

**Whatcom County's Nonprofit  
Economy:  
Public Charity Finances and  
Individual Giving**

Commissioned by Whatcom Community Foundation

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Cornerstone Strategies, Inc

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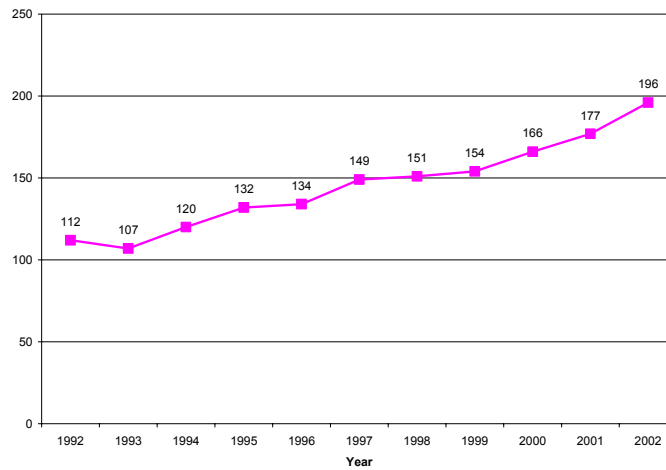
## Executive Summary

Nonprofit organizations contribute enormously to the quality of life in Whatcom County. What is not well known is that Whatcom County nonprofits which impact the quality of life in our community also contribute heavily to the County's economic activity.

### Whatcom County's Nonprofit Sector Experiences Rapid Growth

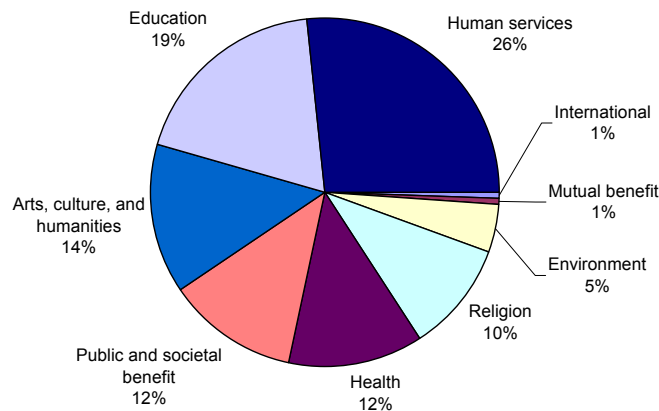
- Between 1992 and 2002, the number of reporting public charities in Whatcom County increased by 75% (Figure 12). That's three times the population growth rate over the same period.
- In 1992 there were 113 such organizations in the County compared to 196 in 2002.

**Figure 1 Number of Whatcom County Reporting Public Charities**



- The largest increases occurred in the education, arts/culture, human services, philanthropy/grantmaking, religion-related, and health categories.
- About a quarter of nonprofit organizations (26%) are classified as providing human services. These includes a wide variety of organizations and activities including senior centers, food banks and youth services.

**Figure 2 Whatcom County Reporting Public Charities by major activity (2002)**

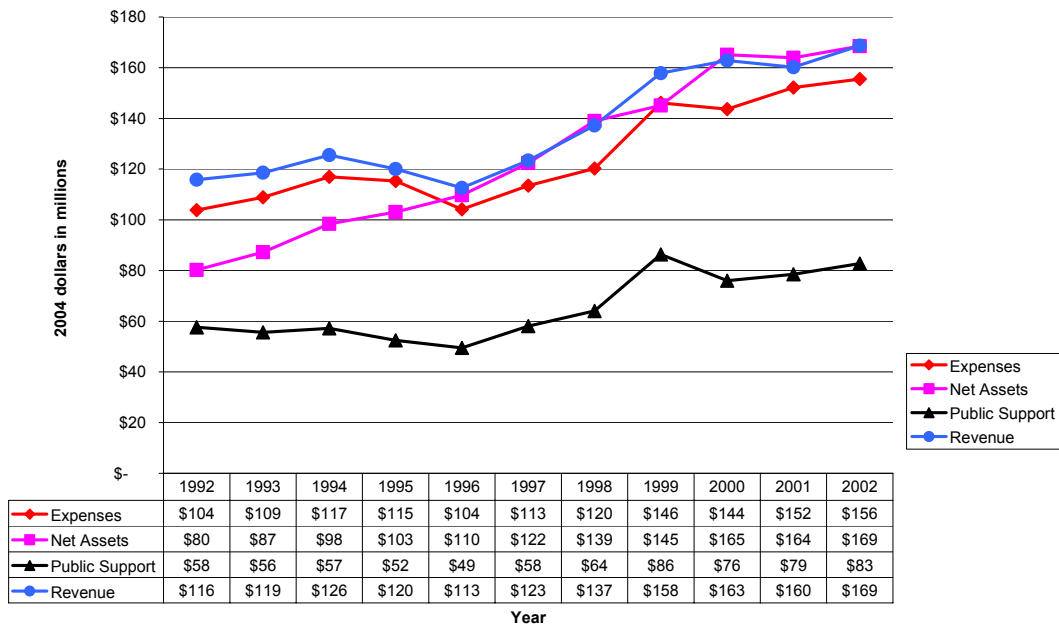


**Finances of Whatcom County Public Charities**

Whatcom County's nonprofit sector is a large and important element of the local economy. The financial activity of the county's public charity sector provides important indicators of its size and strength.

- Public support, total revenue, net assets and expenditures of reporting public charities grew considerably over the ten-year period from 1992 to 2002. Revenue increased 46% from approximately \$ 116 million to \$169 million in 2002 (in constant 2004 dollars). Public support grew by 44%, expenditures increased by 50% and net assets increased by 110% (Figure 16).

**Figure 3 Whatcom County Reporting Public Charity Finances**



- In 2002, reporting public charities in Whatcom County received more than half (52%) of all revenue from public support (contributions, gifts and grants), followed by program service revenue (41%). Investment income (3%), membership dues (3%) and net income from special events (1%) accounted for the remaining revenue.

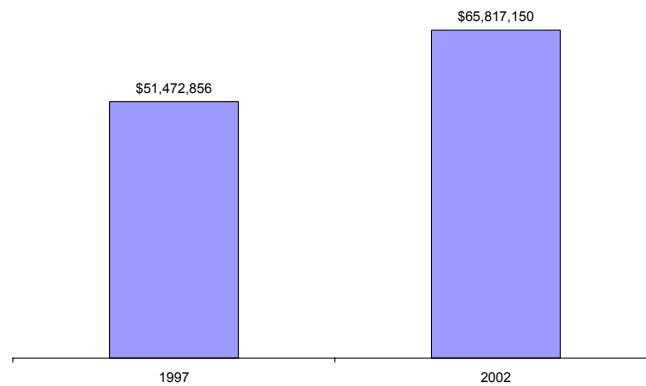
## Charitable Giving by Individuals

Charitable giving by individuals fuels the nonprofit sector. In 2003, individuals provided 75% of the \$240 billion in contributions received by public charities in the United States.<sup>1</sup> Charitable giving is also strongly associated with volunteerism. People who give to charity are much more likely to volunteer their time to charitable causes, and vice versa. Giving and volunteering is what we do to serve our communities. Increasing charitable giving enhances the capacity of communities to improve their welfare.

This report compares our local communities' charitable giving performance with each other and with that of other counties in Washington State. The resulting statistics are meant to serve as the beginning of a system from which charitable giving benchmarks can be developed and monitored over time.

### How much do we give?

- Whatcom County tax filers who itemize charitable deductions gave over \$65 million to charities in 2002, up 29% since 1997



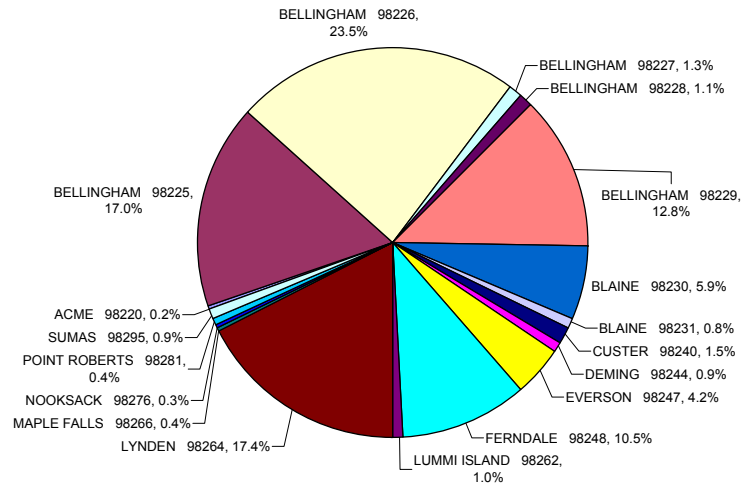
- Contributions from local individuals amount to 75% of all public support contributed to Whatcom County charities.
- Whatcom County contributed 2.31% of all Washington State charitable contributions, a proportion that is lower than the county's share of Washington State itemizers (2.56%).

### Where do the contributions come from?

- In 2002, Bellingham's 98226 zip code contributed the largest share (24%) of the \$66 million donated to charity. Bellingham's 98225 area and Lynden each contributed about 17% of the total (Figure 20). The next highest shares of charitable giving came from Bellingham's 98229 area (13%), Ferndale (11%) and Blaine (6%). The rest of the zip code areas contribute less than 5% each of the total.

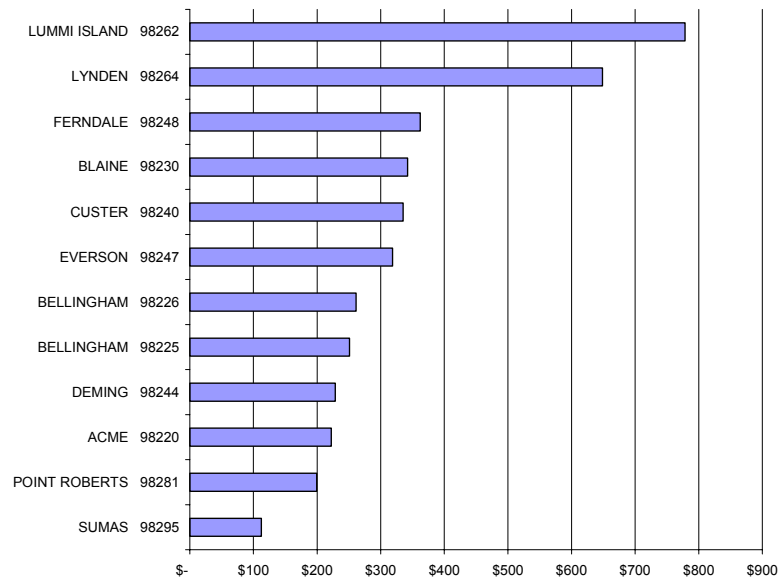
<sup>1</sup> Foundations gave 11%, bequests provided 9%, and corporations contributed 6%.

**Figure 4 Distribution of charitable contributions by Whatcom County itemizers (2002)**



- On a per capita basis, charitable giving ranged from \$113 per person in Sumas to \$778 on Lummi Island (Figure 21).<sup>2</sup> Average per capita giving for 2002 was \$338.

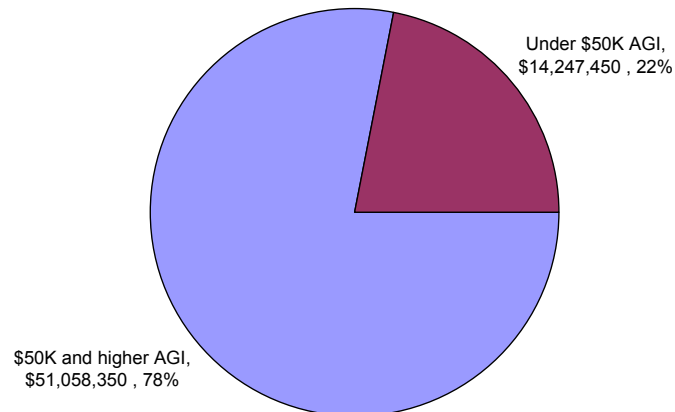
**Figure 5 Total 2002 giving per capita (based on 2000 Census population)**



<sup>2</sup> This number was derived by dividing total charitable giving for a zip code by that zip codes 2000 Census population; therefore, it is not equivalent to the average gift per itemized tax deduction filer. Also, Census population data is not available for all zip codes.

**Income groups.** This report separates the county's charitable itemizers into two household income groups: those with adjusted gross income (AGI) less than \$50,000 per year and those with AGI \$50,000 and higher. In 2002, the high-income group represented 64% of charitable itemizers and they contributed 78% of the contributions (Figure 22).

**Figure 6 Distribution of 2002 Charitable Contributions Among Income Groups in Whatcom County**



### Indicators of charitable giving performance

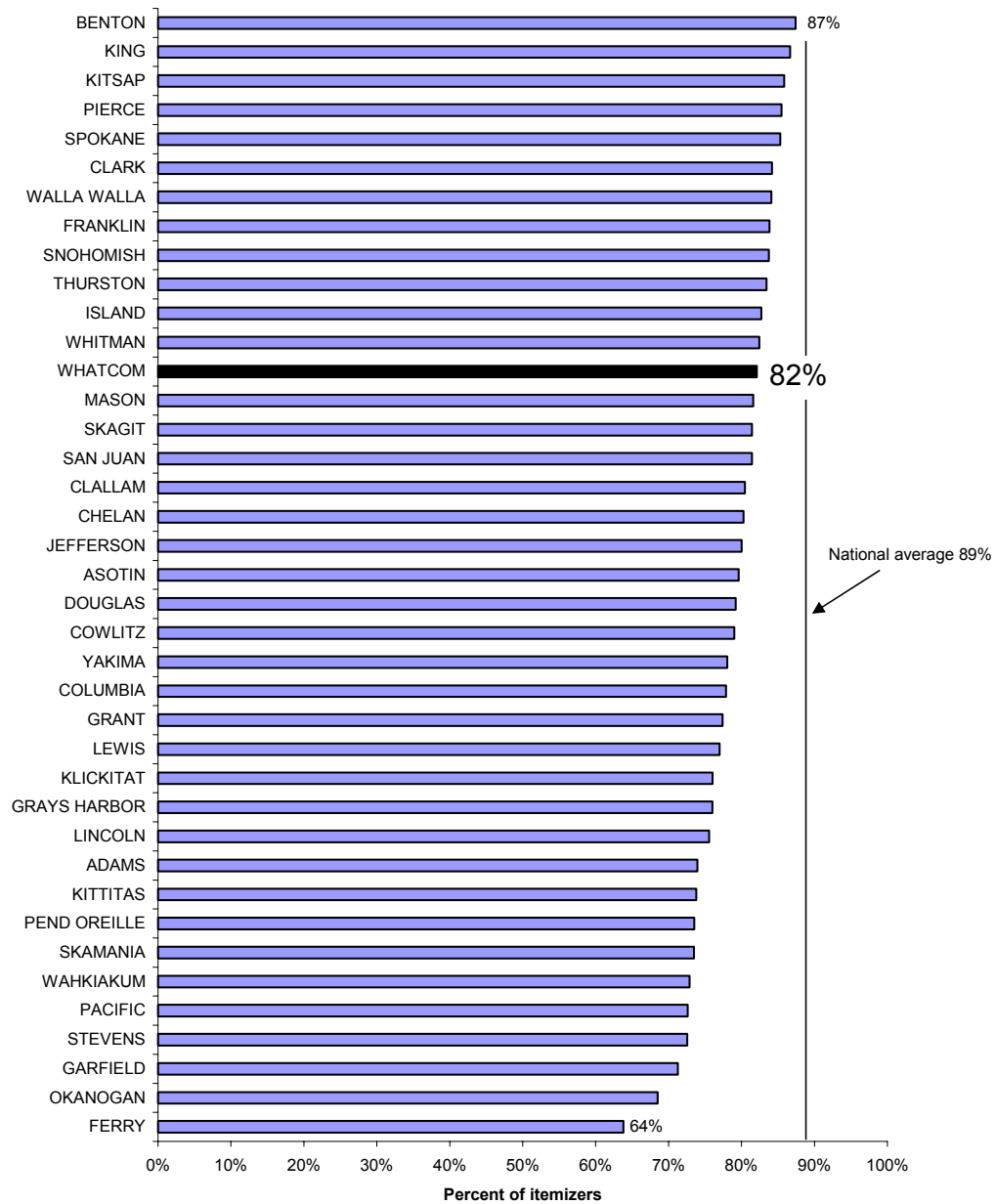
Three indicators will be useful to monitor charitable giving performance over time: *participation*, *average contribution amount*, and *average contribution as a percent of adjusted gross income*, or AGI.

#### Indicator #1: Participation

Of the three indicators, participation in charitable giving is, perhaps, the most important. It tells us, albeit roughly, the proportion of the population that gives to charity. Of all the indicators, this is the one that the community should hope to see increase. Higher participation will increase the aggregate amount of dollars invested in philanthropy and because of the links between giving and volunteering, added volunteer effort should also accrue as a result of increased giving. Furthermore, children of givers are more likely to be givers themselves, so higher participation in philanthropy should have long-lasting positive reinforcing effects across generations.

- Nationwide, 89% of adults contribute money to charity (Independent Sector, 2001).
- Among Washington counties, the proportion of givers ranges from a low of 64% in Snohomish County to 87% in Walla Walla County, a range which is entirely below the national participation rate (Figure 24).
- Whatcom County ranks 13 of 39 in participation with 82% of itemizers reporting charitable contributions.

