
The Stanford Project on Emerging Nonprofits (SPEN)

Center for Social Innovation
Stanford Graduate School of Business
Stanford University

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The Stanford Project

- The Stanford Project on Emerging Nonprofits (SPEN) focuses on a broad array of organizational and philanthropic issues facing the social sector.
- We are analyzing data on the nearly 10,000 501(c)(3) nonprofits in the San Francisco Bay Area and following a random sample of 200 organizations over time.
- SPEN examines how nonprofits are founded, funded, and managed, asking especially how they diversify funding, evaluate their programs, and manage their relations with external stakeholders.

Phase I: Operating Charities

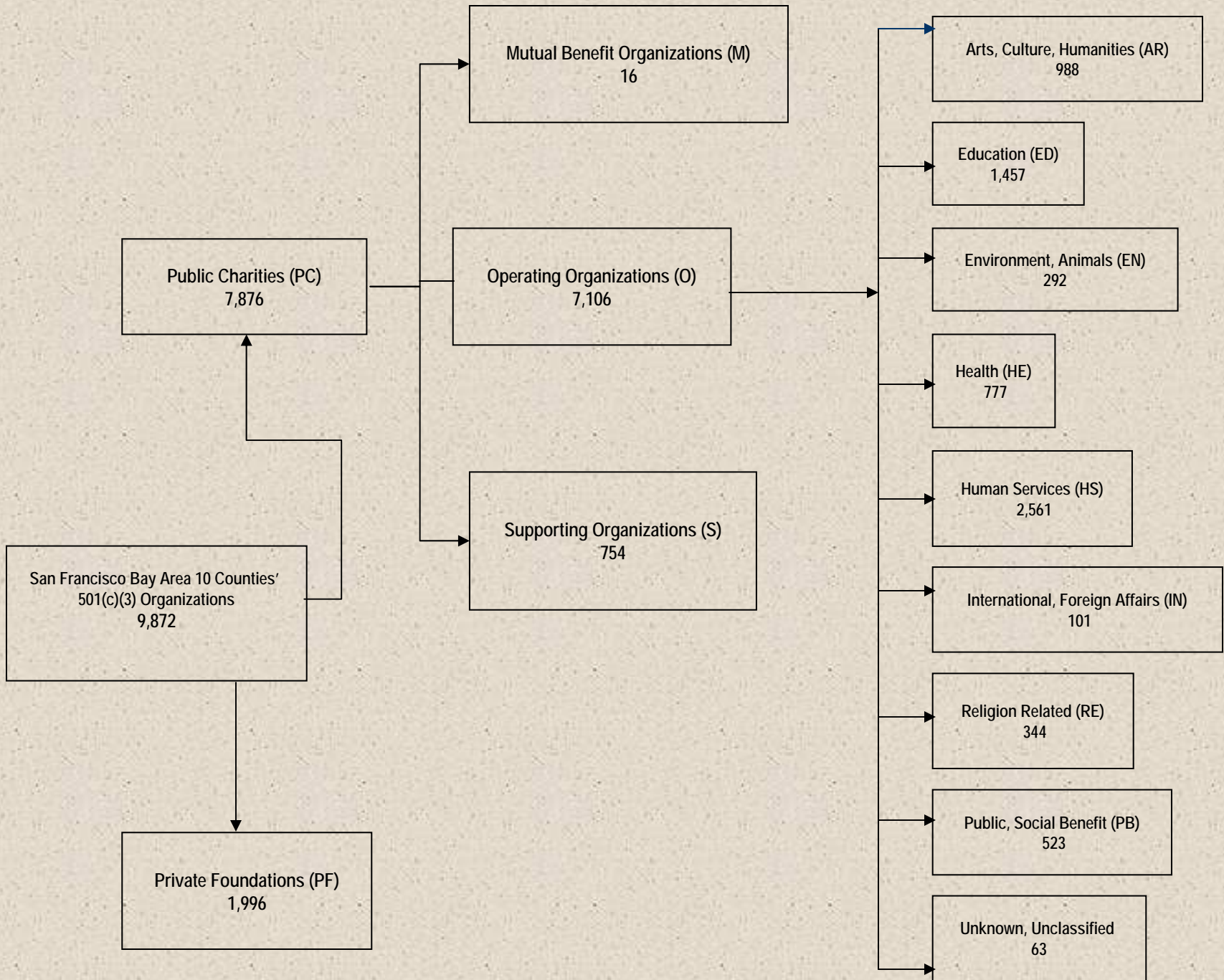
A multi-method approach in two integrated projects:

SF Bay Area Landscape (7,106):

- Sample: all reporting operating charities, \$25K/year+
- IRS form 990 data, courtesy NCCS
- Longitudinal analysis 1998-2003
- Census data comparison

Interviews (200/7,106):

- Random sample of 200 operating charities, reporting to the IRS in 2000
- IRS form 990, archival, Web and media research
- Interview with each Executive Director (staffed nonprofit) or Board President (volunteer-based nonprofit)
- Artifacts including reports, plans, other documents



IRS 990 Data:

Bay Area: 7,106 Operating charities (31% of California)

- 1.1 per 1,000 population
- 6.8% of region's employment (Deweese et al 2001)
- \$41 billion total expenses: \$5,824 per capita
 - 49% of California operating charities expenses
 - Median size \$184,117

