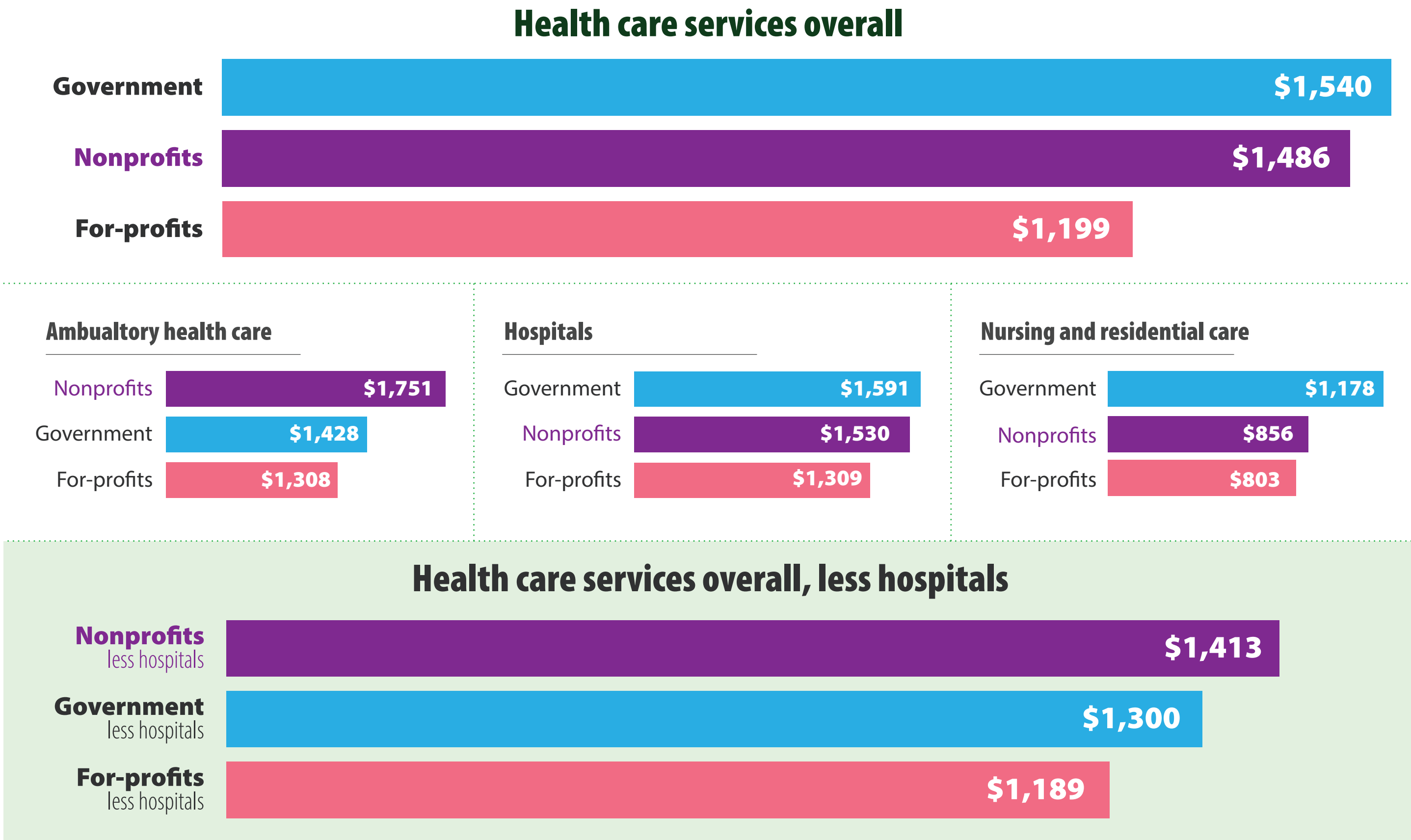
Within the overall health care services field, three key sub-fields employ significant numbers of nonprofit workers. Nonprofits operating **ambulatory health care facilities**, such as outpatient clinics and doctor's offices, employed 1.6 million or 23.5% of the nonprofit health care workforce. These workers were paid $1,751 per week on average, which was 34% ($443/week or $23,033/year) more than workers at for-profit clinics and 23% ($323/week or $16,771/year) more than those at government-run clinics.

In all other health care sub-fields, nonprofits paid their workers less than government institutions, but more than for-profit businesses. Nonprofit **hospitals** employed 4.3 million workers in 2022, representing 62% of nonprofit workers in the health care field. These workers received an average paycheck of $1,530 per week, which was 4% ($61/week or $3,180/year) lower than those received by workers in government-run hospitals, but 17% ($221/week or $11,508/year) higher than those paid to for-profit hospital employees.

The largest difference between nonprofit and government workers' pay was in the **nursing and residential care** field, including nursing homes and psychiatric, disability, and substance abuse facilities, which employed approximately one million workers or 14% of the nonprofit health care workforce. In this sub-field, nonprofit workers' average weekly wage of $856 was 27% ($322/week or $16,740/year) lower than those paid to workers in government-run facilities, and 7% ($53/week or $2,749/year) higher than the wages paid to workers in for-profit facilities.

Significantly, when hospital workers and their salaries are removed from the health care field, the remaining 38% of nonprofit health care workers' salaries exceeded those in for-profit and government non-hospital health care fields, earning 9% ($113/week or $5,876/year) more than government health peer workers and 19% ($224/week or $11,648/year) more than for-profit peers.