Figure 7 Percent of itemizers reporting charitable contributions (2002)

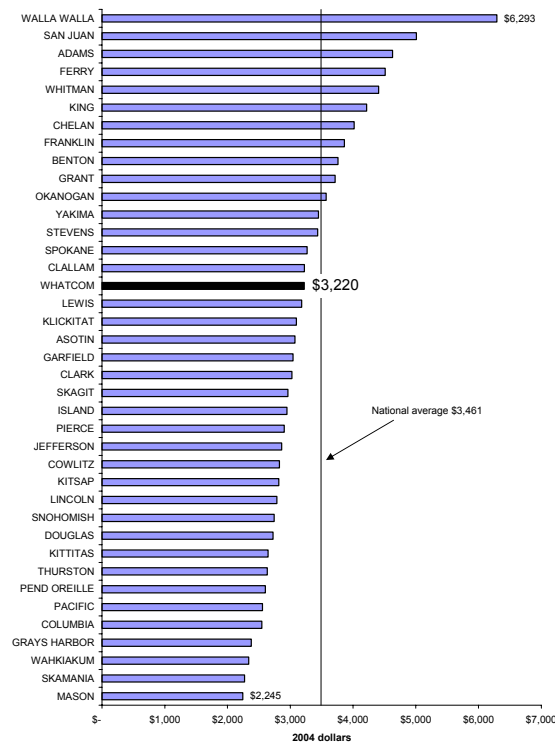


- Within Whatcom County, only Lynden, Lummi Island, and Bellingham’s 98229 area come close to the national participation rate of 89%.
- Point Roberts and Maple Falls had the lowest participation rates.
- The areas that reached or exceeded the county’s overall participation rate of 82% include Bellingham (98225, 98226 and 98229), Ferndale, Lummi Island, and Lynden.
- Participation in charitable giving is apparently more responsive to the business cycle among lower-income givers. The United States, Washington State and Whatcom County experienced high unemployment in 2002 compared to 1997. Participation among low income filers decreased substantially; however, higher-income households’ participation rates changed relatively little over this period.

**Indicator #2: Average contribution**

- Nationwide, in 2002, the average contributing itemizer gave \$3,461 to charity.
- Whatcom County itemizers gave close to the national average that year (\$3,220).
- Statewide, the average charitable contribution ranged from \$2,245 in Mason County to a whopping \$6,293 in Walla Walla County (Figure 28).

**Figure 8 Average Charitable Contribution by Itemizers**

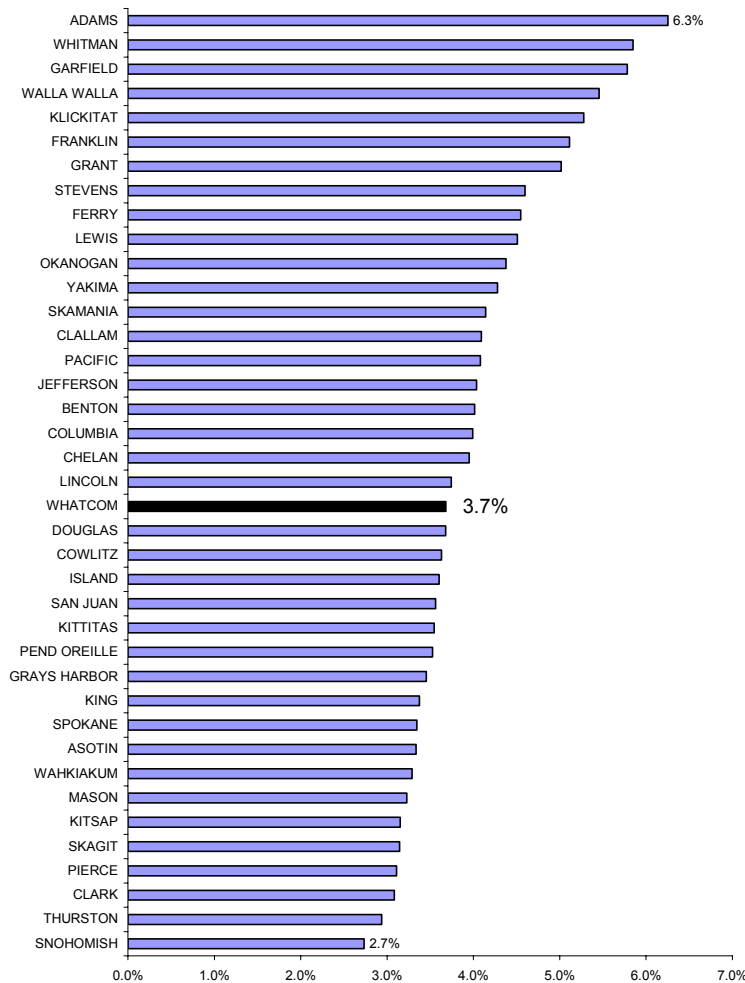


- In 2002, four areas of the county met or exceeded the national average contribution for itemizers: Lynden, Lummi Island, Bellingham 98228, and Everson.
- Lower-income itemizers tend to give significantly less than higher-income itemizers, but their average contributions tended to increase over the five year period from 1997-2002. The largest increases occurred among Blaine 98231 and Lummi Island itemizers.
- Interestingly, over the same period and even in some of the same areas, higher-income itemizers tended to reduce their average contributions. Bellingham 98225, Deming, Lummi Island and Point Roberts show the most dramatic decreases.
- National studies find that households that give the most (those with incomes of more than \$75,000) when not concerned about the economy, decrease their giving the most when they become concerned about their finances.

**Indicator #3: Charitable contributions as a percent of AGI**

- The average U.S. household gives 3.2 percent of its income to charity. But that statistic is based on the entire population, including non-itemizers. So the national average among tax itemizers is likely to be considerably higher.
- Among Washington counties in 1997, the average percent of AGI itemizers give to charity ranges from 2.7% in Snohomish County to 6.3% in Adams County (Figure 9).<sup>3</sup>
- Whatcom County ranks 21st out of 39 counties with its itemizers giving 3.7% of AGI to charity.

**Figure 9 Charitable Contributions as a Percent of AGI (1997)**



- In most areas of Whatcom County, lower-income households give higher proportions of their income to charity. The exceptions are Bellingham 98225, Deming, and Lummi Island.
- The average share of AGI that low-income households gave to charity in 1997 was 4.2% (ranging from 2.1 - 7.3%), while high-income households gave, on average, 3.1% to charity (ranging from 0.9-6.4%).

<sup>3</sup> The AGI of itemizers who contribute to charity is not currently available for 2002, so data is only presented for 1997.

### **Implications for Whatcom County Philanthropy**

The data show that Whatcom County giving by individuals is low based on national averages and low-to-average compared to other Washington Counties. Efforts to improve charitable giving participation from the 2002 rate of 82% to the national average of 89% would result in a net annual gain of \$5.5 million. And increasing the average gift from \$3,220 to the national average of \$3,461 would increase that gain to \$5.9 million, or a 9% increase overall to charities.

Nationally, more than three-quarters of individual charitable giving comes from tax itemizers, and high-income itemizers give a disproportionate share of all charitable giving (Giving New England Summit Report 2001). High-income households in Whatcom County appear to have the capacity to give more to charity. This suggests that it would be most cost-effective to target these relatively few households in efforts to increase local philanthropy.

## Acknowledgements

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- Greg Winter, Cornerstone Strategies, Inc., Bellingham, WA

## Preface

### Why this study?

The sponsors of this report believe that a better understanding of local philanthropy can lead to increased cooperation for mutual benefit among Whatcom County nonprofits and local governments, businesses and the community at large. This report is intended to provide insight into this important sector of our local economy: how large it is, what services it provides, and how support for nonprofits from individuals here compares with other communities. We also examine how this support is distributed within our county.

This report is just one of several ways that the Whatcom Community Foundation hopes to foster a better understanding in the community about the roles of local nonprofits in Whatcom County by addressing key questions. What is the nonprofit sector and how can it be classified? What role does this sector play in fulfilling community objectives? In economic terms, how large is the nonprofit sector? How does the nonprofit sector affect the local economy? How do individuals participate in this economic sector and how does individual giving in our community compare to those in other communities?

### Study objectives

The search for ways to strengthen the relationships between nonprofits and other community organizations begins with a search for answers to those questions. Essentially, the objectives of the proposed project are to provide such answers. Specifically, the key objectives include:

1. Provide an economic profile of the County's nonprofit sector using key indicators including, but not limited to, financial activity, revenue, asset value.
2. Describe individual charitable giving in Whatcom County and compare this to other counties.
3. Create a database that can be used to (1) establish baseline indicators of nonprofit sector size, service activity, level of community service, and financial management, and individual giving to nonprofit organizations; (2) compare the characteristics and financial performance of individual nonprofits with sector averages; (3) compare individual giving characteristics in Whatcom County and sub-regions with individual giving in other communities; (4) monitor indicator trends over time.

## Introduction

Imagine life in Whatcom County without hospitals, schools, museums or churches. Without libraries, jazz music, affordable housing or environmental protection. Without social services or emergency shelters. These nonprofits contribute enormously to the quality of life in Whatcom County. What is not well known is that Whatcom County nonprofits which impact the quality of life in our community also contribute heavily to the County's economic activity.

### What is the nonprofit sector?

The three major sectors in the United States are the **private sector**, the **public sector** and the **nonprofit sector** (also called the independent, not-for profit, benefit or third sector). The private sector generates profits from the sale of products and services. The public sector refers to the government's responsibility for defense, law and order, and the general welfare. The nonprofit sector is a mix of "private organizations working in voluntary association to advance a cause or service for the betterment of others and the improvement of the community." (Freeman and Payne, 1999)

The nonprofit sector is a local hospital and it is a neighborhood association. It is a service club and it is a self-help group meeting in a church basement. It is a major foundation giving thousands of dollars to restore salmon habitat and it is a youth athletic drive with a goal of \$500.

The nonprofit sector is the home of philanthropy, which embraces the notions of voluntary service, voluntary association and voluntary contribution of time, effort and gifts to nonprofit organizations.

Sixty percent of nonprofits, nationwide, are *public charities* – known also as 501(c)(3) organizations. The remaining 40% of nonprofits include social welfare organizations, labor organizations, social clubs, fraternal societies, credit unions and others that do not have tax-exempt status and therefore cannot offer tax-deductions for donations (Freeman and Payne).

Giving, volunteering and public charitable activity are not unique to the United States. What is unique is the extent of this activity. An impressive array of services is created and maintained by a partnership of public sector, private sector, and nonprofit groups. Consider these facts:<sup>4</sup>

- In 2001, there were over 800,000 public charities in the U.S.; 321,000 were large enough to be required to report their finances to the IRS.
- Total annual expenditures from these reporting public charities totaled over \$800 million, about 8% of Gross Domestic Product.
- Reporting public charities held assets worth \$1.6 trillion.
- The yearly budget of the nonprofit sector in the U.S. exceeds the budgets of all but seven nations in the world. (Freeman and Payne).

### What does the nonprofit sector contribute to society?

Discussions about the value of the nonprofit sector should not be limited to these impressive economic indicators. For one thing, small, community-based entities with scant resources make up the bulk of the sector. Even among those with revenues large enough to meet IRS reporting requirements, most have modest budgets, use only volunteer labor, and operate locally (Boris, 1998). Most economic indicators do not include these small organizations, and because of their meager finances, the value of their important services would be poorly captured by such proxy measures as revenue and expenditures. Furthermore, religious congregations – nonprofits that

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<sup>4</sup> Unless otherwise cited, these facts are from the National Council of Nonprofit Associations report: The United States Nonprofit Sector in 2001 ([www.ncna.org](http://www.ncna.org))

often perform a wide variety of important community services – are not required to report to the IRS, so most economic indicators fail to capture measures of this nonprofit subsector.

Also, the many ways that nonprofits contribute to the quality of life in communities cannot be captured easily (or at all) by these measures. Lester Salamon, a leading nonprofit sector researcher, identifies several distinctive types of contributions that nonprofits make to society, and that define the stakes citizens have in this sector.

First, nonprofits provide services that offer solutions to societal problems. The nonprofit sector can respond to these problems immediately, without having to muster a majority of citizens to act. Nonprofits are also vehicles that can deliver publicly financed services without relying on an enlargement of government bureaucracies. Furthermore, nonprofits can often be relied on to provide collective goods that only a portion of a community considers essential, thus overcoming inherent limitations of the market and state in responding to such needs. For example, nonprofits are active in providing cultural, artistic, recreation, education and environmental resources.

Second, nonprofits identify problems and engage in advocacy, drawing attention to emerging social problems and mobilizing public support toward solving them. In this way, voluntary association gives real meaning to free expression, each right being effectively meaningless without the other. Most social and political movements have operated through private, nonprofit organizations.

Third, nonprofits create and sustain “social capital,” – the “bonds of trust and reciprocity that are pivotal for a democratic society and a market economy to function effectively, but that the American ethic of individualism would otherwise make it difficult to sustain.” Thus, a nonprofit sector is vital to developing and sustaining a sense of community, “which is required to uphold contracts and make it possible for both a market system and democratic polity to operate.” (Salamon, undated).

### **Recent nonprofit sector trends**

Essential as the nonprofit sector is to the preservation of these American traditions, recent economic and political upheavals present challenges to the continued vitality of the nonprofit sector or subsectors. Shifts in political leadership and economic growth have given rise to changing revenue bases for the nonprofit sector, and to attendant changes in the organizational and administrative practices of nonprofit organizations.

Federal budget cuts, beginning in the early 1980s were designed to dismantle ineffective and inefficient government social programs, with the hope that charities, relying on volunteerism and philanthropy, would fill these service voids. What was not generally known at the time was that government grants and contracts were significant and growing shares of nonprofits’ revenues and that private donations accounted for a small and decreasing proportion. “The notion of an independent charitable social safety net that can offset decreasing government support for social services has persisted through the 1990s. Nonprofits are expected to become less dependent on a shrinking and devolved government sector and more businesslike: lean, efficient, effective.” (Boris, 1998).

Nonprofit organizations are also facing market pressures to work more efficiently, with grantmakers applying the business acumen of the for-profit sector to nonprofits. Nonprofit researcher Elizabeth Boris of The Urban Institute offers that this new expectation, “may be a good thing. But community rather than business oversight is probably more appropriate in a sector where building communities through shared efforts – and not the ‘bottom line’ – is the goal.” (Boris).

**Other state and local nonprofit studies**

Interest in nonprofits is not new; however, serious inquiry about nonprofits as an economic sector is very recent with most published studies appearing since the 1980's (O'Neill 1989). Since that time several academic and advocacy centers of nonprofit sector research emerged (e.g., at the Urban Institute and John Hopkins University).

Recent interest in nonprofits as an economic sector has been prompted by continuing cutbacks in social spending by government, a recognition of the role played by nonprofits in the economy, competition between the for-profit and nonprofit sectors, and increased interest in the study of altruism in economic behavior (Center for Nonprofit Sector Research 1996). Most of the few in-depth nonprofit sector studies examined data at the international, national or state levels (e.g., Salamon 1997, Salamon 1992, Pratt and Sullivan 1995).

Local and regional studies are far harder to come by. The reasons for such scarcity include (1) the relatively recent interest in the topic, (2) local studies are less likely to be published and distributed widely, and (3) most of the data used for these studies are not easily resolved to the local level (e.g., city, county). Nevertheless, a few local studies have surfaced recently for New York City (Haycock 1992), Detroit (Marsh 1995), and Orange County, California (Center for Nonprofit Sector Research 1996). These provide valuable guidance for organizations interested in obtaining local-level data.

## Defining the Nonprofit Sector: State and Federal Law

The nonprofit sector includes a broad spectrum of organizations that undertake many activities. The goods and services provided by nonprofit organizations are as diversified as those of their profit-oriented counterparts. Where nonprofits differ, in theory, is in their organizational objectives, primarily the absence of a profitability goal and the fact that nonprofits are prohibited from distributing profits to their operators.

Nonprofit organizations that are federally recognized as public charities are the special type of nonprofit organization that is most familiar to the general public. These organizations exhibit just one of many forms of legal structure that make the nonprofit sector so diverse. Nonprofit corporations in Washington State do share at least one common feature in that they are all registered as nonprofit corporations with the Secretary of State's Corporations Division. Most of the diversity among nonprofit sector organizations stems from complex federal tax laws.

Federal policies established the nonprofit organization as a legal form of incorporation exempt from paying federal income tax. State statutes exempt nonprofits from property taxes and other state designated taxes.<sup>5</sup> Approval of legal nonprofit status is contingent on the type of activities in which an organization is engaged, and the assumption of the nonprofit organizational form. There are 25 different categories of tax exempt organizations under section 501 of U.S. tax law, all of which are exempt from federal income taxes and property taxation at the local level. The body of nonprofit organizations can be further divided into two major categories: charitable and noncharitable organizations. **Figure 10** shows a conceptual breakdown of nonprofit organizations by type based on IRS rules and definitions.

*Noncharitable Organizations.* Noncharitable nonprofit organizations pursue activities that primarily benefit their own members. Organizations that serve the public benefit according to guidelines developed for 501 (c)(3) organizations but engage in substantial lobbying efforts are classified as noncharitable nonprofit organizations and have a 501 (c)(4) designation.

