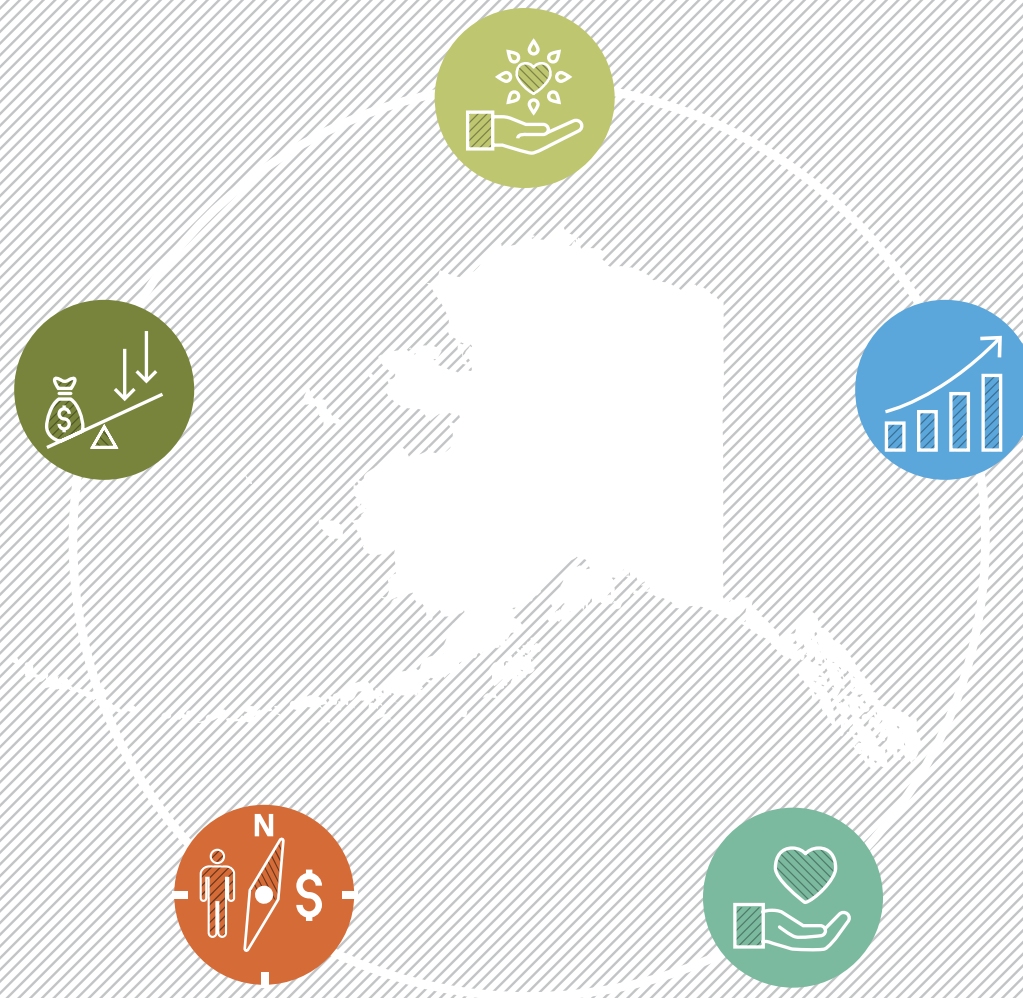


DECEMBER 2024

Alaska's Nonprofit Sector: Generating Economic Impact

theforakergroup

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Alaska nonprofits play a central role in the state's economy

Alaska’s nonprofit sector represents various organizations that provide public service and impact the lives of nearly everyone living in and visiting the state. Although most Alaskans do not think of nonprofits as an economic powerhouse, they play a critical role in the state’s economy as employers and revenue generators. Alaska’s lack of a county government system means that nonprofits provide services traditionally filled by the government to keep our people and our places safe, healthy, and vibrant.