Figure 3. Average weekly wages in health care services sub-sectors, 2022



Educational Services

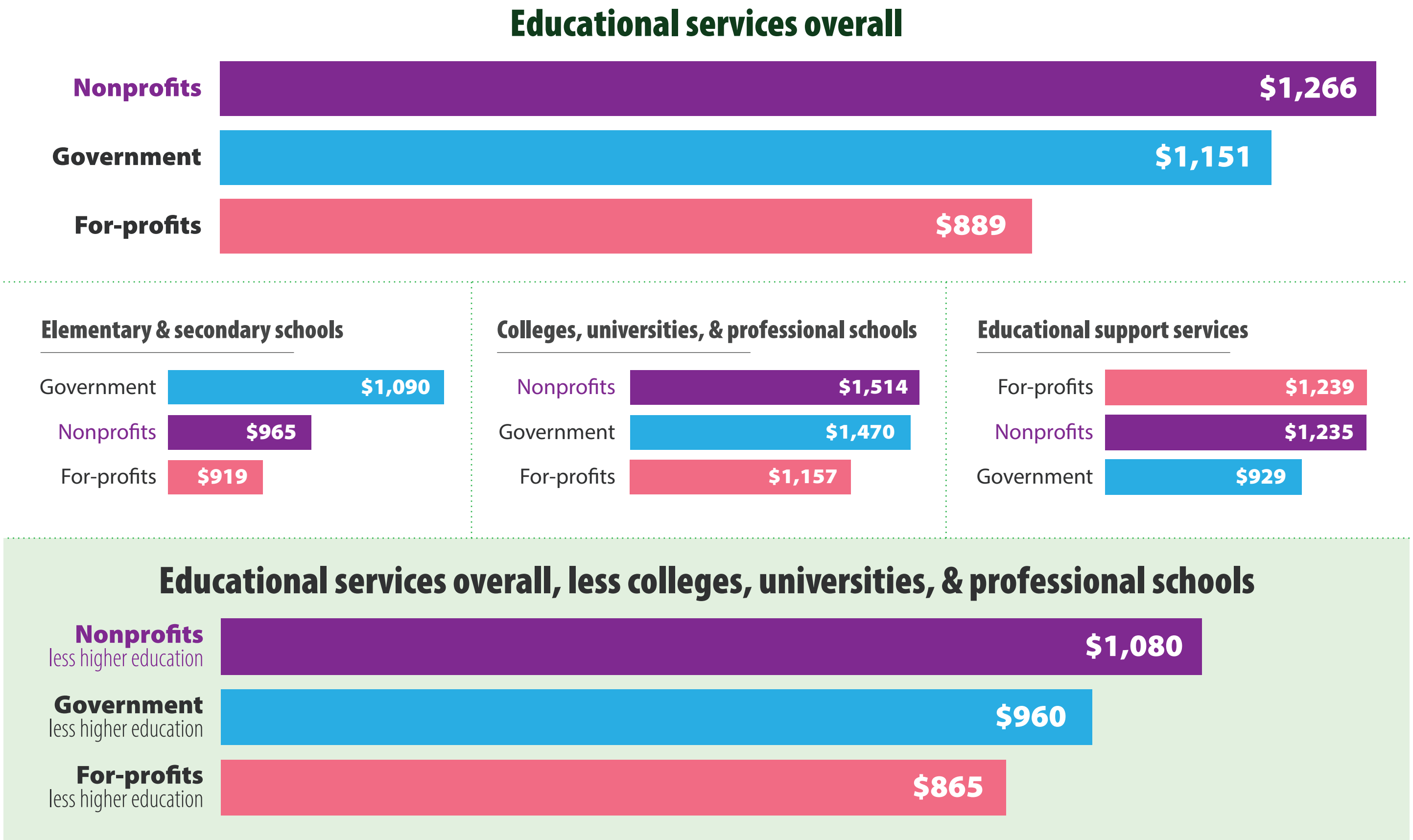
Educational services nonprofits employed 2.1 million workers, representing the second largest segment of the nonprofit workforce. As shown in **Figure 4**, workers employed in nonprofit educational organizations overall earned $1,266 per week on average, placing nonprofit wages 10% ($115/week or $5,963/year) above those paid by government institutions and a significant 42% ($377/week or $19,590/year) above the average weekly wage paid to for-profit educational services employees.

Within the broad educational services field, nonprofit workers are distributed among three key sub-fields. Nonprofit **elementary and secondary schools** employed 750,000 workers or 35.8% of the nonprofit educational workforce. These workers earned an average of $965 per week, placing nonprofit salaries in this sub-field 11% below the $1,090 paid to public school employees ($125/week or $6,505/year) and 5% ($46/week or $2,383/year) above those paid to employees of for-profit schools.

The largest share of nonprofit educational workers — 1.2 million or 55% — were found in **colleges, universities, and professional schools**. Nonprofit higher education employees' average weekly wage of $1,514 was 3% ($44/week or $2,283/year) higher than those paid to public college and university workers and a marked 31% ($357/week or $18,563/year) higher than the $1,157 earned by employees of for-profit higher education businesses.

A relatively small 64,000 workers were employed by nonprofit organizations providing **educational support services**, representing just over 3% of the nonprofit educational workforce. In this sub-field, nonprofit workers' average weekly wage of $1,235 was essentially on a par with for-profit workers, while exceeding those paid to working in government-run institutions by 33% ($306/week or $15,910/year).

Figure 4. Average weekly wages in educational services sub-sectors, 2022



Due to relatively high salaries in government elementary and secondary education, when employees of higher education institutions and their salaries are removed from the educational services field, the average weekly wages paid to the remaining 45% of nonprofit educational workers dropped to 11% ($121/week or $6,279/year) below those paid to government peers, and the gap between nonprofit and for-profit educational workers' salaries narrowed to 11%, with nonprofit workers earning just $95 per week ($4.933/year) more than for-profit peer workers.