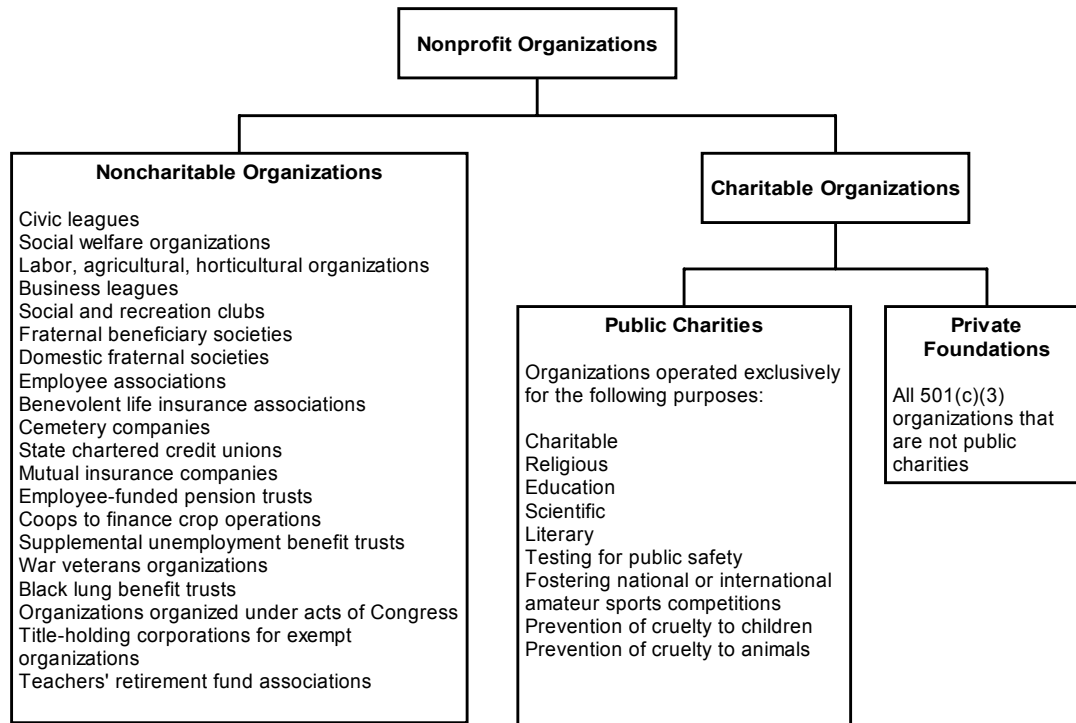
*Charitable Organizations.* Charitable organizations are covered by section 501 (c)(3) of the Internal Revenue Code. These organizations are organized to serve broad public purposes and pursue charitable goals. As such, they receive extra tax privileges under the law. Besides the exemption from federal income taxes and property taxation at the local level, exemption under subsection (3) of Section 501 (c) allows donors to make tax-deductible contributions to the organization.

Charitable organizations are divided into two separate and distinct groups: public charities and private foundations. Generally, public charities provide services and private foundations fund charitable activities although there are exceptions, such as private operating foundations that use their resources to conduct research or provide services.

*Public Charities.* Public charities are the most visible public-serving nonprofit organizations. Public charities include organizations formed for religious, educational, literary and scientific purposes. They also include organizations that conduct public safety testing, foster certain types of sports competitions, and work to prevent cruelty to children and animals.

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<sup>5</sup> For a concise treatment of this subject see, Barber (2000).



**Figure 10. Conceptual Breakdown of Tax Exempt Organizations Classified Under Section 501(c) of the U.S. Tax Code**

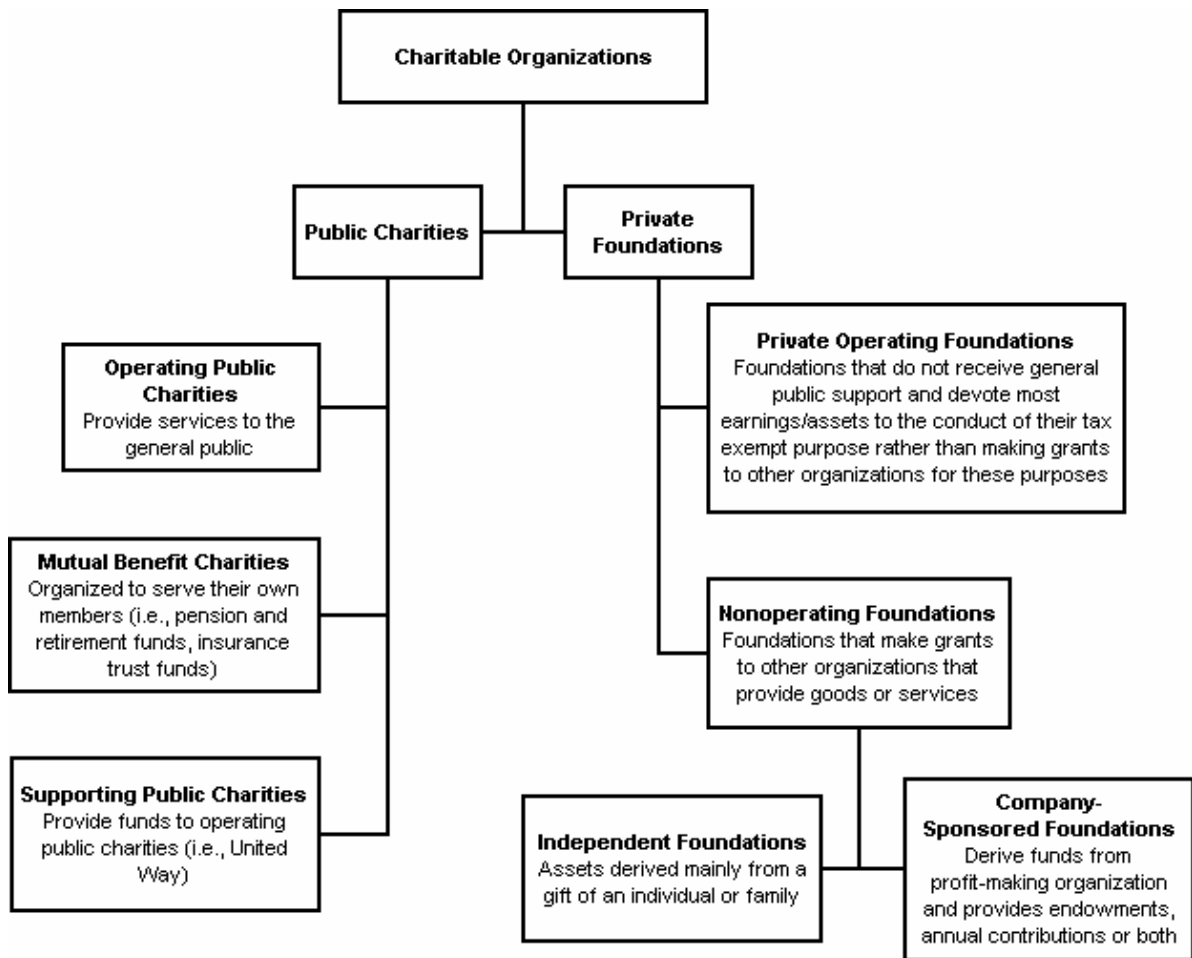
Public charities can be further delineated (Figure 11). Within public charities are three primary groups: operating public charities, mutual benefit public charities, and supporting public charities.

Operating public charities provide a wide range of services and programs to the public. Mutual benefit public charities include pension and retirement funds and other activities designed primarily for their members. Supporting public charities collect funds and distribute them primarily to operating public charities. Supporting public charities generally do not operate service delivery programs.

*Private Foundations.* Private foundations are separate entities within the group of 501 (c)(3) organizations that typically support the activities described above. Although they are considered charitable organizations, their activities, patterns of spending and sources of revenues are quite different from that of the public charities. Private foundations also receive less favorable tax treatment than do public charities and are subject to a greater level of federal regulation of their activities.

Private Foundations can be either operating foundations or nonoperating foundations. Operating foundations devote most of their earnings and assets to conducting their own programs rather than making grants to others.

Nonoperating foundations make grants to other organizations that provide goods and services. Nonoperating foundations can be independent foundations or company-sponsored foundations. The assets of independent foundations are derived primarily from a gift made by an individual or family member. Company-sponsored foundations derive their funds from a profit-making organization.



**Figure 11. Conceptual Breakdown of Charitable Organizations**

(Source: Bureau of Economic and Business Research. 1998. *The Economic Impact of Utah's Nonprofit Sector*).

**Washington State's Nonprofit Sector**

"Nonprofits in Washington 2004," a report by The Evergreen State Society,<sup>6</sup> characterizes the State's nonprofit sector using statistics from a number of agencies. Among the report's findings are the following:

- On March 8, 2004, there were 47,480 nonprofit corporations registered with Washington's Secretary of State.
- 20,980 nonprofit organizations in Washington were exempt from state and local property taxes.
- Figures from 3,618 Washington nonprofit employers show average employment during 2003 of 234,756 workers, with total wages of \$5.75 billion.

<sup>6</sup> <http://www.tess.org/NPInWA/>

## Whatcom County's Nonprofit Sector

### Nonprofit corporations registered with the Internal Revenue Service

Washington State registration, alone, confers no federal tax benefit to nonprofit corporations. Organizations seeking such benefits must register with the Internal Revenue Service (IRS) and those that receive tax exempt status fall generally into one of four categories.

*Reporting public charities* (also known as filers) are nonprofit organizations with annual income of at least \$25,000 that are tax-exempt and whose donors may receive a tax deduction in the amount of monetary or tangible in-kind gifts. The next category includes (1) public charities with incomes less than \$25,000 but more than \$5,000; these organizations are not required to file the annual information returns (Forms 990 and 990EZ); (2) public charities that fail to file an information return (even though required); (3) inactive organizations still registered as public charities.

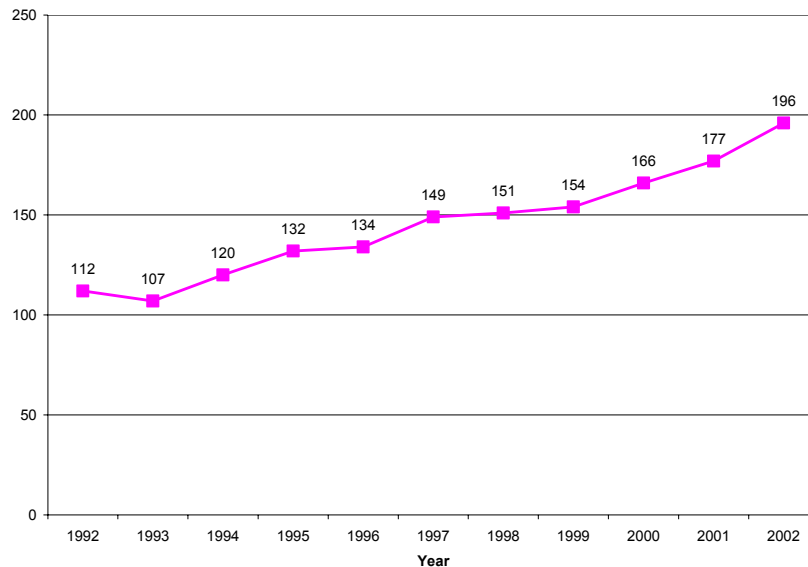
*Churches* are another category of tax-exempt nonprofits; however, these are underrepresented in the IRS database because (1) they are allowed to file for an individual tax exemption or an omnibus exemption for all of their congregations, and (2) they are not required to file annual information returns.

**Non-charitable** and **mutual benefit organizations** make up the remaining category of nonprofits registered with the IRS.

### Whatcom County's Reporting Public Charities

The IRS database contains financial information for 196 Whatcom County public charities that submitted Forms 990 or 990 EZ circa 2002. This group accounts for 3.0% of the 6,146 reporting public charities that submitted financial information to the IRS statewide that year, a proportion that is higher than Whatcom County's share of the state's population (2.79%). In the period between 1992 and 2002, the number of reporting public charities in Whatcom County increased by 75% (Figure 12).

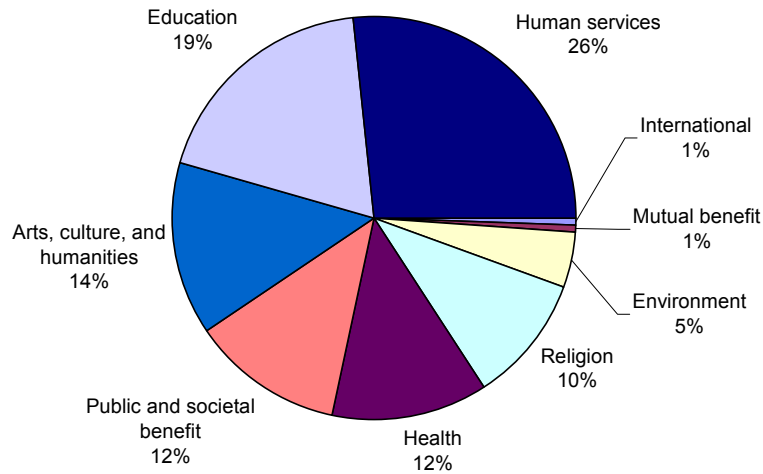
**Figure 12 Number of Whatcom County Reporting Public Charities**



**Major Activities of Reporting Public Charities**

The most common activity of Whatcom County's reporting public charities is human services (Figure 13). About a quarter of these organizations (26%) are classified as such. Human services includes a wide variety of organizations and activities including senior centers, food banks and youth services. The next most common primary activities include education (19%), arts, culture and humanities (14%), health-related (12%), public benefit (12%), and religion (10%). The fewest number of reporting public charities were involved in "other mutual benefit" (1%), and international, foreign affairs (1%).

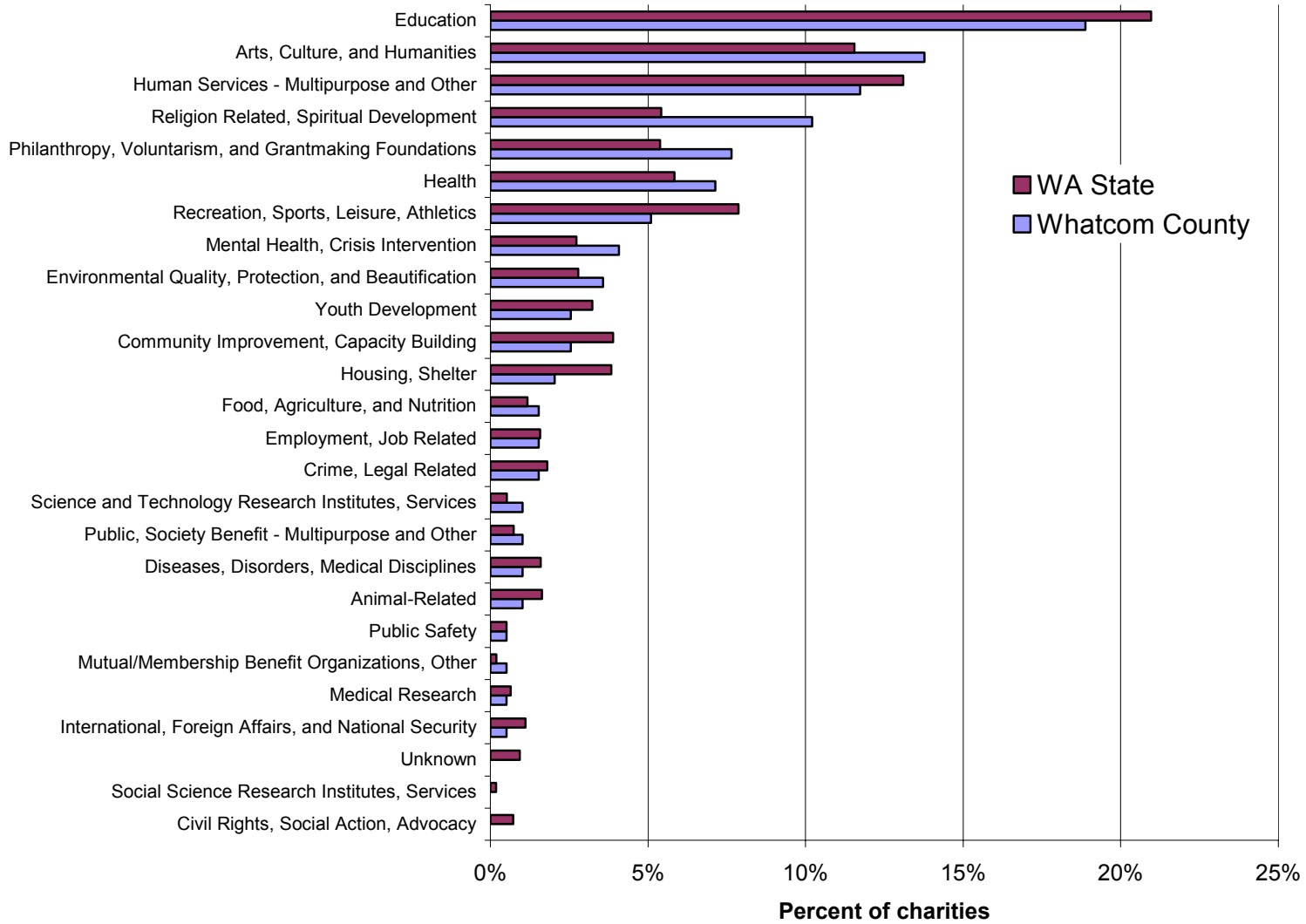
**Figure 13 Whatcom County Reporting Public Charities by major activity (2002)**



The distribution of major activities at the County level is similar to that of the state as a whole (Figure 14). One significant difference is that religion-related groups comprise a larger proportion of the county's reporting public charities (10%) compared to the state (5%).