No industry in Alaska can prosper without the nonprofit sector, and every dollar invested in the sector, regardless of the source, results in lower government costs in the long run. We provide both a financial and social return on investment by leveraging public and private resources. We are part of the healthcare, utilities, fisheries, and oil and gas industries and provide essential services such as firefighting, early childcare, housing, and food security – just to name a few. We are Alaska’s safety net.

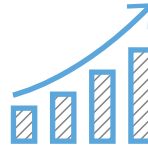
Every Alaskan is a nonprofit beneficiary because nonprofits are woven into the fabric of our communities.



Nonprofits are part of everyday life in Alaska

While no sector can create a thriving economy alone, when financial decisions are made, organizational and public policies are created, or programs are developed, we urge everyone to remember that each decision will impact the health of the nonprofit sector and, thereby, the well-being of every Alaskan. **We should all be ready every day to partner with each sector of our economy– that is how Alaska works at its best.**

Look around, and you will see that no matter where you live or how you move through your day, Alaska’s nonprofits and tribes are providing essential services like medical care, housing, and utilities. They also bring us joy and purpose through art, religious and cultural expression, education, and recreation. They ensure our quality of life, sustain our way of life, and attract and develop employees to our state. Let’s celebrate nonprofits and tribes for caring for our people, our pets, and our planet. **Together, we foster healthier and more prosperous communities.**



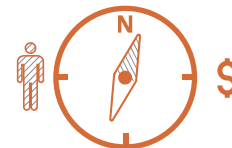
Nonprofits are a major economic driver

Nonprofits are a significant source of Alaska jobs. Because nonprofits are not considered a single industry, we often lose sight of the scale of their impact. When the state tracks jobs, it classifies them by industries – oil and gas, tourism, health care – not by the sector where the work originates – nonprofit, government, or private. All three sectors are integrated, and a vibrant nonprofit community helps generate revenue and jobs directly and indirectly in all the state’s industries. When nonprofits generate revenue and spend money on supplies, services, or payroll, it circulates through the state creating more jobs and a stronger economy. **We create and sustain jobs for Alaskans and their families.**



Nonprofits leverage public funds for maximum return

Nonprofits raise and leverage a variety of funds to meet their missions. The blend of earned income, private philanthropy, and public funding enables nonprofit organizations to maximize community impact. Nonprofits are focused on the judicious use of every dollar as they navigate an increased demand for services and a more complex set of challenges every day. At the same time, local, state, and federal policies and investments have a profound impact on the return on those philanthropic and earned income investments. Each source of revenue leverages another. **This is a public/nonprofit partnership that must continue.**



Nonprofits are navigating temporary funding and workforce shortages

The once-in-a-generation influx of federal funds coming to Alaska creates significant economic impacts. Nonprofits continue to work alongside governments to ensure that this short-term federal funding is maximized in each community. Simultaneously, many nonprofits and tribes face a workforce shortage while building internal systems to manage compliance. **Strategic partnerships with nonprofits and tribes are essential to maximize the benefit of temporary revenue.**



Nonprofits provide community investment and civic engagement

The economic engine of philanthropy from foundations, corporations, and individuals, coupled with volunteerism, has a powerful influence on the quality of life, infrastructure, and jobs across Alaska. Nonprofits can raise and celebrate these investments and use them to strengthen missions. Nonprofits themselves, like public, private, and community foundations, civic and social groups, and congregations, invest in other nonprofits every day. They are joined by volunteers and individual donors who express their commitment to the community, both through nonprofits and to each other – each act driven by a desire to make their community stronger. **Alaska’s philanthropy is a cause for celebration we can all feel proud to be part of.**



NONPROFITS ARE part of everyday life in Alaska

Every day, nonprofits provide essential services like medical care, housing, childcare, and utilities. Nonprofits also bring us joy and purpose through art, religious and cultural expression, education, and recreation. **Together, we foster healthier, more connected, and more prosperous communities.**