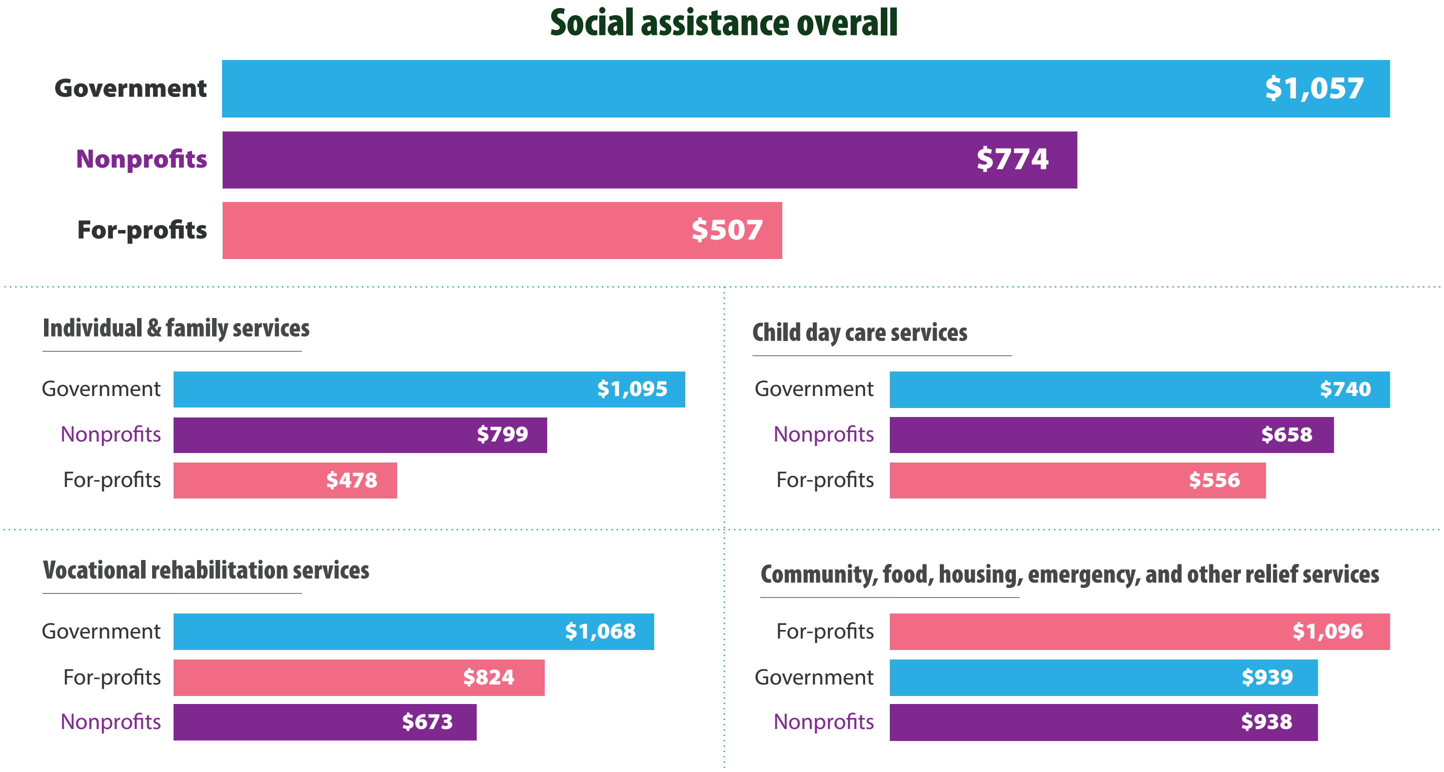
Social Assistance

Nonprofit social services organizations employed 1.5 million workers, making it the third largest segment of the nonprofit workforce. As shown in **Figure 5**, nonprofit social assistance employees earned $774 per week on average. This places nonprofit wages in this field 27% ($283/week or $14,731/year) below those paid by government-run social assistance. At the same time, nonprofit social assistance workers earned 53% ($267/week or $13,889/year) more on average than employees of for-profit businesses operating in this area, who earned just over $500 per week on average.

The largest of the four social assistance sub-fields by a significant margin is **individual and family services** which, at 843,000 workers employed 56% of the nonprofit social assistance workforce. Employees of these organizations earned an average of $799 per week — 27% ($296/week or $15,378/year) less than government-employed workers in this sub-field, but 67% ($321/week or $16,699/year) more than those employed by for-profit businesses.

Just under 16% of nonprofit social assistance workers — 236,000 — worked for **child day care providers**. These nonprofit employees' average weekly wages of $658 were 11% ($82/week or $4,265/year) below those paid to workers in government-run childcare facilities, but 18% ($102/week or $5,287/year) higher than the $556 per week paid to for-profit workers.

Figure 5. Average weekly wages in social assistance sub-sectors, 2022



A similar share of the nonprofit social assistance workforce is employed by vocational rehabilitation facilities, with 234,000 workers. In this sub-field, nonprofit workers' average weekly wage of $673 was 37% lower ($395/week or $20,529/year) than the $1,068 earned by government employees and 18% ($151/week or $7,828/year) below the earnings of employees of for-profit businesses.