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

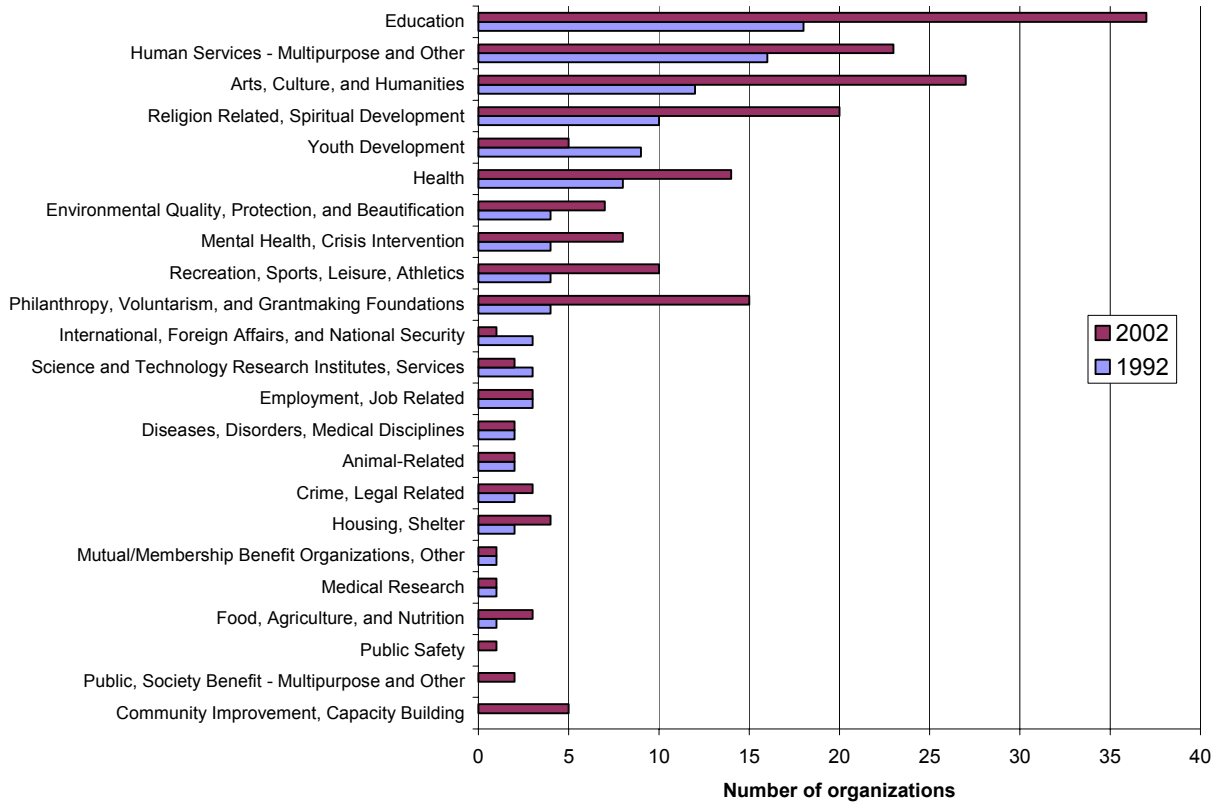
**Figure 14 Reporting Public Charities by Major Activity (2002)**



**Growth in Reporting Public Charities and Changes in Distribution by Primary Activity**

The number of reporting public charities in Whatcom County grew at an average annual growth rate of 7.3% during the ten-year period 1992-2002. In 1992 there were 113 such organizations in the County compared to 196 in 2002. This rate of growth is nearly three times the County's population growth during the same period (2.5%).

**Figure 15 Whatcom County Reporting Public Charities by Major Activity**



Over the ten-year period, the number of public charities grew unevenly across categories of major activities (Figure 15). The largest increases occurred in the education, arts/culture, human services, philanthropy/grantmaking, religion-related, and health categories. Youth development, international affairs, and science/technology lost one or more public charities during the period. Public safety, public/society benefit, and community improvement each went from zero organizations in 1992 to one or more in 2002.

**Finances of Whatcom County Public Charities**

Whatcom County's nonprofit sector is a large and important element of the local economy. The financial activity of the county's public charity sector provides important indicators of its size and strength. In terms of dollars and cents, the primary component of the County's nonprofit sector is the group of charitable organizations regulated under IRS regulations, section 501(c)(3). Available data on nonprofit finances necessarily limits the analysis presented in the following section of the report to the public charities that regularly report financial activity to the IRS.

Given the large number of nonprofit organizations that are not required to report financial activity, the following measures are certainly underestimates of overall nonprofit sector financial activity; however, a large percentage of all financial activity occurs within the larger organizations that do report through annual information returns to the IRS.

*St. Joseph Hospital, the County's largest public charity is not included in the Whatcom County subset of the IRS database. Unlike the 2000 edition, the aggregate data that follow in this report do not include the financial activity for St. Joseph Hospital.<sup>7</sup>*

### **Financial Measures**

**Public Support** is collected from public charities' IRS Forms 990, line 1d. It includes private gifts and contributions (both cash and in-kind) and government grants.

**Total Revenue** is equal to gross income plus public support and membership dues, minus rental and fundraising expenses.

**Total expenses**, from Form 990, is the sum of program, fundraising and general expenses, as well as payments to affiliates.

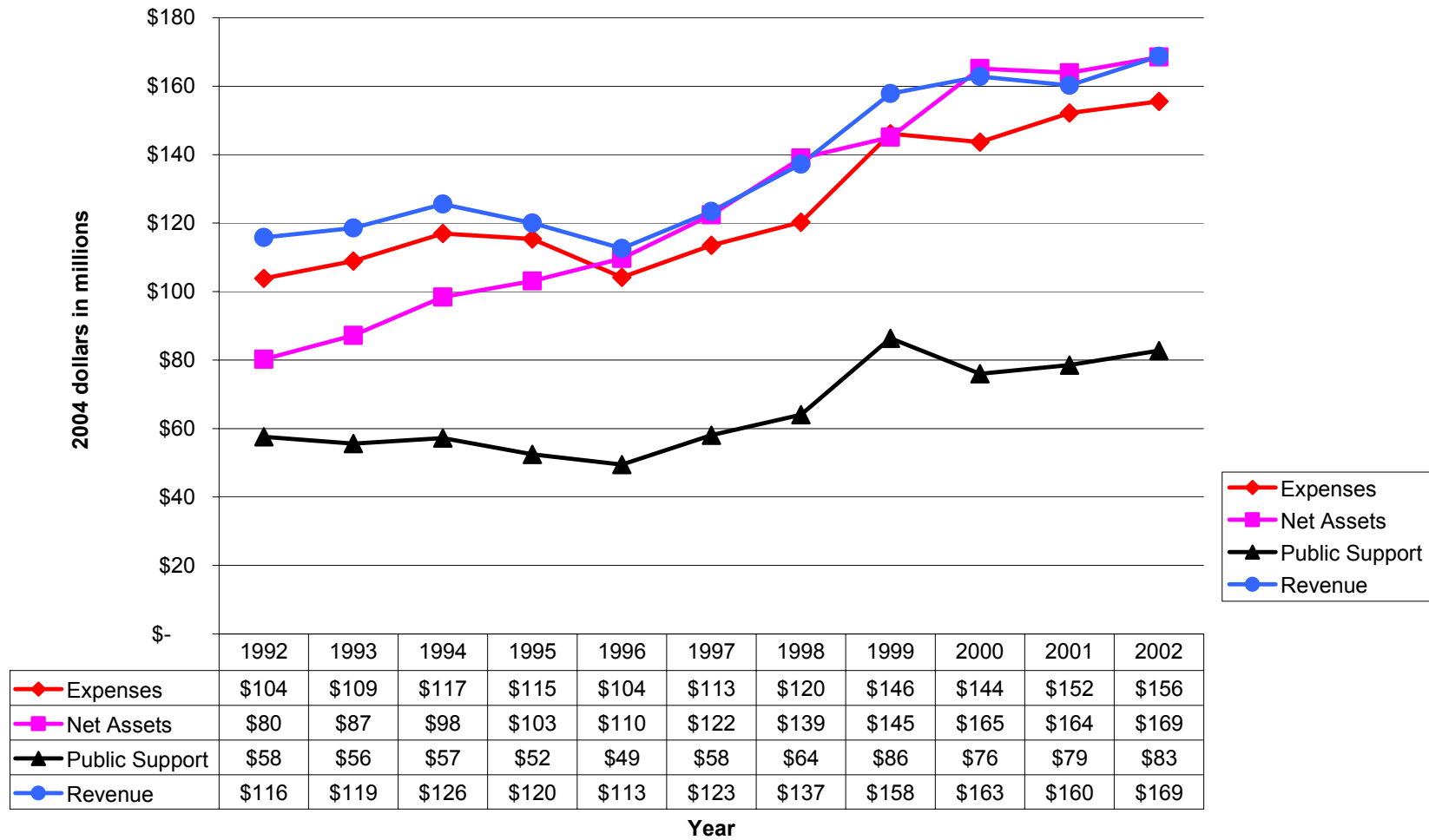
**Total assets**, Net assets equal total assets minus total liabilities. Net assets are further divided (since the mid-1990s change in accounting rules) into unrestricted, temporarily restricted (e.g., "grant must be used for following purposes...", etc.) or permanently restricted (an endowment which can't be spent; only the interest or other investment income generated by the endowment can be used).

Public support, total revenue, net assets and expenditures of reporting public charities grew considerably over the ten-year period from 1992 to 2002. Revenue increased 46% from approximately \$ 116 million to \$169 million in 2002 (in constant 2004 dollars). Public support grew by 44%, expenditures increased by 50% and net assets increased by 110% (Figure 16).

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<sup>7</sup> The IRS allows charitable organizations with affiliates, or branches, to report financial activity separately for each affiliate organization or to report one omnibus information return that includes aggregate data for the entire organization. PeaceHealth, the parent nonprofit corporation that owns and operates St. Joseph Hospital, submits an omnibus information return from its headquarters in King County. In the past, PeaceHealth offered to provide separate data on St. Joseph Hospital to ensure that this important contributor of community services and financial activity could be included in the previous Whatcom County Nonprofit Sector report in 2000. PeaceHealth was not asked to do so for this report. It was felt that the previous report provided adequate documentation that St. Joseph Hospital is a large and important component of the county's nonprofit sector, in that year nearly equaling the expenditures of all other public charities combined.

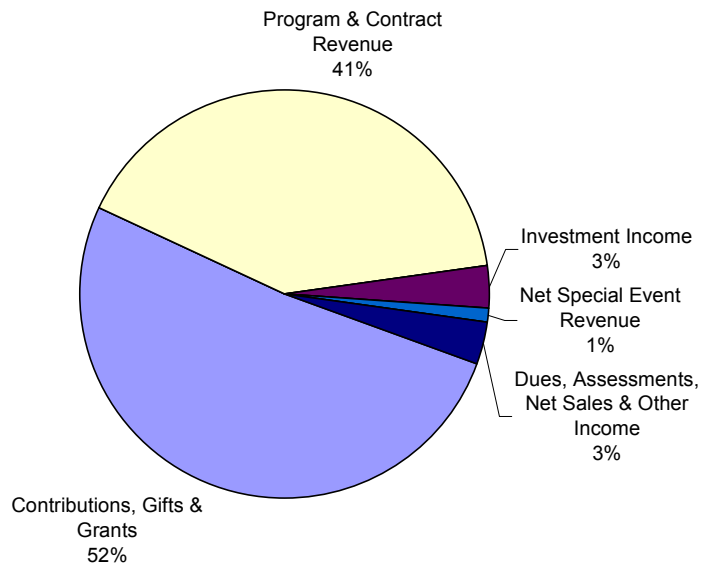
Figure 16 Whatcom County Reporting Public Charity Finances



**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

In 2002, reporting public charities in Whatcom County received more than half (52%) of all revenue from public support (contributions, gifts and grants), followed by program service revenue (41%). Investment income (3%), membership dues (3%) and net income from special events (1%) accounted for the remaining revenue (Figure 17).

**Figure 17 Source of Revenue, Whatcom County Reporting Nonprofits, 2002**



## Charitable Giving by Individuals

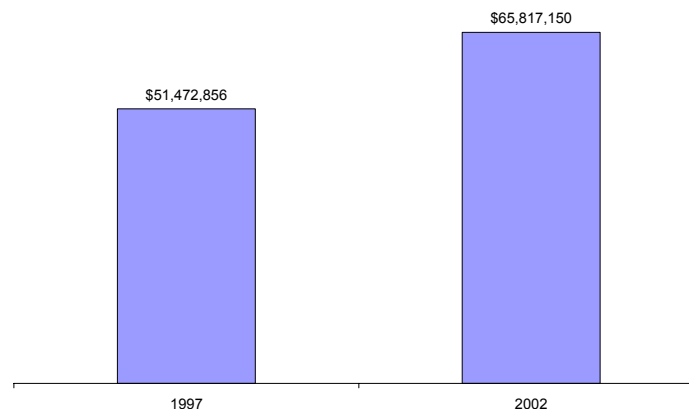
Charitable giving by individuals fuels the nonprofit sector. In 2003, individuals provided 75% of the \$240 billion in contributions received by public charities in the United States (Giving USA 2004).<sup>8</sup> Charitable giving is also strongly associated with volunteerism. People who give to charity are much more likely to volunteer their time to charitable causes, and vice versa (Independent Sector 2001). Giving and volunteering is what we do to serve our communities. Increasing charitable giving enhances the capacity of communities to improve their welfare.

This section of the report examines charitable giving by Whatcom County individuals. This analysis compares our local communities' charitable giving performance with each other and with that of other counties in Washington State. The resulting statistics are meant to serve as the beginning of a system from which charitable giving benchmarks can be developed and monitored over time. Such a system is essential to evaluate efforts by the Whatcom Community Foundation and other organizations to evaluate the impact of certain philanthropy promotion activities over time.

**How much do we give?** Whatcom County tax filers who itemize charitable deductions gave over \$65 million to charities in 2002, 29% more than they gave in 1997 when their combined contributions totaled \$51 million (Figure 18). These 2002 contributions amount to 75% of all public support contributed to Whatcom County reporting public charities.

Statewide, itemizers contributed \$2.84 billion to charity in 2002. Whatcom County itemizers contributed 2.31% of that total, a proportion that is lower than the county's share of Washington State itemizers (2.56%).

**Figure 18 Total Itemized Charitable Contributions by Whatcom County Filers (2004 dollars)**



**What about those givers who don't itemize?** As explained earlier in this report (Data: Sources and Limitations), the use of IRS charitable giving data necessarily limits these analyses to the 32% of the population that itemizes deductions on their annual tax returns. Despite this obvious limitation, there are good reasons to use these data to monitor charitable giving trends. First and most importantly, it is the only standardized and readily available source of data on charitable giving at the sub-state level. Second, itemizing households give considerably more to charity than their nonitemizing counterparts. A recent national study found that in every income group, itemizing households gave at least 40% more than non-itemizing households. For households

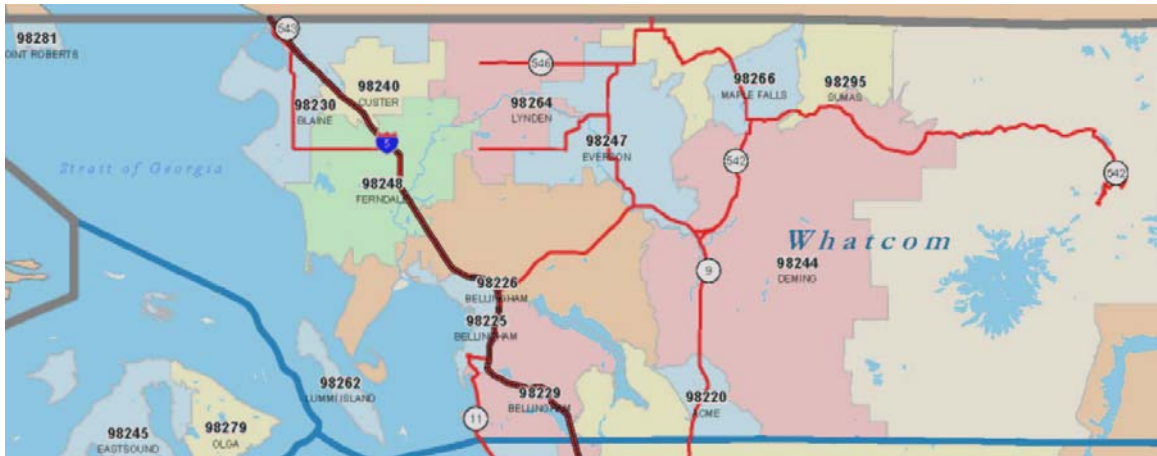
<sup>8</sup> Foundations gave 11%, bequests provided 9%, and corporations contributed 6%.

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

with incomes over \$100,000, the difference in giving was more than 70%. Even though itemizers comprise only a third of the population, their aggregate giving likely accounts for a very large proportion of all charitable contributions.

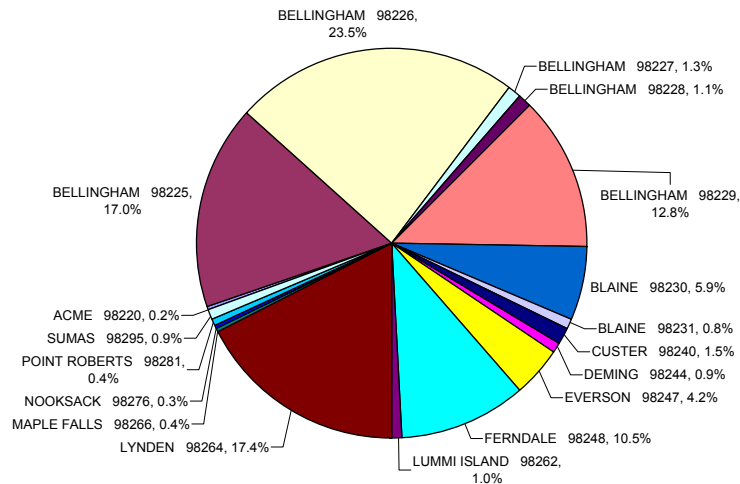
**Where do the contributions come from?** The IRS charitable deductions data is now available at the zip code level so it is possible to examine the distribution of charitable giving within specific regions of the county. See Figure 19 for zip code boundaries that are used to aggregate data in this report. Note that zip codes 98227 and 98228 are zip codes for Bellingham P.O. Box holders. Also, 98229 is a relatively new Bellingham zip code that did not exist in 1997 when that area was part of the 98226 zip code.