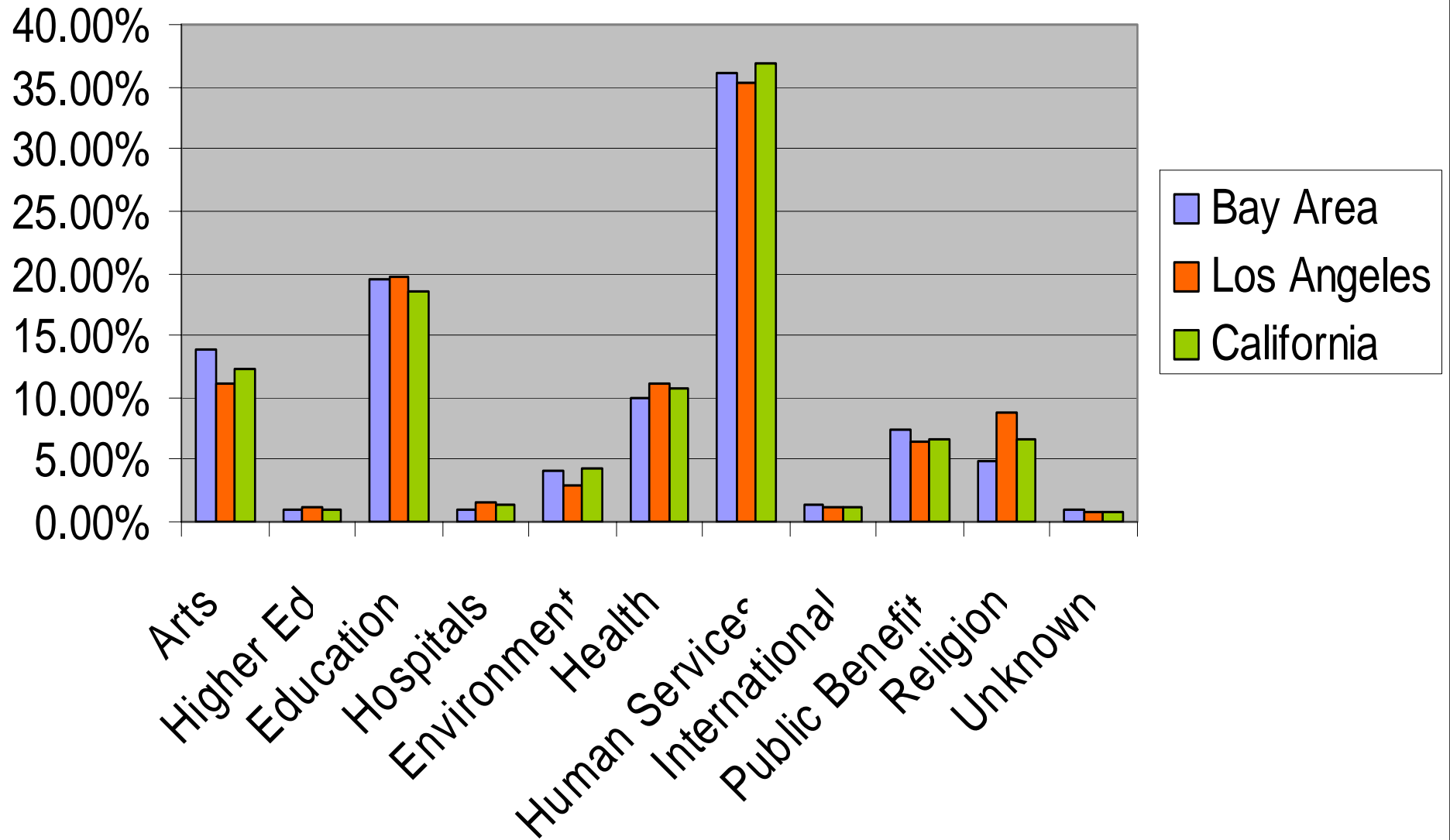
Los Angeles: 9,175 operating charities (40% of California)

- 0.6 per 1,000 population
- 5.6% of region's employment (Deweese et al 2001)
- \$27.5 billion total expenses: \$1,680 per capita
 - 33% of California operating charities expenses
 - Median size: \$138,216

California: 23,046 operating charities

- 0.68 operating nonprofit per 1,000 population
- 5.9% of state employment (Deweese et al 2001)
- \$84 billion total expenses: \$2,480 per capita
 - Median size \$139,503

Activity distribution by region



SPEN Data: Organizational Structure

- 26% all volunteer-based versus 74% staffed
- 14% are a chapter or franchise of another organization (e.g. PTAs or Little Leagues)
- 12.5% (25) are a subsidiary or an affiliate of a larger organization (e.g. Rotary Club Foundations)

SPEN Data: Leadership

- 157 (78.5%) have an executive director
 - 43 (21.5%) do not have an ED and 18 (9%) have an unpaid ED
- ED salary in 2000 from \$5,000 to \$420,000
Median: \$65,000
 - 70% have at least BA/BS
 - 32% have a Masters degree (65)
 - 6.5% have a PhD (13)

SPEN Data: Governance

- Board size: from 2 to 90, Median: 10
 - 20% meet three times a year or less
 - 31% meet between 4 and 6 times a year
 - 29% meet 12 times a year
 - 2.5% meet more than once a month
- Board structure: from 0 (31%) to 41 board subcommittees, median 2.5

SPEN Data: Staffing

- Number of staff: from 0 to 550 FTEs
 - Median: 2.4 FTEs
- 23% (47) have a paid fundraiser or fundraising team

SPEN Data: Religion

- 7 in sample classified as Religion-Related* by NTEE, but...
 - 20 (10%) orgs have a religious affiliation or identity
 - 35 (17.1%) report some church involvement in their founding (e.g. free rent or pastor involved)

*Their mission/activity is religion-focused whereas, for example, a Lutheran nursing home is classified as Health

SPEN Miscellanea

- 69% report that their revenues were affected by the economic downturn
- 53% report that they engage in advocacy and public information campaigns