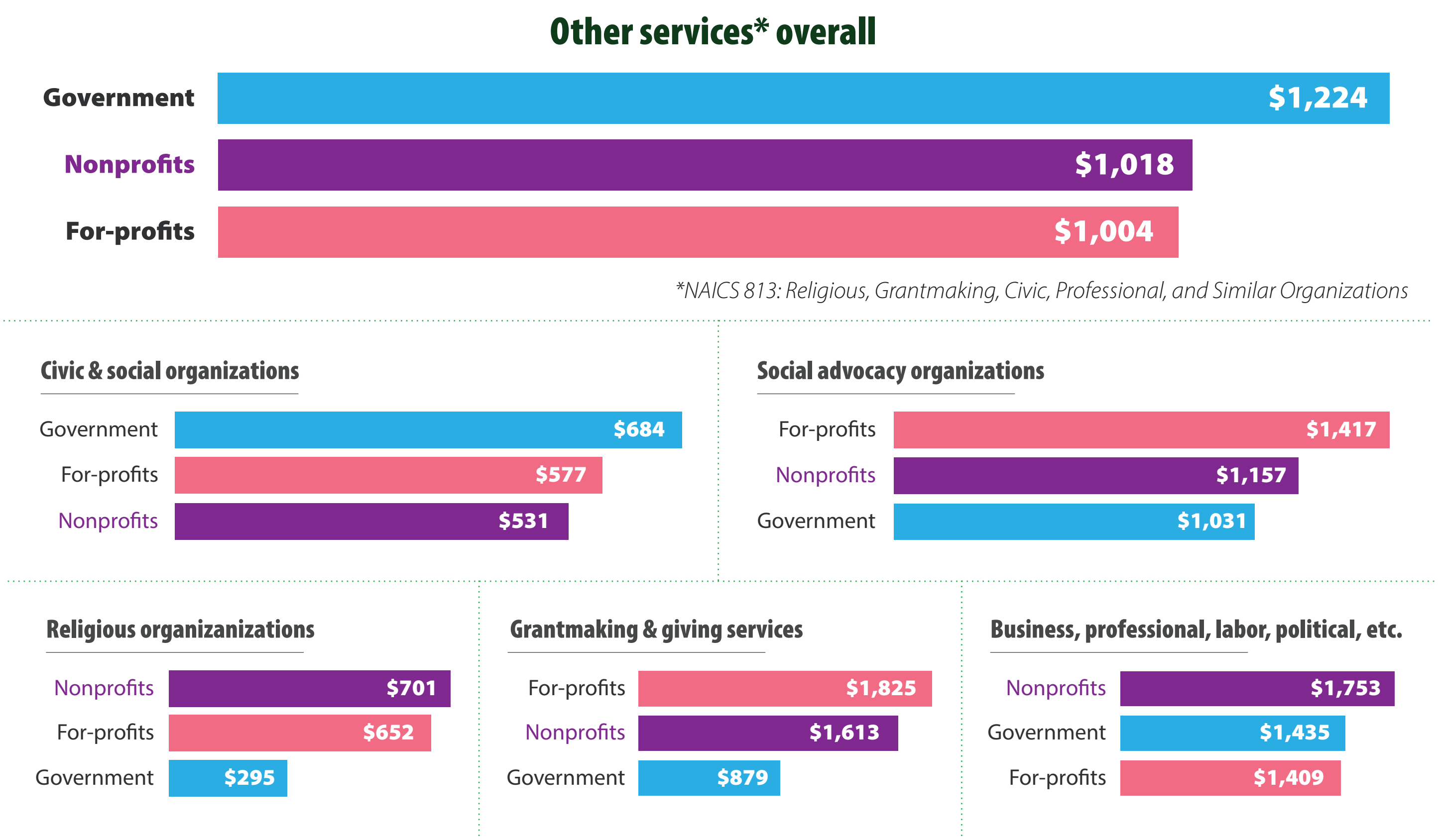
The smallest nonprofit social assistance sub-field workforce — at 185,000 employees, representing 12% of the field's nonprofit workforce — was community, food, housing, emergency, and other relief services. In this field, weekly wages for employees of for-profit businesses exceeded those paid by both nonprofit organizations and government institutions by 17%, with government institutions paying on average one dollar more per week than nonprofit organizations. As a result, employees of for-profits working in this field would earn $8,202 more per year than nonprofit peers, and $8,149 more than government workers.

Associations

The fourth largest field of nonprofit employment is part of the larger "other services (except public administration) field" — a catch-all for areas of work that don't fall into the other main industries into which government statistical agencies divide the U.S. economy. This field includes a broad range of businesses, from automobile repair and hair salons to dry cleaners and funeral homes. Also included in this catch-all field, is a group of organizations under "religious, grantmaking, civic, professional, and similar organizations" — often referred to as associations — in which nonprofits play a large role, employing 780,000 workers (6% of the nonprofit workforce).

As shown in **Figure 6**, nonprofit employees in this field earned $1,018 per week on average, 17% ($206/week or $10,721/year) below the earnings of their for-profit peers, and just 1% ($14/week or $744/year) above their government-employed counterparts.

Figure 6. Average weekly wages in associations sub-sectors, 2022



The largest of the five "associations" sub-fields is **civic and social organizations** which employed 211,000 workers and accounted for 27% of nonprofit employment in the associations field. Employees of these organizations earned an average of $531 per week, which was 22% ($153/week or $7,966/year) less than government-employed workers in this sub-field, and 8% ($46/week or $2,368/year) less than for-profit employed peers.

A similar number of nonprofit associations workers — 210,000 — served in s**ocial advocacy organizations**, earning an average weekly wage of $1,157. This was 18% ($260/week or $13,541/year) less that the wages earned by employees of for-profit social advocacy businesses but exceeded the wages of their government-employed peers by 12% ($126/week or $6,570/year).

Nonprofit **religious organizations** employed at least 163,000 workers in 2022, comprising 21% of the nonprofit associations workforce.[1] The average weekly wage paid to these workers in nonprofit institutions was $701, exceeding that paid by for-profit religious groups by 7% ($49/week or $2,542/year) and the small number of government-employed workers in this sub-field by 138% ($406/week or $21,136/year).

Grantmaking and giving services nonprofits employed 136,000 workers, representing 17% of the nonprofit associations workforce. Nonprofit workers' average weekly wage in this sub-field of $1,613 was 12% ($212/week or $11,022/year) less than the wages paid by for-profit giving service businesses but exceeded government peers' pay by a significant 83% ($734/week or $38,153/year).