**Figure 19 Whatcom County zip code areas**



In 2002, Bellingham’s 98226 zip code contributed the largest share (24%) of the \$66 million donated to charity. Bellingham’s 98225 area and Lynden each contributed about 17% of the total (Figure 20). The next highest shares of charitable giving came from Bellingham’s 98229 area (13%), Ferndale (11%) and Blaine (6%). The rest of the zip code areas contribute less than 5% each of the total. With some exceptions, areas with large populations contributed large shares to the total, but this rather crude analysis understates the wide range of charitable behavior among each of these regions.

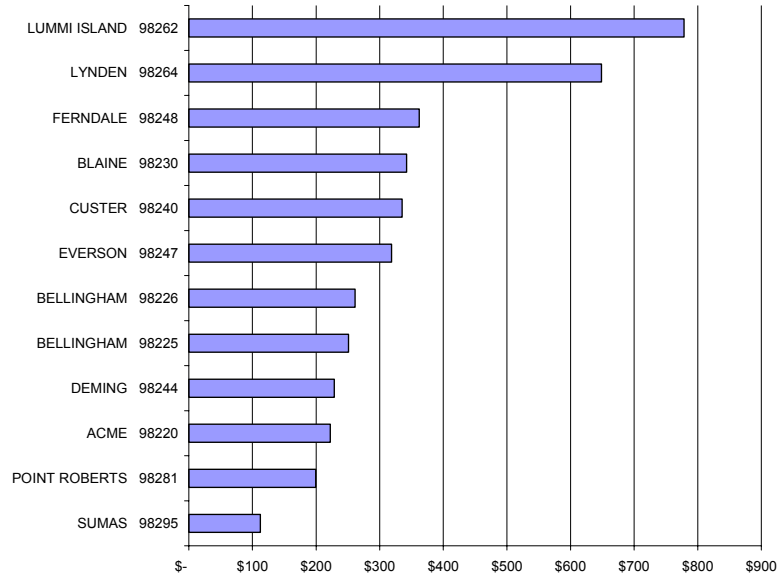
**Figure 20 Distribution of charitable contributions by Whatcom County itemizers (2002)**



**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

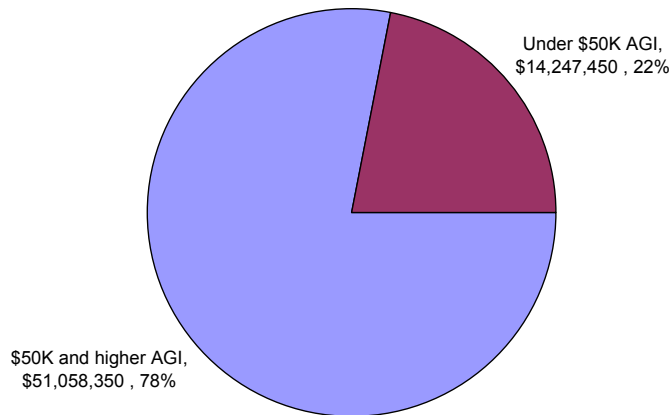
On a per capita basis, charitable giving ranged from \$113 per person in Sumas to \$778 on Lummi Island (Figure 21).<sup>9</sup> Average per capita giving for 2002 was \$338. Custer and Blaine are each within a few dollars of average. Per capita giving was above average in Lummi Island, Lynden, and Ferndale, and below average in Bellingham, Deming, Acme, Point Roberts and Sumas.

**Figure 21 Total 2002 giving per capita (based on 2000 Census population)**



This report separates the county's charitable itemizers into two household income groups: those with adjusted gross income (AGI) less than \$50,000 per year and those with AGI \$50,000 and higher. In 2002, the high-income group represented 64% of charitable itemizers and they contributed 78% of the contributions (Figure 22).

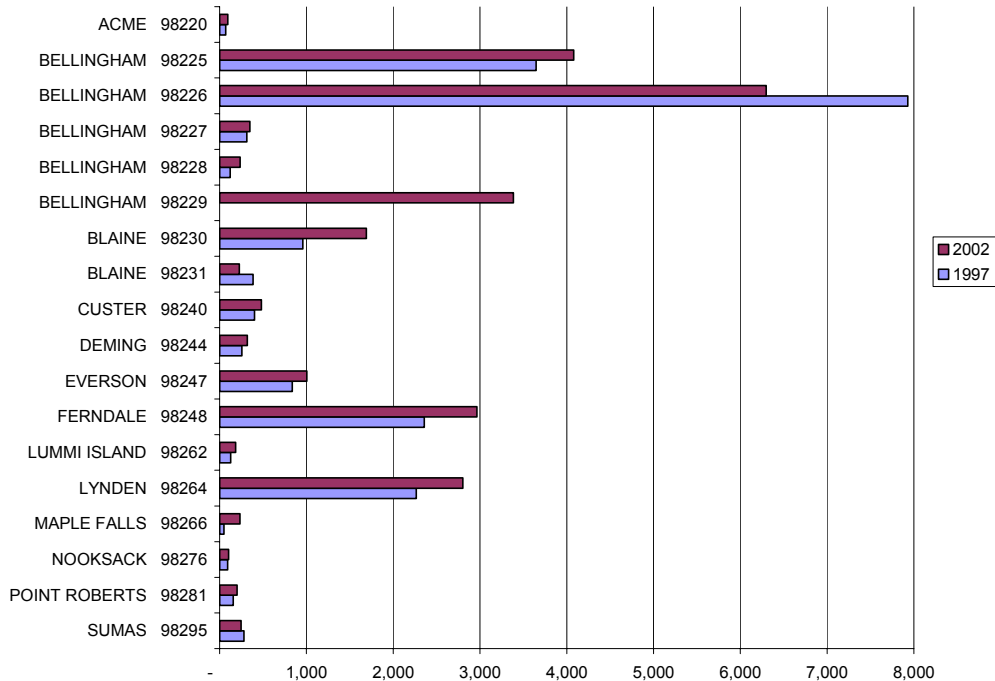
**Figure 22 Distribution of 2002 Charitable Contributions Among Income Groups in Whatcom County**



<sup>9</sup> This number was derived by dividing total charitable giving for a zip code by that zip codes 2000 Census population; therefore, it is not equivalent to the average gift per itemized tax deduction filer. Also, Census population data is not available for all zip codes.

In 2002, there were 20,130 charitable itemizers in Whatcom County. They were distributed among zip code areas as shown in Figure 23.

**Figure 23 Number of Itemizers**



**Indicators of charitable giving performance**

The IRS data make it possible to calculate many indicators of charitable giving. This report proposes that three indicators will be useful to monitor charitable giving performance over time: participation, average contribution amount, and average contribution as a percent of adjusted gross income, or AGI.

For each indicator, we will examine how Whatcom County compares with Washington’s other counties, and within Whatcom County, we will compare among zip code regions and two income groups: (A) less than \$50,000 AGI and (B) \$50,000 and higher AGI.

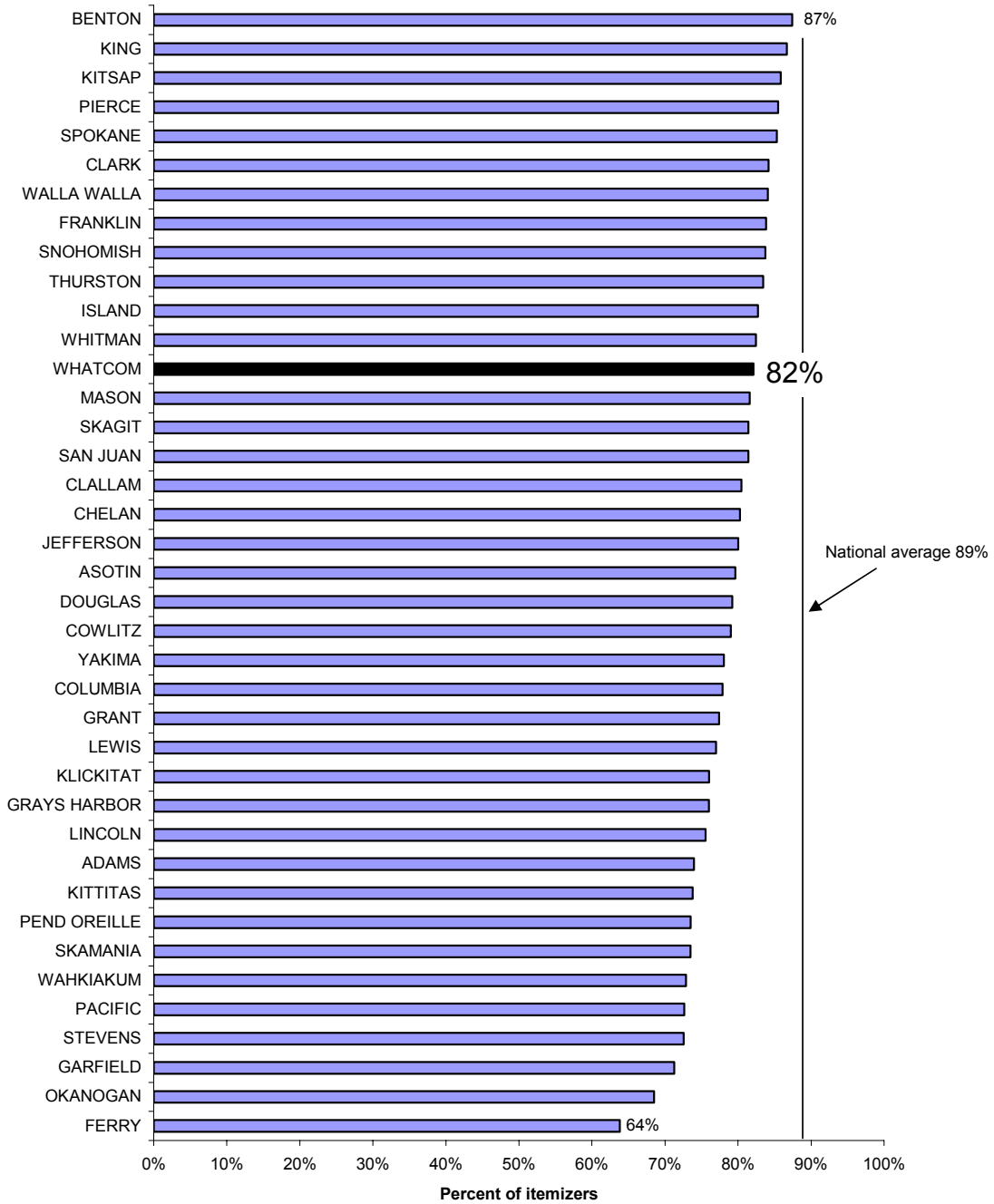
**Indicator #1: Participation**

Of the three indicators, participation in charitable giving is, perhaps, the most important. It tells us, albeit roughly, the proportion of the population that gives to charity. Of all the indicators, this is the one that the community should hope to see increase. Higher participation will increase the aggregate amount of dollars invested in philanthropy and because of the links between giving and volunteering, added volunteer effort should also accrue as a result of increased giving. Furthermore, children of givers are more likely to be givers themselves, so higher participation in philanthropy should have long-lasting positive reinforcing effects across generations.

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

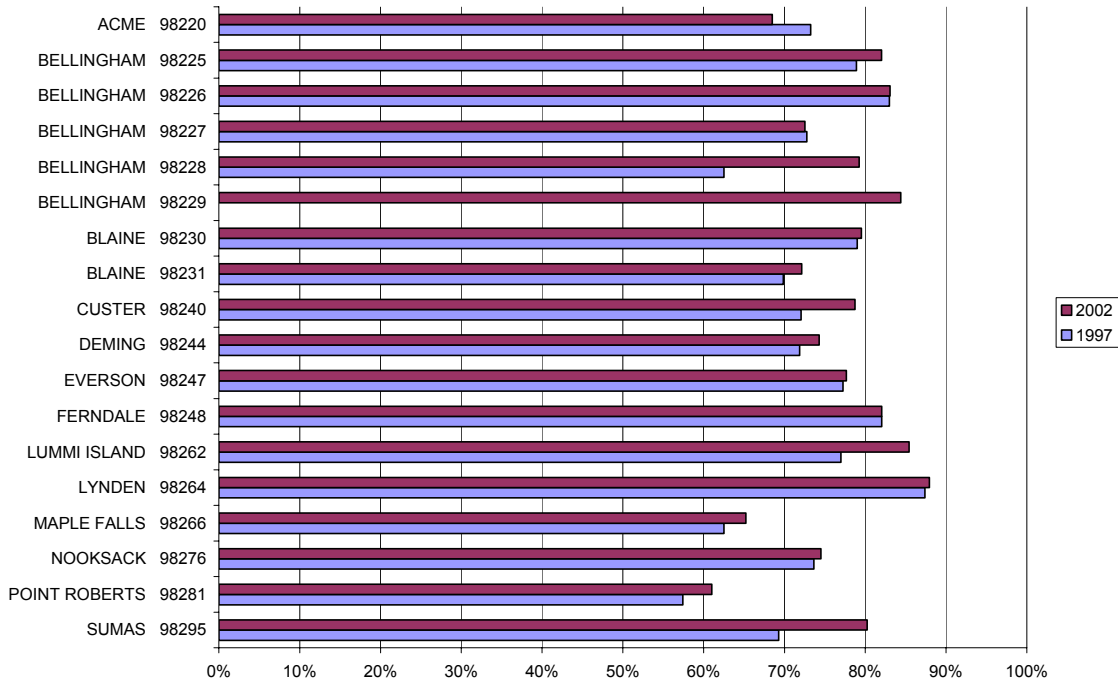
Nationwide, 89% of adults contribute money to charity (Independent Sector, 2001). Among Washington counties, the proportion of givers ranges from a low of 64% in Snohomish County to 87% in Walla Walla County, a range which is entirely below the national participation rate (Figure 24). Whatcom County ranks 13 of 39 in participation with 82% of itemizers reporting charitable contributions.

**Figure 24 Percent of itemizers reporting charitable contributions (2002)**



**All Whatcom Filers.**<sup>10</sup> Within Whatcom County, only Lynden, Lummi Island, and Bellingham's 98229 area come close to the national participation rate of 89%. Point Roberts and Maple Falls had the lowest participation rates (Figure 25). The areas that reached or exceeded the county's overall participation rate of 82% include Bellingham (98225, 98226 and 98229), Ferndale, Lummi Island, and Lynden.

**Figure 25 Percent of itemizers reporting charitable contributions (both income groups)**



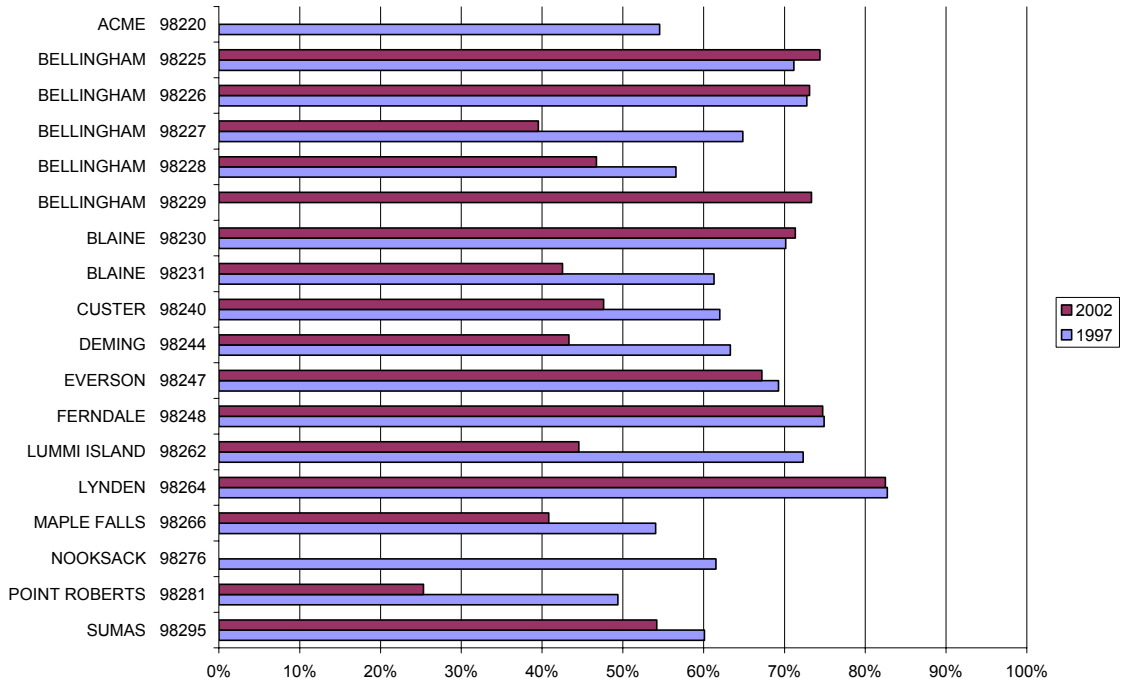
**Under \$50,000 AGI filers.** Participation in charitable giving for filers that report less than \$50,000 AGI in 2002 was significantly below the average for all filers in some areas of the county (Figure 26). What is most striking is the dramatically reduced participation rate in 2002 compared to 1997 for filers in many of the areas, including Acme, Bellingham 98227 (P.O. Box zip code), Blaine, Custer, Deming, Lummi Island, Maple Falls, Nooksack, and Point Roberts.

**\$50,000 AGI and over filers.** The drop in participation among lower-income filers is especially remarkable in comparison to the same data for higher-income filers. Participation rates for some areas meet or exceed the national rate in several areas, and participation is much more stable over the five-year interval (Figure 27).