Nonprofits enhance our lives many times every day

In Alaska, we interact with nonprofits throughout our day. For some of us, even the act of turning on our lights starts the day powered by a nonprofit. For others, you might listen to public radio or watch public television, drop your child off at a nonprofit

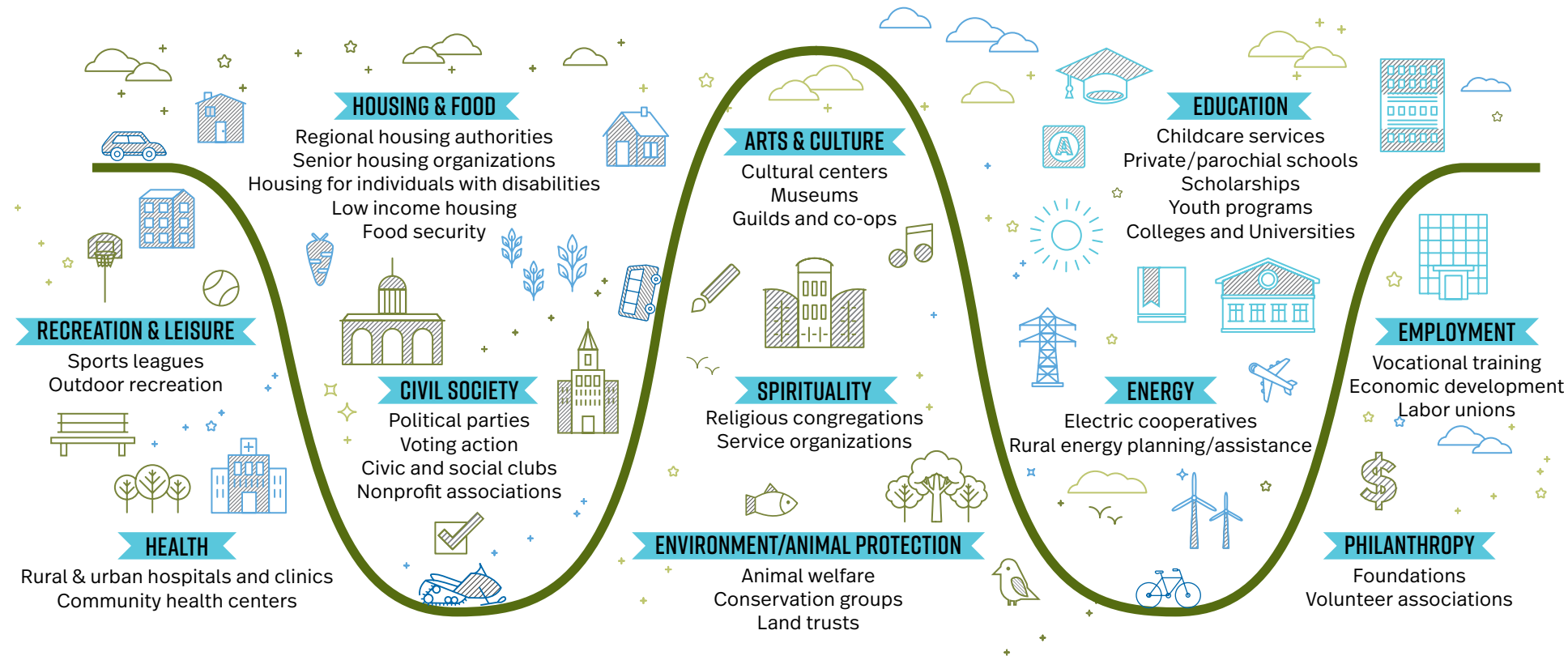
daycare or school, recreate on trails maintained by nonprofits, attend a religious service, or work for a nonprofit (alongside 35,301 other nonprofit employees in the state). Look around – you may be surprised at how often your life is enriched by a nonprofit.