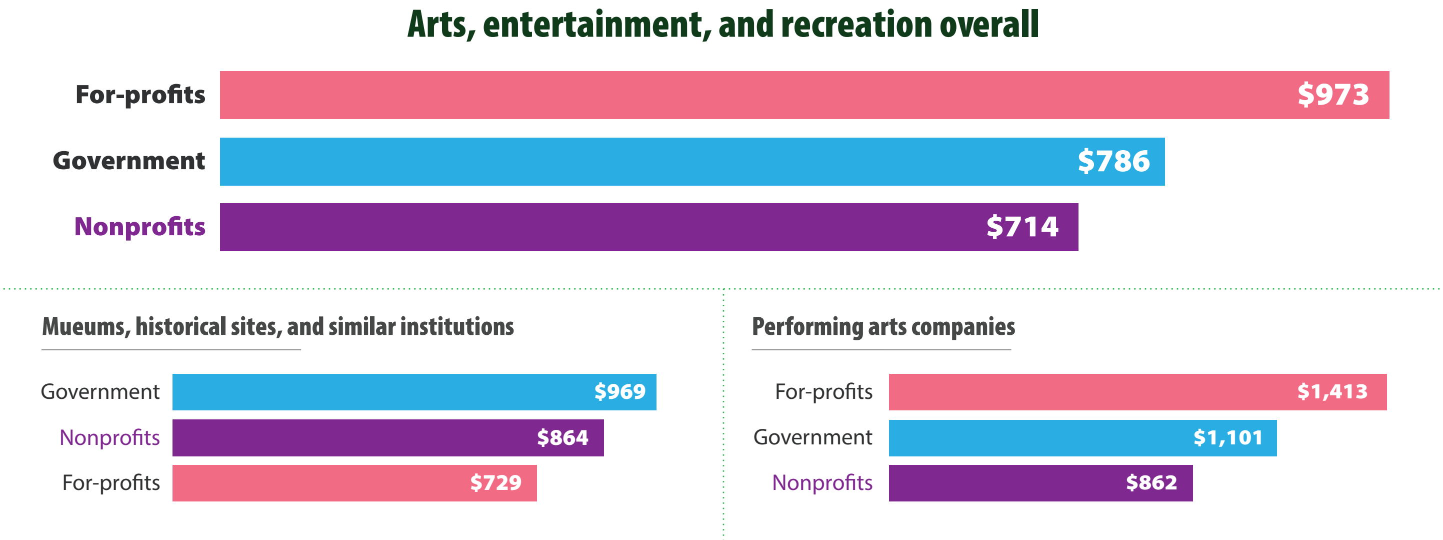
[1] *Religious organizations are not required to participate in the Federal Unemployment Insurance (UI) program upon which the QCEW data used in this report are based, though some choose to do so and are captured in this dataset. As such, this is certainly an undercount of employment in religious institutions and should be viewed as illustrative, not definitive.*

The final sub-field within the associations sector is a broad category including **business, professional, labor, political, and similar organizations**, which employed 60,000 nonprofit workers in 2022, or 8% of the nonprofit associations workforce. The average weekly wage paid to these workers in nonprofit institutions was $1,753, above exceeding the earnings of both government (22%, $318/week or $16,546/year) and for-profit peers (24%, $344/week or $17,912/year).

Arts, Entertainment, and Recreation

In terms of employment, the arts, entertainment, and recreation field is the smallest of the major industries in which nonprofits have been traditionally involved. In 2022, nonprofits in this field employed 337,000 workers, or 2.6% of the overall nonprofit workforce. As shown in **Figure 7**, workers employed in nonprofit arts organizations overall earned $714 per week on average, placing nonprofit wages 9% ($72/week or $3,750/year) below those paid by government institutions and 27% ($259/week or $13,449/year) below the average weekly wage paid to for-profit arts employees.

Figure 7. Average weekly wages in arts, entertainment, and recreation sub sectors, 2022



Within the broad arts, entertainment, and recreation field, two key sub-fields employ significant numbers of nonprofit workers. Nonprofit **museums, historical sites, and similar organizations** employed 130,000 workers or 39% of the nonprofit workforce in the arts and entertainment field. These workers earned an average of $864 per week, placing nonprofit salaries in this sub-field 11% ($105/week or $5,437/year) below the $969 paid to public institution employees and 19% ($135/week or $7,023/year) above those paid to employees of for-profit museums and similar businesses.

The other primary area within the arts, entertainment, and recreation field in which nonprofits operate is **performing arts companies**, with a workforce of 69,000 or 20% of the workforce in the arts field. Employees of nonprofit theatre companies received an average weekly wage of $862, significantly lower than those paid to employees of both for-profit (39%, $551/week or $28,630/year) and government (22%, $239/week or $12,441/year) peers.

PART III: NONPROFIT vs. FOR-PROFIT AND GOVERNMENT WAGES BY SUB-SECTOR

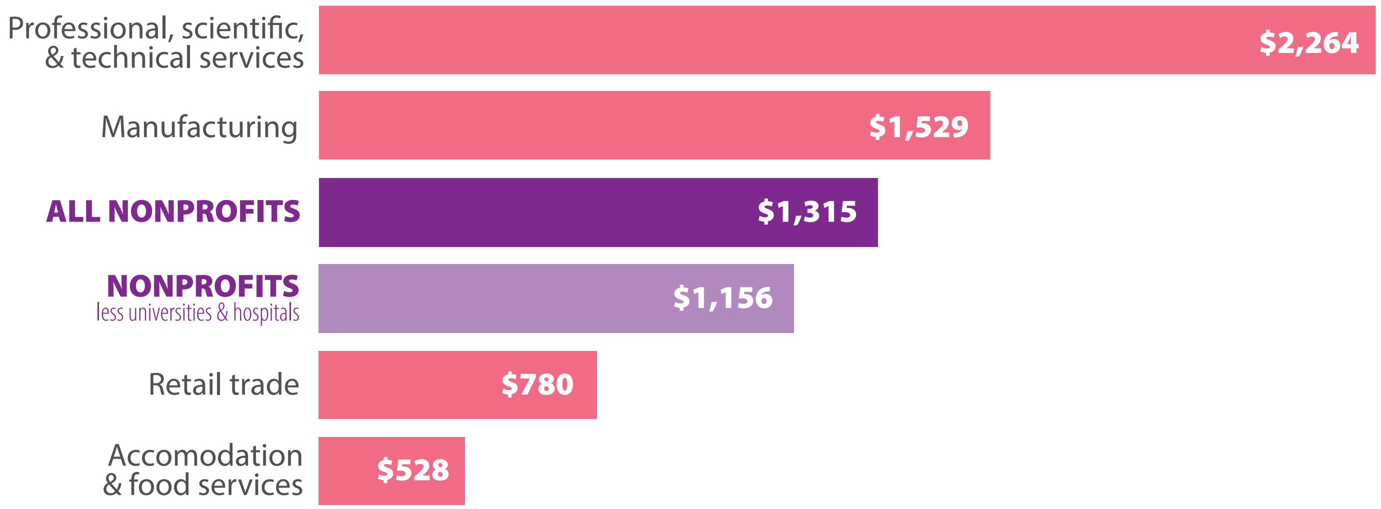
Aside from health care, the largest industries in the United States in terms of non-government employment are all dominated by for-profit companies. As of 2022, these included:

1. **Retail trade**, with 15.4 million for-profit workers
2. **Accommodation and food services**, with 13.4 million for-profit workers
3. **Manufacturing**, with 12.8 million for-profit workers
4. **Professional, scientific, and technical services**, with 10.2 million for-profit workers

This section will look at wages in these industries, which together comprise about 46% of the non-government workforce in the U.S., compared to nonprofit wages overall and by field.