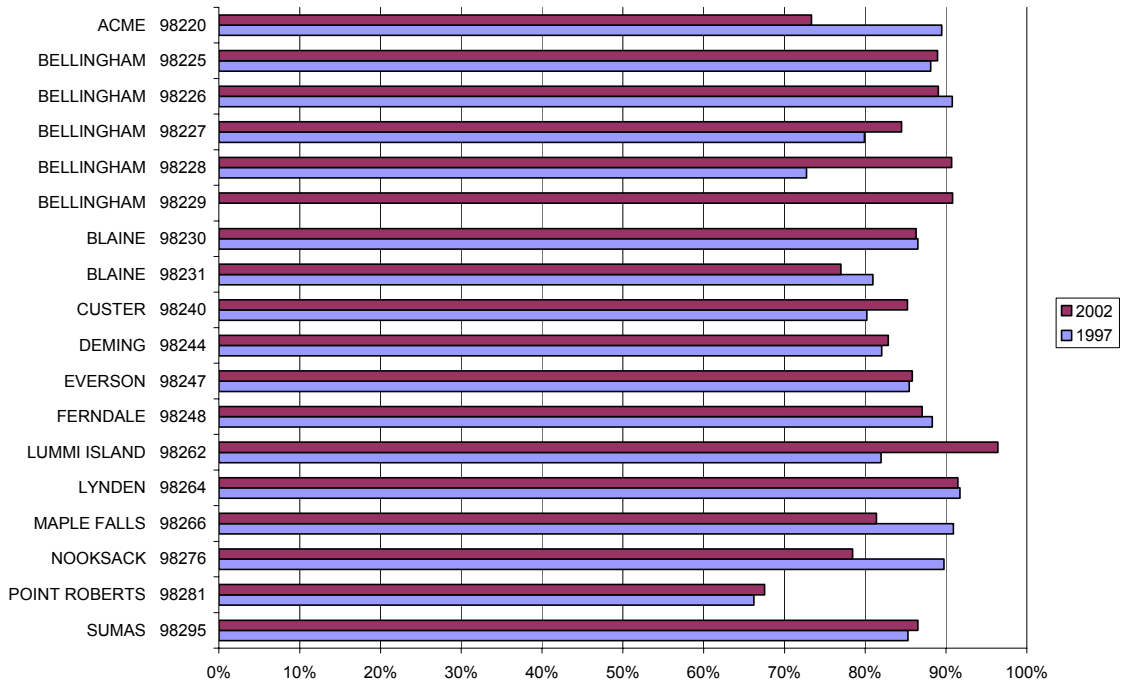
Participation in charitable giving is apparently more responsive to the business cycle among lower-income givers. The United States, Washington State and Whatcom County experienced high unemployment in 2002 compared to 1997. However, higher-income households' participation rates changed relatively little over this period.

<sup>10</sup> "All filers" refers to the combined populations of both income groups analyzed: filers with AGI under \$50,000 and filers with incomes \$50,000 and higher.

**Figure 26 Percent of itemizers reporting charitable contributions (under \$50,000 AGI)**



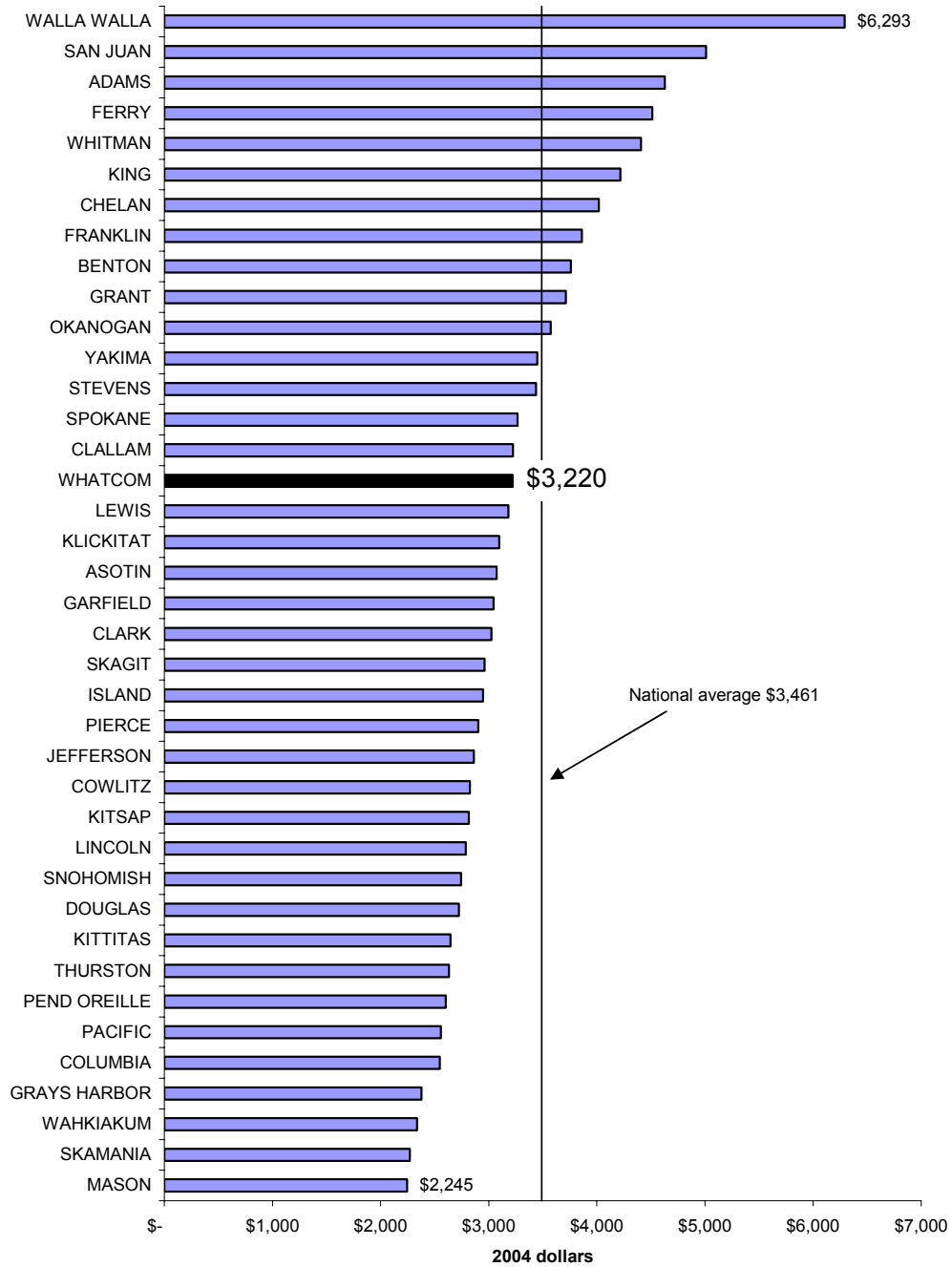
**Figure 27 Percent of itemizers reporting charitable contributions (\$50,000 and over AGI)**



**Indicator #2: Average contribution**

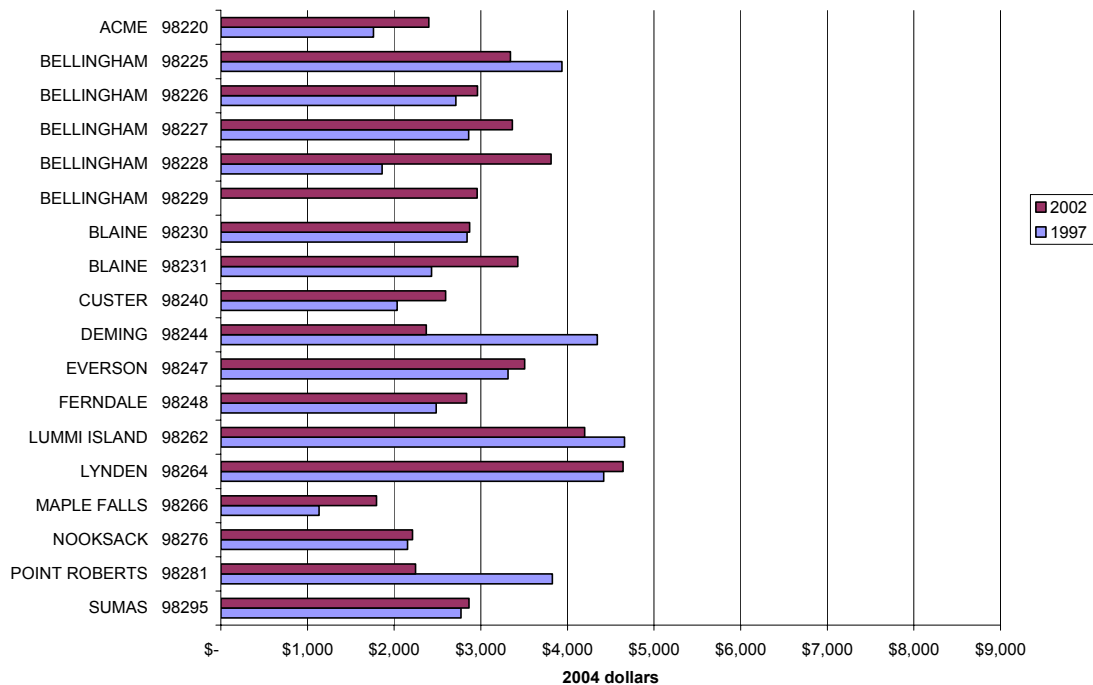
Nationwide, in 2002, the average contributing itemizer gave \$3,461 to charity (IRS Statistics of Income, 2002). For this indicator of philanthropy, Whatcom County ranks 16 of 39 counties; its itemizers gave close to the national average that year (\$3,220). Statewide, the average charitable contribution ranged from \$2,245 in Mason County to a whopping \$6,293 in Walla Walla County (Figure 28).

**Figure 28 Average Charitable Contribution by Itemizers**



**All Whatcom Filers.** In 2002, four areas of the county met or exceeded the national average contribution for itemizers: Lynden, Lummi Island, Bellingham 98228, and Everson. Three areas exceeded the county's average contribution of \$3,200: Bellingham 98225 and 98227, and Blaine 98231. Two areas of the county - Deming and Point Roberts - show a marked decrease in average contributions between 1997 and 2002. However, Bellingham's 98228 area average contribution doubled over the same period. Average contributions in other areas show relatively little change.

**Figure 29 Average Charitable Contribution in Whatcom County (both income groups)**



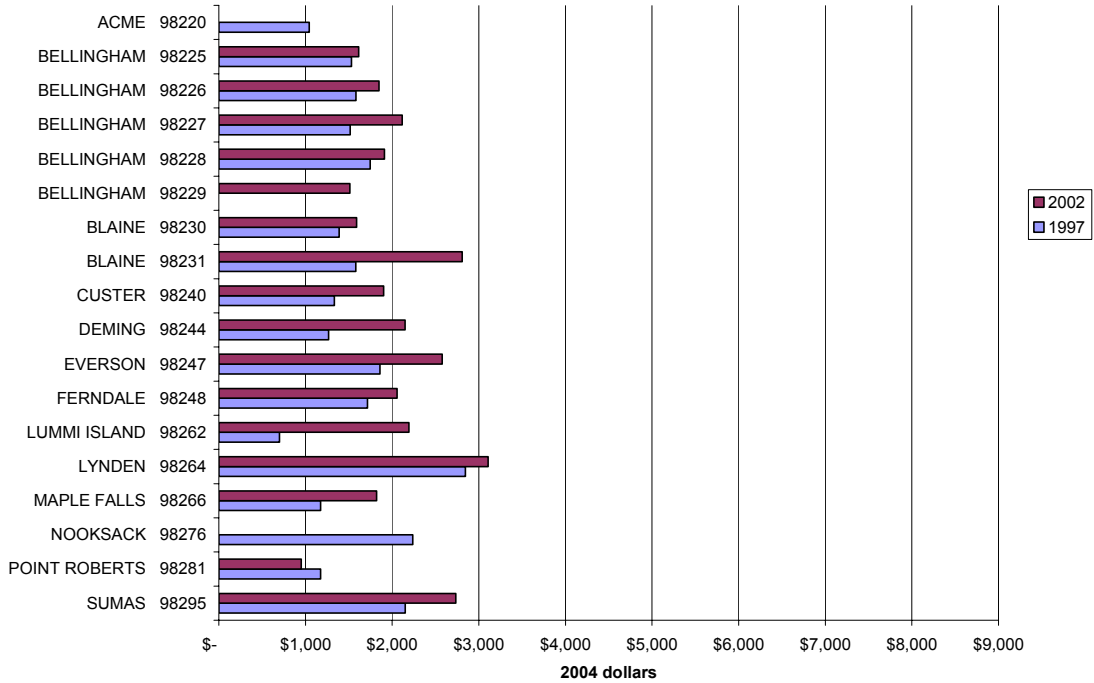
**Under \$50,000 AGI filers.** Lower-income itemizers tend to give significantly less than higher-income itemizers, but their average contributions tended to increase over the five year period from 1997-2002 (Figure 30). The largest increases occurred among Blaine 98231 and Lummi Island itemizers.

**\$50,000 AGI and over filers.** Interestingly, over the same period and even in some of the same areas, higher-income itemizers tended to reduce their contributions (Figure 31). Bellingham 98225, Deming, Lummi Island and Point Roberts show the most dramatic decreases.

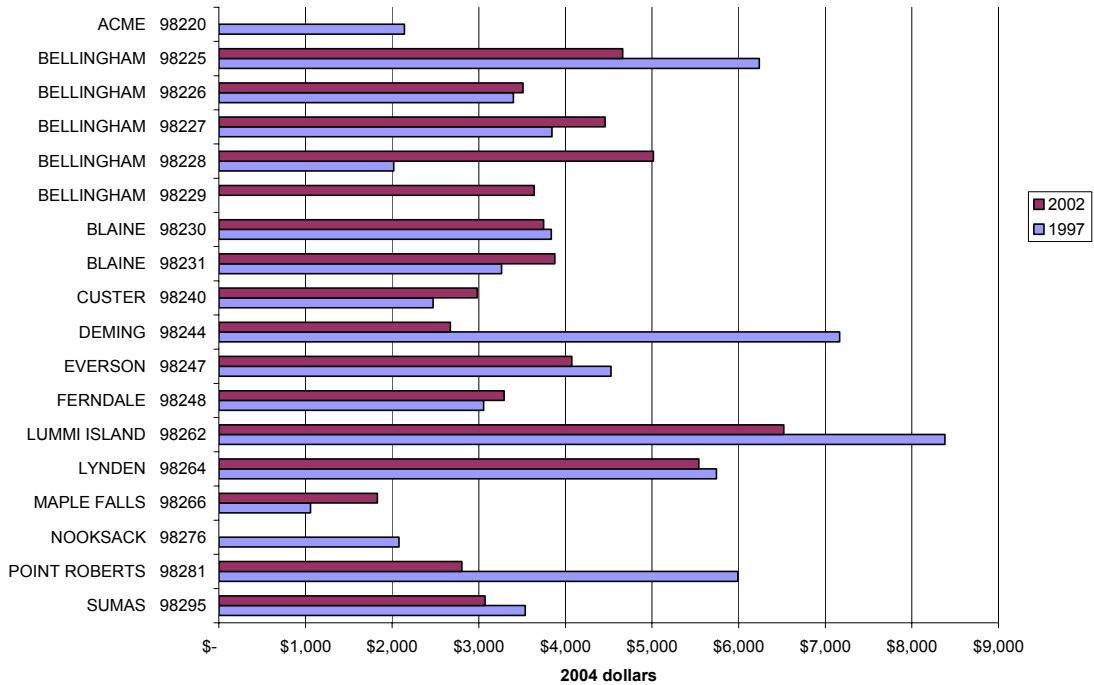
These findings are consistent with recent nationwide research by Independent Sector. The study found that households that give the most (incomes of more than \$75,000) when not concerned about the economy, decrease their giving the most when they become concerned about their finances (Independent Sector, 2003). While the study does not explain the disparity in adjustment to giving between high- and low-income households, one theory is that higher-income households are more likely to base the amount they give on their assessment of wealth and non-wage income, whereas lower income households base their giving decision primarily on wages, which are less affected by market fluctuations.

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

**Figure 30 Average Charitable Contribution in Whatcom County (under \$50,000 AGI)**



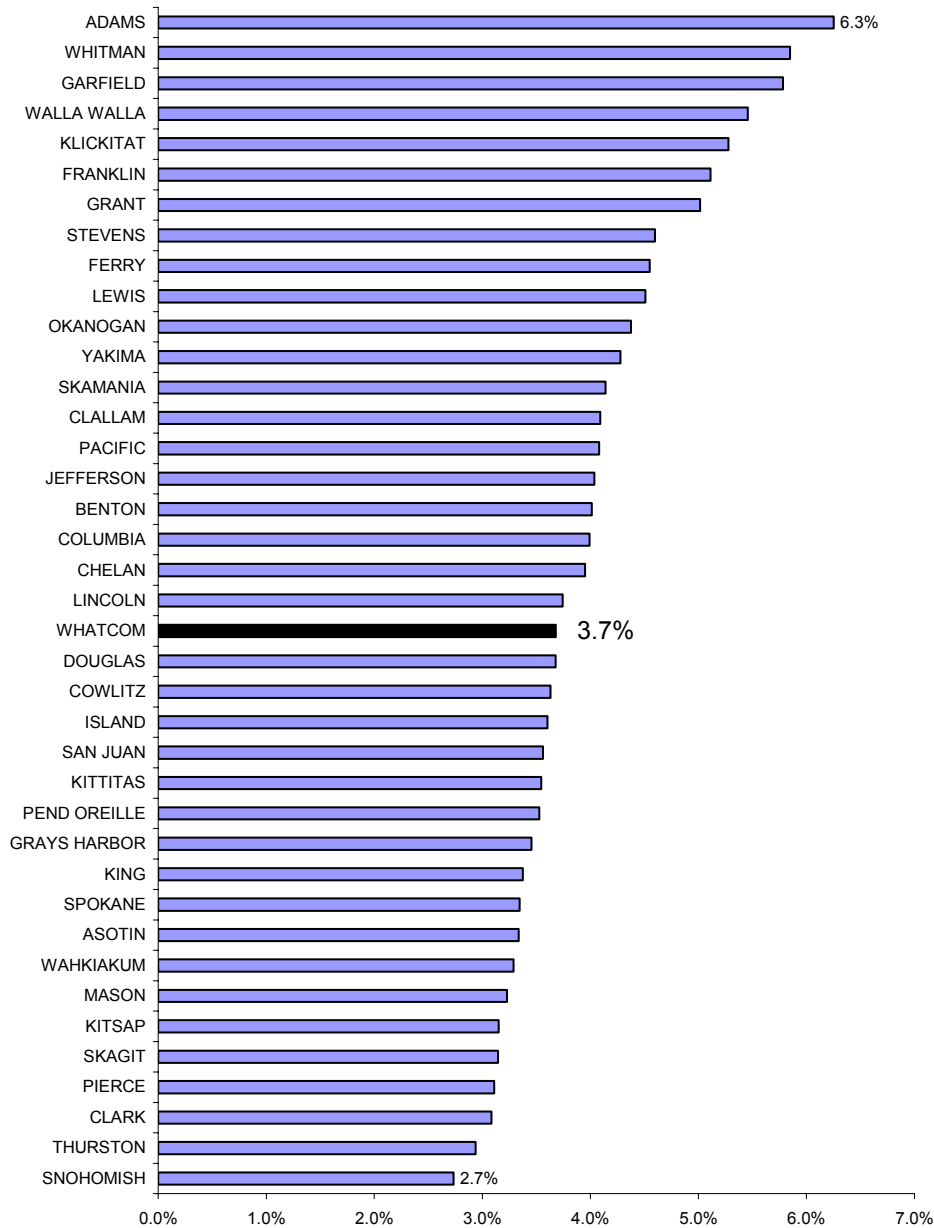
**Figure 31 Average Charitable Contribution in Whatcom County (\$50,000 and over AGI)**



**Indicator #3: Charitable contributions as a percent of AGI**

The average U.S. household gives 3.2 percent of its income to charity (Independent Sector, 2001). But that statistic is based on the entire population, including non-itemizers. So the national average among tax itemizers is likely to be considerably higher. Among Washington counties in 1997, the average percent of AGI itemizers give to charity ranges from 2.7% in Snohomish County to 6.3% in Adams County (Figure 32).<sup>11</sup> Whatcom County ranks 21st out of 39 counties with its itemizers giving 3.7% of AGI to charity.

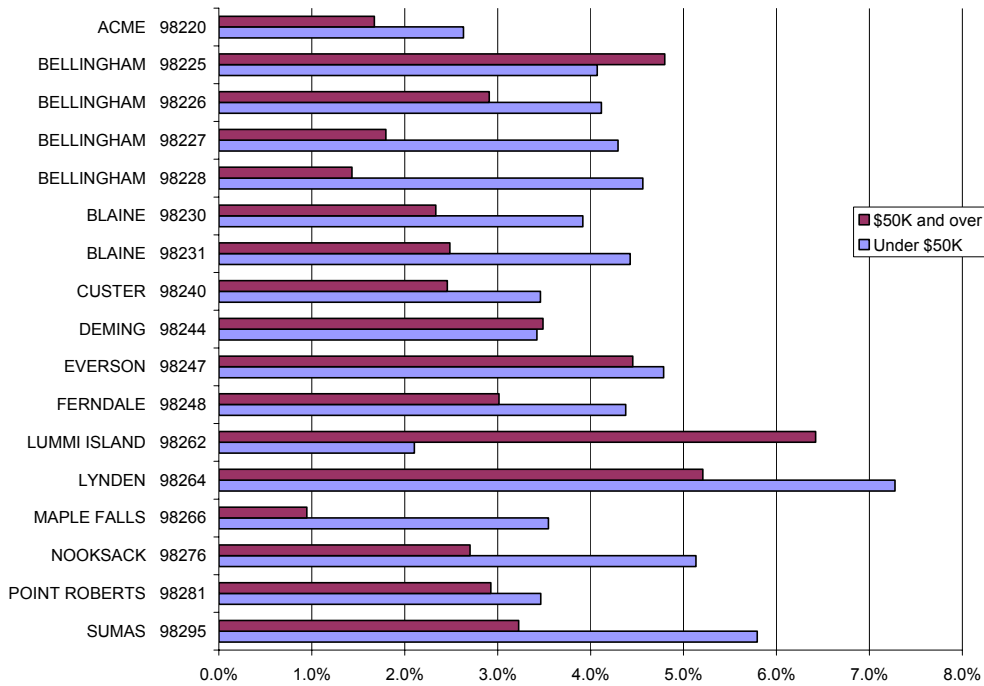
**Figure 32 Charitable Contributions as a Percent of AGI (1997)**



<sup>11</sup> The AGI of itemizers who contribute to charity is not currently available for 2002, so data is only presented for 1997.

**All filers.** In most areas of Whatcom County, lower-income households give higher proportions of their income to charity (Figure 33). The exceptions are Bellingham 98225, Deming, and Lummi Island. In many areas, the difference in proportions given to charity between low- and high-income households is quite large. The average share of AGI that low-income households gave to charity in 1997 was 4.2% (ranging from 2.1 – 7.3%), while high-income households gave, on average, 3.1% to charity (ranging from 0.9-6.4%).

**Figure 33 Charitable contributions as a percent of AGI by income group (1997)**



**Implications for Whatcom County Philanthropy**

The data show that Whatcom County giving by individuals is low based on national averages and low-to-average compared to other Washington Counties. Efforts to improve charitable giving participation from the 2002 rate of 82% to the national average of 89% would result in a net annual gain of \$5.5 million. And increasing the average gift from \$3,220 to the national average of \$3,461 would increase that gain to \$5.9 million, or a 9% increase overall to charities.

Nationally, more than three-quarters of individual charitable giving comes from tax itemizers, and high-income itemizers give a disproportionate share of all charitable giving (Giving New England Summit Report 2001). High-income households in Whatcom County appear to have the capacity to give more to charity. This suggests that it would be most cost-effective to target these relatively few households in efforts to increase local philanthropy.

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## Appendix A: Data sources and limitations

The data analyzed for this report were obtained from the Internal Revenue Service (IRS) and the Urban Institute's National Center for Charitable Statistics (NCCS). Other sources of information are listed in the *references* section above.

### Public charity finance data

The Internal Revenue Service (IRS) is the only primary source of data on tax exempt organizations. Using tax records filed by tax-exempt organizations, the IRS produces a database known as the Business Master File for Exempt Organizations and the IRS Return Transactions file. The Business Master File is derived from IRS administrative records of organizations that file an annual information return called the IRS Form 990 (filers) and organizations that are not required to file a 990 tax return but that have applied for and received tax-exempt status (nonfilers). The master business file provides some information on all tax-exempt organizations regardless of whether the organization is required to file a 990 tax return. The Return Transactions files from the IRS contain financial variables from Form 990 for all 501(c)(3) organizations with over \$25,000 in gross receipts that filed in a given year.

For this study, IRS data from the Business Master Files and from the Return Transaction files were obtained from the National Center for Charitable Statistics (NCCS). NCCS is a program of the Center on Nonprofits and Philanthropy at the Urban Institute. Its mission is to build compatible national, state, and regional databases and to develop uniform standards for reporting on the activities of charitable organizations. The NCCS Core Files, produced annually, combine descriptive information from the Business Master Files and financial variables from the Return Transaction Files after they have been cleaned by NCCS. Only 501(c)(3) organizations required to file Form 990 are included in the files.

Although the IRS database files are the most complete and thorough source of readily available information, as with any data set, it has limitations. Most of these shortcomings are inherent in U.S. tax reporting regulations. Some are the result of manpower limitations at the IRS. The most significant limitations and shortcomings include (1) Lack of information on religious organizations and their instrumentalities, (2) Lack of information on small organizations, (3) Little verification of information contained on the IRS Form 990 tax return, or updating of organization information, (4) Use of omnibus 990 returns from some national organizations with affiliates, and (5) Failure to remove inactive organizations from the database in a timely manner.

### Lack of information on religious organizations

One of the larger segments of the nonprofit sector – churches, religious organizations and instrumentalities of religious organizations – are under represented in the IRS database. Religious organizations can either file for individual tax exemption or file an omnibus return for all their congregations and affiliated organizations in the entire denomination. They do not have to file 990 returns. Some religious organizations may voluntarily file 990 returns, but most do not. As a group, religious organizations may constitute the largest segment of the nonprofit sector, in both number of organizations and volume of economic activity.

### Lack of information on small organizations

Organizations with annual revenues of less than \$5,000 are not required to apply for non-exempt status with the IRS, or to file a 990 tax return. There are no reliable estimates of the number of these small nonprofit organizations. Further, the IRS does not require organizations with gross receipts of more than \$5,000 but less than \$25,000 to file a 990 tax return, although these organizations are required to file for tax exempt status. While some organizations with gross

receipts of less than \$25,000 may complete the form 990, their financial information is not reported by the IRS in the Master Business File.

#### **Limited data verification**

The IRS does not verify information contained on the Form 990. The data submitted to the IRS is subject to coding errors at regional IRS centers and errors made by the reporting institution itself. Moreover, the Master Business File is cumulative and includes the most recent financial information available on an exempt organization. Sometimes, that information may be several years old. For example, if an organization meets the \$25,000 revenue threshold one year and files a Form 990, that information is entered in the database. If the same organization never meets the minimum threshold again, information in the database remains unchanged.

#### **Use of omnibus 990 returns from some national organizations with affiliates**

The IRS allows national organizations to file either an omnibus return for all affiliates or separate returns for each incorporated affiliate. In cases where an organization files an omnibus return, the organization's activities will only show up in the state where the organization's national headquarters are located. While the name of each affiliate will be included in the omnibus filing, no specific data are available on that affiliate at the state or local level.

#### **Failure to remove inactive organizations in a timely manner**

The IRS Master Business File is cumulative. Once an organization receives a tax-exempt status, that status is in effect throughout the life of the organization as long as the organization complies with the provisions of its exemption. A business may be registered with the IRS as a nonprofit organization but never start doing business. Alternatively, organizations may cease operating but not be deleted from the IRS Master File unless (1) the IRS revokes an organization's 501 (c)(3) status, (2) the organization formally requests a revocation of its 501 (c)(3) exemption, or (3) the organization formally notifies the IRS of its dissolution. Upon receiving such requests, the IRS removes information on the organization from its Master File database. However, little incentive exists for an organization that ceases operating to undergo the formal process of notifying the IRS of its dissolution. Consequently, the number of nonprofit organizations reported by the IRS is overstated by an unknown factor.

#### **Individual giving data**

The source of the data on charitable giving is the Statistics of Income Bulletin published by the Internal Revenue Service. Since only returns with itemized contributions are included, IRS data do not account for all contributions. In 2002, only 35 percent of US taxpayers chose to itemize deductions on their returns. This means that 65 percent of US taxpayers take the standard deduction, and thus, no details on their charitable contributions are available. No one knows how much non-itemizers donate to charity, although some researchers have created estimates. For example, Giving USA, published by the AAFRC Trust for Philanthropy, estimates that total individual giving in the US was \$175 billion in 2002. Based on this estimate, the total of \$139.3 billion reported as itemized contributions on 2002 tax returns represents about 80 percent of all individual giving. The 2002 data on itemized deductions used in this analysis, therefore, cover about a third of US taxpayers but probably account for most of the charitable contributions. Thus, in spite of the limitations, analyses of the data can provide useful information on giving patterns.

**Appendix B: List of reporting public charities by major activity and alphabetically**

NTEE major group (A-Z)	Organization name.
<b>Arts, Culture, and Humanities</b>	A WORLD INSTITUTE FOR A SUSTAINABLE HUMANITY
	ALLIED ARTS OF WHATCOM COUNTY
	AMERICAN MUSEUM OF RADIO
	BELLINGHAM FESTIVAL OF MUSIC
	BELLINGHAM THEATRE GUILD
	DRAYTON HARBOR MARITIME
	FOREIGN LANGUAGE ASSOCIATES NORTHWEST
	JAZZ PROJECT
	KULSHAN CHORUS
	LYNDEN HERITAGE FOUNDATION
	MT BAKER THEATER CENTER
	MT BAKER YOUTH SYMPHONY
	MUSEUMWOW COM
	NORTHWEST DISCOVERY PROJECT
	PACIFIC ARTS ASSOCIATION
	PACIFIC NORTHWEST JAZZ ALLIANCE
	POWER OF HOPE
	PUGET SOUND ANTIQUE TRACTOR AND MACHINERY ASSOCIATION
	PUGET SOUND GUITAR WORKSHOP
	SHAKESPEAREAN YOUTH THEATER AND THE CLASSICAL REPERTORY THEATRE
	SOCIETY FOR PRESERVATION & ENCOURMT OF BARBERSHOP QUARTET SINGING AMER
	TRANSPARENCY CENTER
	WASHINGTON ART CONSORTIUM
	WHATCOM FILM ASSOCIATION
	WHATCOM MARITIME HISTORICAL SOCIETY
	WHATCOM MUSEUM SOCIETY INC
	WHATCOM SYMPHONY ORCHESTRA
	<b>Education</b>
BELLINGHAM CHRISTIAN SCHOOL INC	
BELLINGHAM TECHNICAL COLLEGE FOUNDATION	
BIRGER SOLBERG MEMORIAL SCHOLARSHIP FUND	
BRIERCREST FAMILY OF SCHOOLS USA FOUNDATION	
CEDAR TREE MONTESSORI	
CHILDREN FIRST	
COLUMBIA PARENTS ASSOCIATION INC	
CROSS CURRENTS INTERNATIONAL MINISTRIES	
EBENEZER CHRISTIAN SCHOOL	
ECONOMICSAMERICA WASHINGTON COUNCIL ON ECONOMIC EDUCATION	
EVERGREEN CHRISTIAN SCHOOL SOCIETY	
EVERGREEN HOME ASSOCIATION	
FERNDALE BAND BOOSTERS	
FERNDALE FFA BOOSTERS CLUB	

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

	FRIENDS OF SIMON FRASER UNIVERSITY
	FRIENDS OF THE BELLINGHAM PUBLIC LIBRARY
	GENEVA PARENT TEACHER ASSOCIATION 8 3 30
	HOME PORT LEARNING CENTER INC
	LYNDEN COMBINED PTA
	MATHEMATICS EDUCATION COLLABORATIVE
	MERIDIAN PUBLIC SCHOOL FOUNDATION
	MOUNT BAKER ATHLETIC BOOSTER CLUB
	MT BAKER JR SR HIGH PTA WHATCOM CO 8 4 45
	NORTHWEST INDIAN COLLEGE FOUNDATION
	PATTERN RESEARCH FOUNDATION
	ROTARY CLUB OF BELLINGHAM FOUNDATION
	SILVER BEACH EDUCATION ASSOCIATION
	ST PAULS EPISCOPAL SCHOOL
	THE VILLAGE SCHOOL ASSOCIATION
	TRINITY WESTERN UNIVERSITY FOUNDATION U S
	WALDORF ASSOCIATION OF WHATCOM COUNTY
	WESTERN WASHINGTON UNIVERSITY FOUNDATION
	WHATCOM CENTER FOR EARLY LEARNING
	WHATCOM COMMUNITY COLLEGE FOUNDATION
	WHATCOM DAY ACADEMY INC
	WHATCOM LITERACY COUNCIL
<b>Environmental Quality, Protection, and Beautification</b>	EVERGREEN LAND TRUST ASSOCIATION
	GLOBAL COMMUNITY INSTITUTE
	NOOKSACK SALMON ENHANCEMENT ASSOCIATION
	NORTHWEST ECOSYSTEM ALLIANCE
	RE SOURCES
	WASHINGTON STATE ENVIRONMENTAL HEALTH ASSOCIATION
	WHATCOM LAND TRUST
<b>Animal-Related</b>	ALTERNATIVE HUMANE SOCIETY OF WHATCOM COUNTY
	WHATCOM HUMANE SOCIETY
<b>Health</b>	ARC OF WHATCOM COUNTY
	BELLINGHAM BREASTFEEDING COMMITTEE
	CENTRAL AUXILIARY OF ST JOSEPHS HOSPITAL
	CHRISTIAN HEALTH CARE CENTER
	EMERGENCY MEDICAL SERVICES COUNCIL OF WHATCOM COUNTY
	HEALTH SUPPORT CENTER
	INSTITUTE FOR EMERGENCY MEDICAL EDUCATION
	INTERFAITH COALITION
	INTERFAITH COMMUNITY HEALTH CENTER
	LUMMI CEDAR PROJECT
	MT BAKER PLANNED PARENTHOOD
	VISITING NURSE FOUNDATION
	VISITING NURSES PERSONAL SERVICES
WHATCOM COALITION FOR HEALTHY COMMUNITIES	
<b>Mental Health, Crisis Intervention</b>	CORNERSTONE CHRISTIAN COUNSELING MINISTRIES
	DOMESTIC VIOLENCE AND SEXUAL ASSAULT SERVICES OF WHATCOM COUNTY
	LAKE WHATCOM RESIDENTIAL & TREATMENT CENTER