As shown in **Figure 8**, nonprofit average weekly wages — both with and without the inclusion of educational and healthcare organizations — fall in the middle of these key industries. With all organizations included, the nonprofit average weekly wage of $1,315 exceeds that paid to employees in the largest for-profit industry — **retail trade** — by 69% ($535/week or $27,820/year). With hospitals and higher educational institutions excluded, this disparity remains a significant 48%, accounting for $376 per week or $19,554 per year in earnings. Similarly, nonprofit average weekly wages greatly exceed those paid to employees of the second-largest for-profit industry — **accommodation and food service businesses** — with nonprofit workers earning more than double the average weekly salary of for-profit employees in this industry, accounting for $787 more per week ($40,924/year) with all organizations included, and $628 ($32,658/year) when the large "eds and meds" institutions are removed from the calculation.

Figure 8. Average weekly nonprofit wages vs. wages in four largest for-profit industries, 2022



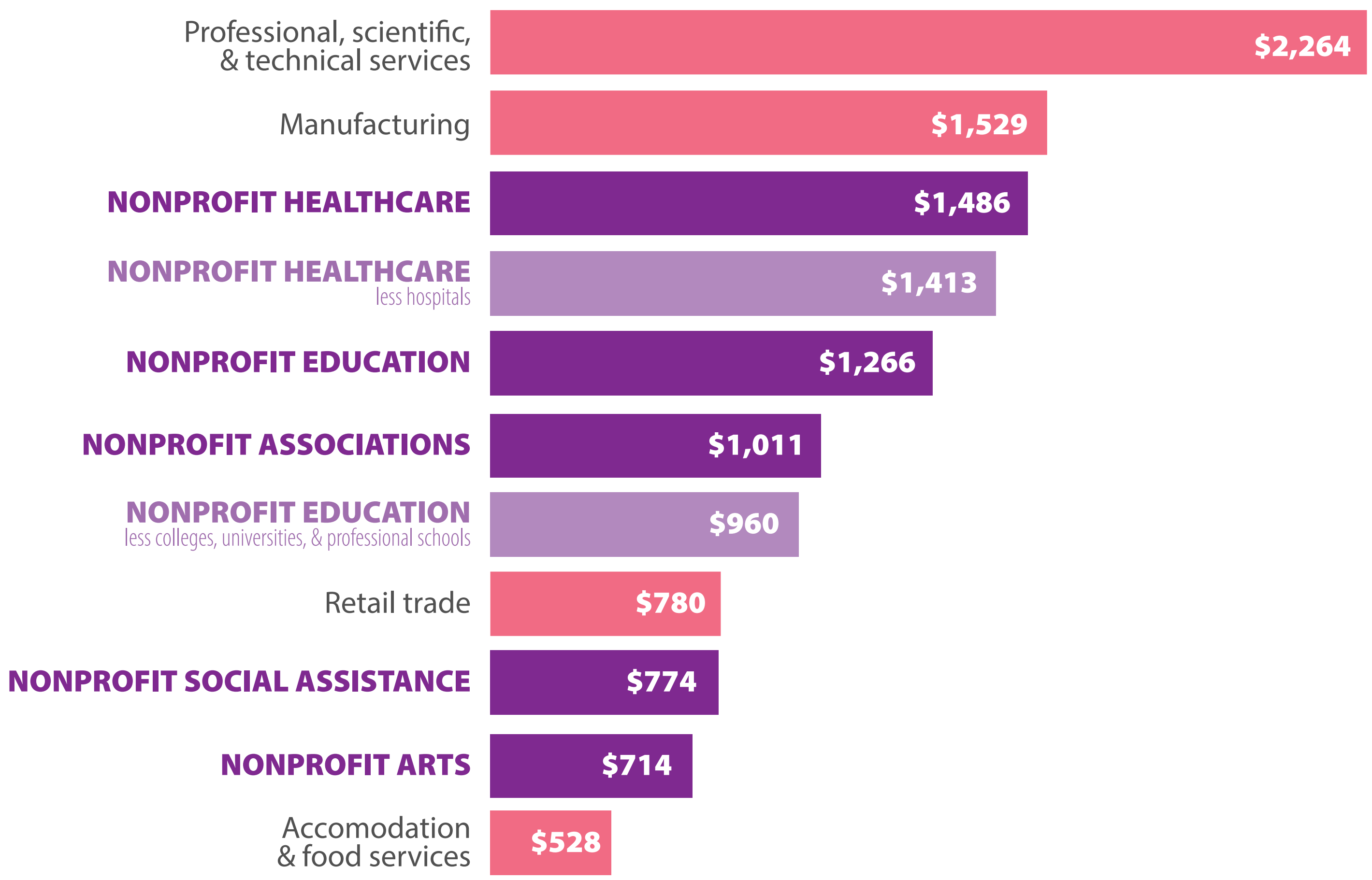
On the other hand, nonprofit workers earn less than workers in for-profit **manufacturing** businesses regardless of the inclusion of hospitals and higher education institutions. With these organizations' data included, nonprofit workers earn 14% less than manufacturing workers, a difference of $214 per week or $11,128 annually. When the "eds and meds" institutions are removed from the calculation, the gap grows to 24% or $373 weekly ($19,394/year).