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

	NAMI OF WHATCOM COUNTY
	STRAIGHT TALK ABOUT RESPONSIBILITY
	SUN COMMUNITY SERVICE
	SUPPORT OFFICER MINISTRIES
	WHATCOM COUNSELING & PSYCHIATRIC CLINIC
<b>Diseases, Disorders, Medical Disciplines</b>	ALZHEIMER SOCIETY OF WASHINGTON
	EVERGREEN AIDS FOUNDATION
<b>Medical Research</b>	BEHAVIORAL HEALTH RESEARCH INSTITUTE
<b>Crime, Legal Related</b>	CHILDRENS HOUSE INTERNATIONAL
	COMMUNITY WORK TRAINING ASSOCIATION
	LAW ADVOCATES
<b>Employment, Job Related</b>	CURRENT INDUSTRIES
	KULSHAN VOCATIONAL SERVICE
	WORKFORCE DEVELOPMENT COUNCIL BOARD
<b>Food, Agriculture, and Nutrition</b>	ALTERNATIVES TO HUNGER
	BLAINE FOOD BANK ASSOCIATION
	FARM FRIENDS
<b>Housing, Shelter</b>	HABITAT FOR HUMANITY INTERNATIONAL INC
	KULSHAN COMMUNITY LAND TRUST
	LUMMI ISLAND COMMUNITY LAND TRUST
	LYDIA PLACE A NONPROFIT CORPORATION
<b>Public Safety</b>	WHATCOM COUNTY ASSOCIATION OF FIRE CHIEFS
<b>Recreation, Sports, Leisure, Athletics</b>	BELLINGHAM BAY SWIM TEAM
	CAMP HORIZON FOUNDATION
	NORTHWEST THERAPEUTIC RIDING CENTER
	NORTHWEST WASHINGTON FAIR ASSOCIATION
	TEAM AMERICA RUGBY INC
	WHATCOM COUNTY AMATEUR HOCKEY ASSOCIATION
	WHATCOM COUNTY YOUTH SOCCER ASSOCIATION
	WHATCOM FC RANGERS
	WHATCOM PARKS & RECREATION FOUNDATION
	WHATCOM SOCCER COMMISSION
<b>Youth Development</b>	BIG BROTHERS BIG SISTERS OF WHATCOM COUNTY
	BOB MCLAUGHLIN EVANGELISTIC ASSOCIATION
	BOYS & GIRLS CLUBS OF WHATCOM CO
	CAMP FIRE USA
	WHATCOM COUNTY PREGNANCY CENTER
<b>Human Services - Multipurpose and Other</b>	ASSISTANCE LEAGUE OF BELLINGHAM WASHINGTON
	BELLINGHAM CHILDCARE & LEARNING CENTER
	BLAINE COMMUNITY SENIOR CENTER
	BLUE SKIES FOR CHILDREN
	BRIGID COLLINS HOUSE
	CASCADE CHRISTIAN SERVICES
	CHILDCARE INTERNATIONAL
	COUNTRY COMFORT ADULT DAY PROGRAM
	FLORENCE R KLUCKHOHN CENTER
	GREAT EXPECTATIONS PREGNANCY HOME

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

	KIDSTOWN INTERNATIONAL INC
	LETS FACE IT U S A
	MOTHER BABY CENTER
	NORTHWEST YOUTH SERVICE
	OPPORTUNITY COUNCIL
	ST FRANCIS FOUNDATION
	WE CARE OF WHATCOM COUNTY
	WHATCOM ASSOCIATION OF TRAINING CENTERS INC
	WHATCOM COUNTY COMMISSION ON CHILDREN AND YOUTH
	WHATCOM COUNTY COUNCIL ON AGING INC
	WHATCOM FAMILY YOUNG MENS CHRISTIAN ASSOCIATION
	WOMENCARE SHELTER
	YOUNG WOMENS CHRISTIAN ASSOC OF BELLINGHAM
<b>International, Foreign Affairs, and National Security</b>	EXPERIENCE INTERNATIONAL
<b>Community Improvement, Capacity Building</b>	LOCAL FOCUS
	OUR TOWN FOUNDATION
	SEAN HUMPHREY HOUSE A NON-PROFIT CORPORATION
	THE WHATCOM DISPUTE RESOLUTION CENTER
	WHATCOM CHAMBER FOUNDATION
<b>Philanthropy, Voluntarism, and Grantmaking Foundations</b>	ALASKAN LEADER FISHERIES FOUNDATION
	ARROW LEADERSHIP MINISTRIES INC
	BELLINGHAM CENTRAL LIONS CLUB FOUNDATION
	FOUNDATION OF THE ROTARY CLUB OF MT BAKER
	LIFE STORY FOUNDATION
	LUMMI ISLAND HERITAGE TRUST
	OLD SETTLERS ASSOCIATION OF WHATCOM COUNTY
	PACIFIC MARINE TRUST GROUP INC
	THETIS FOUNDATION
	TOM AND INGEBORG NESSET FOUNDATION
	UNITED WAY OF WHATCOM COUNTY
	WHATCOM COMMUNITY FOUNDATION
	WHATCOM VOLUNTEER CENTER
	WHATCOM-SKAGIT HOUSING
	WOMEN HELPING OTHERS
<b>Science and Technology Research Institutes, Services</b>	NATIONAL ASSOCIATION OF GEOSCIENCE TEACHERS
	SOCIETY OF PHOTO OPTICAL INSTRUMENTATION ENGINEER
<b>Public, Society Benefit - Multipurpose and Other</b>	CONCERNED CHRISTIAN CITIZENS FOR POLITICAL EDUCATION
	LUMMI NATION SERVICE ORGANIZATION
<b>Religion Related, Spiritual Development</b>	BLAINE CHRISTIAN FELLOWSHIP
	CHILD EVANGELISM FELLOWSHIP INC
	CHURCHHEALTH
	ENSENADA CHRISTIAN MINISTRIES
	EUROPEAN CHRISTIAN MISSION
	FAMILY CHALLENGE MINISTRIES

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

	FIRS BIBLE & MISSIONARY CONFERENCE
	FIRS FOUNDATION
	GENESIS II
	HOUSE OF BREAD MINISTRY
	INTERNATIONAL NEEDS INC
	NEW MANNA MINISTRIES OUTREACH ASSOC
	OLD TOWN CHRISTIAN MINISTRIES
	ROBERT LAGORE MINISTRIES INTERNATIONAL ASSOCIATION
	SOCIETY FOR CHRISTIAN INSTRUCTION OF LYNDEN WASHINGTON
	SOCIETY FOR PROTESTANT REFORMED EDUCATION IN LYNDEN
	ST LUKES FOUNDATION OF BELLINGHAM
	ST SOPHIA GREEK ORTHODOX CHURCH
	STARFISH MINISTRIES
	YOUNG LIFE OF CANADA-JEUNE VIE DU CANADA
<b>Mutual/Membership Benefit Organizations, Other</b>	DEMING LOGGING SHOW INC

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

<b>Alphabetical listing</b>	A WORLD INSTITUTE FOR A SUSTAINABLE HUMANITY
	ALASKAN LEADER FISHERIES FOUNDATION
	ALLIED ARTS OF WHATCOM COUNTY
	ALTERNATIVE HUMANE SOCIETY OF WHATCOM COUNTY
	ALTERNATIVES TO HUNGER
	ALUMNI ASSOCIATION OF WESTERN WASHINGTON UNIVERSITY
	ALZHEIMER SOCIETY OF WASHINGTON
	AMERICAN MUSEUM OF RADIO
	ARC OF WHATCOM COUNTY
	ARROW LEADERSHIP MINISTRIES INC
	ASSISTANCE LEAGUE OF BELLINGHAM WASHINGTON
	BEHAVIORAL HEALTH RESEARCH INSTITUTE
	BELLINGHAM BAY SWIM TEAM
	BELLINGHAM BREASTFEEDING COMMITTEE
	BELLINGHAM CENTRAL LIONS CLUB FOUNDATION
	BELLINGHAM CHILDCARE & LEARNING CENTER
	BELLINGHAM CHRISTIAN SCHOOL INC
	BELLINGHAM FESTIVAL OF MUSIC
	BELLINGHAM TECHNICAL COLLEGE FOUNDATION
	BELLINGHAM THEATRE GUILD
	BIG BROTHERS BIG SISTERS OF WHATCOM COUNTY
	BIRGER SOLBERG MEMORIAL SCHOLARSHIP FUND
	BLAINE CHRISTIAN FELLOWSHIP
	BLAINE COMMUNITY SENIOR CENTER
	BLAINE FOOD BANK ASSOCIATION
	BLUE SKIES FOR CHILDREN
	BOB MCLAUGHLIN EVANGELISTIC ASSOCIATION
	BOYS & GIRLS CLUBS OF WHATCOM CO
	BRIERCREST FAMILY OF SCHOOLS USA FOUNDATION
	BRIGID COLLINS HOUSE
	CAMP FIRE USA
	CAMP HORIZON FOUNDATION
	CASCADE CHRISTIAN SERVICES
	CEDAR TREE MONTESSORI
	CENTRAL AUXILIARY OF ST JOSEPHS HOSPITAL
	CHILD EVANGELISM FELLOWSHIP INC
	CHILDCARE INTERNATIONAL
	CHILDREN FIRST
	CHILDRENS HOUSE INTERNATIONAL
	CHRISTIAN HEALTH CARE CENTER
CHURCHHEALTH	
COLUMBIA PARENTS ASSOCIATION INC	
COMMUNITY WORK TRAINING ASSOCIATION	
CONCERNED CHRISTIAN CITIZENS FOR POLITICAL EDUCATION	
CORNERSTONE CHRISTIAN COUNSELING MINISTRIES	
COUNTRY COMFORT ADULT DAY PROGRAM	
CROSS CURRENTS INTERNATIONAL MINISTRIES	

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

CURRENT INDUSTRIES
DEMING LOGGING SHOW INC
DOMESTIC VIOLENCE AND SEXUAL ASSAULT SERVICES OF WHATCOM COUNTY
DRAYTON HARBOR MARITIME
EBENEZER CHRISTIAN SCHOOL
ECONOMICSAMERICA WASHINGTON COUNCIL ON ECONOMIC EDUCATION
EMERGENCY MEDICAL SERVICES COUNCIL OF WHATCOM COUNTY
ENSENADA CHRISTIAN MINISTRIES
EUROPEAN CHRISTIAN MISSION
EVERGREEN AIDS FOUNDATION
EVERGREEN CHRISTIAN SCHOOL SOCIETY
EVERGREEN HOME ASSOCIATION
EVERGREEN LAND TRUST ASSOCIATION
EXPERIENCE INTERNATIONAL
FAMILY CHALLENGE MINISTRIES
FARM FRIENDS
FERNDALE BAND BOOSTERS
FERNDALE FFA BOOSTERS CLUB
FIRS BIBLE & MISSIONARY CONFERENCE
FIRS FOUNDATION
FLORENCE R KLUCKHOHN CENTER
FOREIGN LANGUAGE ASSOCIATES NORTHWEST
FOUNDATION OF THE ROTARY CLUB OF MT BAKER
FRIENDS OF SIMON FRASER UNIVERSITY
FRIENDS OF THE BELLINGHAM PUBLIC LIBRARY
GENESIS II
GENEVA PARENT TEACHER ASSOCIATION 8 3 30
GLOBAL COMMUNITY INSTITUTE
GREAT EXPECTATIONS PREGNANCY HOME
HABITAT FOR HUMANITY INTERNATIONAL INC
HEALTH SUPPORT CENTER
HOME PORT LEARNING CENTER INC
HOUSE OF BREAD MINISTRY
INSTITUTE FOR EMERGENCY MEDICAL EDUCATION
INTERFAITH COALITION
INTERFAITH COMMUNITY HEALTH CENTER
INTERNATIONAL NEEDS INC
JAZZ PROJECT
KIDSTOWN INTERNATIONAL INC
KULSHAN CHORUS
KULSHAN COMMUNITY LAND TRUST
KULSHAN VOCATIONAL SERVICE
LAKE WHATCOM RESIDENTIAL & TREATMENT CENTER
LAW ADVOCATES
LETS FACE IT U S A
LIFE STORY FOUNDATION
LOCAL FOCUS
LUMMI CEDAR PROJECT

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

LUMMI ISLAND COMMUNITY LAND TRUST
LUMMI ISLAND HERITAGE TRUST
LUMMI NATION SERVICE ORGANIZATION
LYDIA PLACE A NONPROFIT CORPORATION
LYNDEN COMBINED PTA
LYNDEN HERITAGE FOUNDATION
MATHEMATICS EDUCATION COLLABORATIVE
MERIDIAN PUBLIC SCHOOL FOUNDATION
MOTHER BABY CENTER
MOUNT BAKER ATHLETIC BOOSTER CLUB
MT BAKER JR SR HIGH PTA WHATCOM CO 8 4 45
MT BAKER PLANNED PARENTHOOD
MT BAKER THEATER CENTER
MT BAKER YOUTH SYMPHONY
MUSEUMWOW COM
NAMI OF WHATCOM COUNTY
NATIONAL ASSOCIATION OF GEOSCIENCE TEACHERS
NEW MANNA MINISTRIES OUTREACH ASSOC
NOOKSACK SALMON ENHANCEMENT ASSOCIATION
NORTHWEST DISCOVERY PROJECT
NORTHWEST ECOSYSTEM ALLIANCE
NORTHWEST INDIAN COLLEGE FOUNDATION
NORTHWEST THERAPEUTIC RIDING CENTER
NORTHWEST WASHINGTON FAIR ASSOCIATION
NORTHWEST YOUTH SERVICE
OLD SETTLERS ASSOCIATION OF WHATCOM COUNTY
OLD TOWN CHRISTIAN MINISTRIES
OPPORTUNITY COUNCIL
OUR TOWN FOUNDATION
PACIFIC ARTS ASSOCIATION
PACIFIC MARINE TRUST GROUP INC
PACIFIC NORTHWEST JAZZ ALLIANCE
PATTERN RESEARCH FOUNDATION
POWER OF HOPE
PUGET SOUND ANTIQUE TRACTOR AND MACHINERY ASSOCIATION
PUGET SOUND GUITAR WORKSHOP
RE SOURCES
ROBERT LAGORE MINISTRIES INTERNATIONAL ASSOCIATION
ROTARY CLUB OF BELLINGHAM FOUNDATION
SEAN HUMPHREY HOUSE A NON-PROFIT CORPORATION
SHAKESPEAREAN YOUTH THEATER AND THE CLASSICAL REPERTORY THEATRE
SILVER BEACH EDUCATION ASSOCIATION
SOCIETY FOR CHRISTIAN INSTRUCTION OF LYNDEN WASHINGTON
SOCIETY FOR PRESERVATION & ENCOURMT OF BARBERSHOP QUARTET SINGING AMER
SOCIETY FOR PROTESTANT REFORMED EDUCATION IN LYNDEN
SOCIETY OF PHOTO OPTICAL INSTRUMENTATION ENGINEER
ST FRANCIS FOUNDATION
ST LUKES FOUNDATION OF BELLINGHAM

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

ST PAULS EPISCOPAL SCHOOL
ST SOPHIA GREEK ORTHODOX CHURCH
STARFISH MINISTRIES
STRAIGHT TALK ABOUT RESPONSIBILITY
SUN COMMUNITY SERVICE
SUPPORT OFFICER MINISTRIES
TEAM AMERICA RUGBY INC
THE VILLAGE SCHOOL ASSOCIATION
THE WHATCOM DISPUTE RESOLUTION CENTER
THETIS FOUNDATION
TOM AND INGEBORG NESSET FOUNDATION
TRANSPARENCY CENTER
TRINITY WESTERN UNIVERSITY FOUNDATION U S
UNITED WAY OF WHATCOM COUNTY
VISITING NURSE FOUNDATION
VISITING NURSES PERSONAL SERVICES
WALDORF ASSOCIATION OF WHATCOM COUNTY
WASHINGTON ART CONSORTIUM
WASHINGTON STATE ENVIRONMENTAL HEALTH ASSOCIATION
WE CARE OF WHATCOM COUNTY
WESTERN WASHINGTON UNIVERSITY FOUNDATION
WHATCOM ASSOCIATION OF TRAINING CENTERS INC
WHATCOM CENTER FOR EARLY LEARNING
WHATCOM CHAMBER FOUNDATION
WHATCOM COALITION FOR HEALTHY COMMUNITIES
WHATCOM COMMUNITY COLLEGE FOUNDATION
WHATCOM COMMUNITY FOUNDATION
WHATCOM COUNSELING & PSYCHIATRIC CLINIC
WHATCOM COUNTY AMATEUR HOCKEY ASSOCIATION
WHATCOM COUNTY ASSOCIATION OF FIRE CHIEFS
WHATCOM COUNTY COMMISSION ON CHILDREN AND YOUTH
WHATCOM COUNTY COUNCIL ON AGING INC
WHATCOM COUNTY PREGNANCY CENTER
WHATCOM COUNTY YOUTH SOCCER ASSOCIATION
WHATCOM DAY ACADEMY INC
WHATCOM FAMILY YOUNG MENS CHRISTIAN ASSOCIATION
WHATCOM FC RANGERS
WHATCOM FILM ASSOCIATION
WHATCOM HUMANE SOCIETY
WHATCOM LAND TRUST
WHATCOM LITERACY COUNCIL
WHATCOM MARITIME HISTORICAL SOCIETY
WHATCOM MUSEUM SOCIETY INC
WHATCOM PARKS & RECREATION FOUNDATION
WHATCOM SOCCER COMMISSION
WHATCOM SYMPHONY ORCHESTRA
WHATCOM VOLUNTEER CENTER
WHATCOM-SKAGIT HOUSING

**WHATCOM COUNTY'S NONPROFIT ECONOMY: PUBLIC CHARITY FINANCES AND INDIVIDUAL GIVING**

WOMEN HELPING OTHERS
WOMENCARE SHELTER
WORKFORCE DEVELOPMENT COUNCIL BOARD
YOUNG LIFE OF CANADA-JEUNE VIE DU CANADA
YOUNG WOMENS CHRISTIAN ASSOC OF BELLINGHAM