Perhaps unsurprisingly, the largest gap is seen when looking at wages in for-profit businesses in the **professional, scientific, and technical services** industry, which includes highly paid, specialized positions in such sub-fields as legal services, architecture, accounting, scientific research and management, advertising and public relations, and technology development. In comparison to wages in this field, nonprofit workers earn $949 less per month ($49,348/year), a gap pf 42%. With the large "eds and meds" institutions excluded, the gap widens to 49%, with nonprofit workers earning an average of $1,108 per week ($57,614 per year) less than for-profit workers in this field.

As reflected in **Figure 9**, wages in three of the primary fields of nonprofit activity — healthcare (both with any without hospital workers included), education (both with and without higher education workers included), and associations — follow this pattern of exceeding wages paid by retail trade and accommodation and food service businesses. However, wages in two key nonprofit fields fall below those paid to retail store employees. Of note, employees in nonprofit social assistance organizations earn, on average, $6 less per week than the average for-profit retail employee ($312/year). More significantly, nonprofits arts, entertainment, and recreation workers earn $66 less per week, or $3,432 less per year, than for-profit retail workers, an 8% difference.

However, a sizable gap remains between wages in both of these nonprofit fields and the wages paid to for-profit accommodation and food service workers. Nonprofit social assistance workers' weekly paychecks are 47% ($246/week or $12,792/year) larger than the average earnings of employees in for-profit accommodation and food service businesses, while nonprofit arts staff earn 35% ($186/week or $9,672/year) more than the average for-profit worker in this industry.

Figure 9. Nonprofit wages by subsector vs. for-profit wages in five largest for-profit industries, 2022



CONCLUSION

As the data in this report show, charitable nonprofit workers in the U.S. are, overall, paid wages that put them roughly on a par with workers in both for-profit businesses and government institutions. However, the story is complicated by the fact that — unlike the other two sectors — nonprofits are highly concentrated in a handful of fields and their workers' wages vary widely between highly-paid fields like health care and education and traditionally lower-wage fields like social assistance and the arts.

Importantly, these higher-paid fields of health care and education are the largest areas of nonprofit employment, and wages paid to workers in the largest institutions in these two fields — hospitals, colleges, and universities — may obscure overall wage disparities. This report examined whether these large institutions hide broader wage disparities by removing them from the analysis — and found that, at least overall they do. Excluding hospitals and higher education institutions in all three sectors, average weekly wages for nonprofit workers were 9% lower than government workers and 14% lower than for-profit workers in 2022.

But cross-sector comparisons vary a lot from field to field and sub-field to sub-field. For example, in the sub-field of ambulatory health care, which includes outpatient clinics and doctor's offices, nonprofit workers were paid 23% more than government workers and 34% more than for-profit workers. In contrast, in the sub-field of vocational rehabilitation services, average weekly wages of nonprofit employees were 18% below government employees and 37% below for-profit employees in 2022.

Nonprofits in different fields may find their ability to attract and retain workers depends, at least in part, on the wages they pay compared with for-profit businesses and government agencies in the same fields. As noted at the start, nonprofit leaders — and those considering employment in different sectors — who are interested in detailed, cross-sector comparative wage data for different geographic areas over the period 1991-2022 should consult the **GMU Nonprofit Works** website.

APPENDIX A:
Nonprofit workforce overall and by field in context

FIELD	Number of nonprofit workers	Percent of nonprofit workforce	Nonprofit share of non-government workforce	Share of total workforce		
				Nonprofit	For-profit	Government
ALL INDUSTRIES COMBINED	**12,766,057**	**100.0%**	**9.9%**	**8.5%**	**77.3%**	**14.2%**
Educational Services	**2,092,840**	**16.4%**	**69.9%**	**16.7%**	**7.2%**	**76.2%**
Elementary and Secondary Schools	*748,219*	*5.9%*	*83.4%*	*9.3%*	*1.8%*	*88.9%*
Colleges, Universities, & Professional Schools	*1,154,827*	*9.0%*	*93.9%*	*38.9%*	*2.5%*	*58.6%*
Educational Support Services	*63,964*	*0.5%*	*33.5%*	*28.1%*	*55.7%*	*16.2%*
Health Care	**6,963,059**	**54.5%**	**43.0%**	**38.9%**	**51.4%**	**9.7%**
Ambulatory Health Care Services	*1,637,595*	*12.8%*	*20.2%*	*19.8%*	*78.3%*	*1.8%*
Hospitals	*4,328,553*	*33.9%*	*85.2%*	*66.5%*	*11.5%*	*22.0%*
Nursing & Residential Care Facilities	*996,911*	*7.8%*	*33.4%*	*31.7%*	*63.3%*	*5.0%*
Social Assistance	**1,497,434**	**11.7%**	**35.9%**	**34.1%**	**60.9%**	**5.1%**
Individual and Family Services	*842,965*	*6.6%*	*30.5%*	*28.2%*	*65.7%*	*6.0%*
Community Food & Housing, Emergency & Other Relief Services	*184,478*	*1.4%*	*90.2%*	*88.8%*	*9.7%*	*1.6%*
Vocational Rehabilitation Services	*234,162*	*1.8%*	*85.3%*	*79.6%*	*13.8%*	*6.6%*
Child Day Care Services	*235,829*	*1.8%*	*26.5%*	*25.9%*	*71.9%*	*2.1%*
Arts, Entertainment, and Recreation	**336,982**	**2.6%**	**14.6%**	**12.9%**	**75.3%**	**11.8%**
Performing Arts, Spectator Sports, and Related Industries	*104,431*	*0.8%*	*21.0%*	*20.5%*	*77.5%*	*2.0%*
Museums, Historical Sites, and Similar Institutions	*131,398*	*1.0%*	*83.4%*	*57.1%*	*11.3%*	*31.6%*
Religious, Grantmaking, Civic, Professional, & Similar Organizations	**779,948**	**6.1%**	**58.6%**	**57.8%**	**40.9%**	**1.3%**
Religious Organizations	*163,187*	*1.3%*	*85.3%*	*85.3%*	*14.7%*	*0.0%*
Grantmaking and Giving Services	*136,189*	*1.1%*	*88.7%*	*87.0%*	*11.1%*	*1.9%*
Social Advocacy Organizations	*208,874*	*1.6%*	*85.4%*	*83.2%*	*14.2%*	*2.6%*
Civic and Social Organizations	*211,208*	*1.7%*	*66.6%*	*66.4%*	*33.3%*	*0.3%*
Business, Professional, Labor, Political, and Similar Organizations	*60,489*	*0.5%*	*14.2%*	*14.1%*	*85.2%*	*0.6%*

Note: There are a total of 1,095,794 nonprofit workers in all other fields not included in the table, representing 8.6% of the total nonprofit workforce.

APPENDIX B: Methodology

The nonprofit employment data included in this study cover tax exempt entities under the IRS Section 501(c)(3). These data come from the Quarterly Census of Employment and Wages (QCEW), which is administered by state Labor Market Information agencies (e.g., the Department of Labor in New York or Maryland Department of Labor, Licensing, and Regulation) and at the federal level by the Bureau of Labor Statistics (BLS). QCEW is an administrative dataset collected by states as a part of the federal Unemployment Insurance (UI) program and draws on the quarterly surveys of workplaces that state employment security offices have conducted since the 1930s. QCEW accounts for approximately 97% of all wage and salary civilian employment nationally (however, the program does not cover self-employed and family workers). Under federal law, all nonprofit places of employment with four or more employees are required to participate in the unemployment insurance system. However, 22 states also extend this requirement to places of employment with one or more employees.

The principal exclusions from the QCEW dataset vary by state and include employees of religious organizations, railroad workers, small-scale agriculture workers, domestic service workers, crew members on small vessels, state and local government elected officials, and insurance and real estate agents who receive payment solely by commission. In terms of nonprofit employment, the exclusion of religious organizations as well as entities with less than four employees is the most significant; however, religious organizations may elect to be covered by the unemployment insurance program and those that do are covered in the data. At this time the exact number of employees in tax-exempt establishments not covered by QCEW is not known, but we estimate it to be no more than 3% of total employment in the nonprofit sector.

Finding Nonprofits in the QCEW. While nonprofit places of employment have long been covered by the QCEW surveys, the data generated by these surveys have never broken out the nonprofit employment separate from the for-profit employment. As a consequence, the nonprofit sector has essentially been buried in the data. The Johns Hopkins Center for Civil Society Studies' Nonprofit Economic Data Project developed a methodology for identifying nonprofit employers in the QCEW micro-data by record matching with the publicly available register of tax exempt entities maintained by the Internal Revenue Service (IRS). The nonprofit micro-data were subsequently aggregated by county and fields of activity to meet the federal disclosure rules, mandated by law to protect the confidentiality of company-specific information. The result is the most accurate and up-to-date picture of nonprofit employment yet available.

In 2014, BLS started releasing nonprofit data at the national, state, county, and Metro Statistical Area levels following a similar methodology of record matching. However, BLS improved that methodology by adding organizations called "reimbursables" that were not included in the IRS business register. Reimbursables are organizations that under state unemployment laws are not required to pay unemployment insurance contributions each quarter, but rather are allowed to reimburse the unemployment insurance system when a claim is made. Most states will restrict such units to 501(c)(3) nonprofits. The QCEW micro-data include information on reimbursables. More information and the full downloadable data tables produced by the BLS for 2013-2022 are available **here**.

Data Limitations and Suppression. The primary limitation of the data come from federally mandated disclosure rules that require suppression of statistical information that allows the identification of single institutional units. This suppression is applied at the industry level. In practice, this suppression can take two forms. First, the so-called "primary suppression" is applied when aggregates contain fewer than 3 units or when a single unit exceeds 80% of the aggregate total. Second, the so-called "secondary suppression" must be applied if the value of the non-disclosable aggregate can be calculated from the disclosed values (e.g. by subtraction); when this is the case, the disclosure of additional aggregates must also be suppressed to eliminate this possibility. For more on the BLS confidentiality policies, see: **bls.gov/bls/confidentiality.htm**.

Another limitation is that the QCEW dataset does not include information on the positions of the employees counted; as such, it is not possible to examine the "position composition" of the nonprofit sector or wages by position using these data.

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About the Center on Nonprofits, Philanthropy, and Social Enterprise in the Schar School of Policy and Government at George Mason University

The **Center on Nonprofits, Philanthropy, and Social Enterprise** seeks to improve the effectiveness of nonprofit organizations, philanthropy, and social enterprise through research, training, public education, and other initiatives that engage those who care about these important institutions and activities. Current major interests are: the state of the regional, national, and international nonprofit sectors; nonprofit-government relations; the role of foundations and philanthropy in our society; nonprofit accountability, governance, and effectiveness; global civil society; and social enterprise and social entrepreneurship. Mason's center is a long-time member of the Nonprofit Academic Centers Council (NACC), the major association of university-based, nonprofit research centers in the U.S. This new center replaces the previous Center for Nonprofit Management, Philanthropy, and Policy.

About the George Mason University – Nonprofit Employment Data Project (GMU-NED)

The **George Mason University – Nonprofit Employment Data (GMU-NED) Project** generates new information on economic trends in the nonprofit sector and produces cutting-edge reports on key components of the nonprofit economy in regions and states across the country. These reports demonstrate the significant economic scale and importance of the nonprofit sector on the national, state, and regional levels. To produce these reports, the GMU-NED Project utilizes a novel methodology developed by researchers at Johns Hopkins University to draw on a previously untapped source of data to document the size, composition, distribution, and growth of nonprofit employment and wages. In 2022, the Center on Nonprofits, Philanthropy, and Social Enterprise in the Schar School of Policy and Government at George Mason University was tapped to continue the crucial work of the JHU-NED Project following the passing of Dr. Lester Salamon. The GMU-NED Project is led by Center Director Dr. Alan Abramson, in collaboration with his Center faculty colleagues Dr. Stefan Toepler and Dr. Mirae Kim. The Project is supported by former JHU-NED Project Manager Chelsea Newhouse through a partnership with the East-West Management Institute, where she serves as a Senior Program Manager and consultant on the GMU-NED project. The GMU-NED Project is made possible by the generous support of the Charles Stewart Mott Foundation.

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