Delivering essential services in Alaska is business as usual for nonprofits

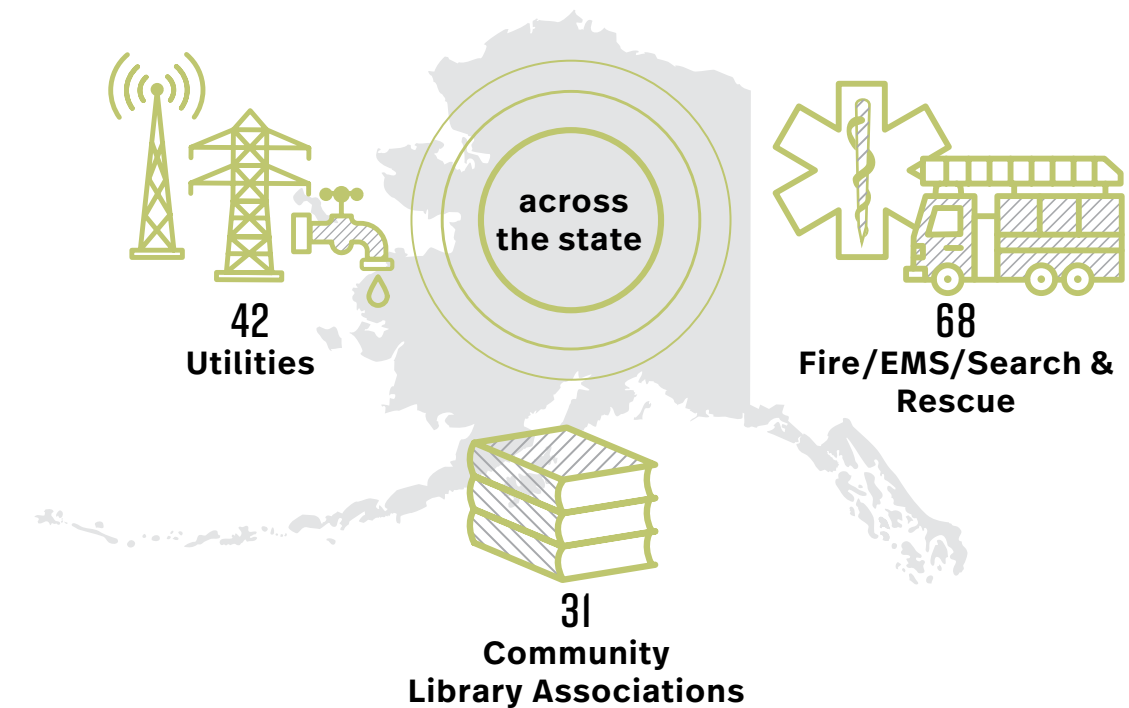
In Alaska, services like fire, search and rescue, and electric utilities are often run by nonprofits. For example, close to 40 communities depend on nonprofit volunteer fire departments (not including those embedded inside other nonprofit organizations). With limited budgets and a duty to protect the public, these organizations embody thrift and resourcefulness. Additionally, roughly 31 nonprofit libraries operate across Alaska to ensure access to

information and lifelong learning is available across generations. Electric cooperatives present yet another example. Roughly 75% of Alaskans receive their power from a nonprofit cooperative utility. These organizations also account for a majority of utility employment. These are just a few ways that nonprofits work closely with government – and in Alaska, it's just business as usual.

Nonprofits are part of our everyday lives



Vital community services supplied by nonprofits



SOURCE: IRS 990 DATA



NONPROFITS ARE part of everyday life in Alaska

Who are Alaska's nonprofits

When most people think about nonprofits, they focus on the 501(c)(3)s – or charitable nonprofits with missions like health care, arts, conservation, religion, or education that improve our communities and our daily lives. While the majority (80%) of Alaska's nonprofits are charitable, other types of nonprofits are large contributors to the economy.

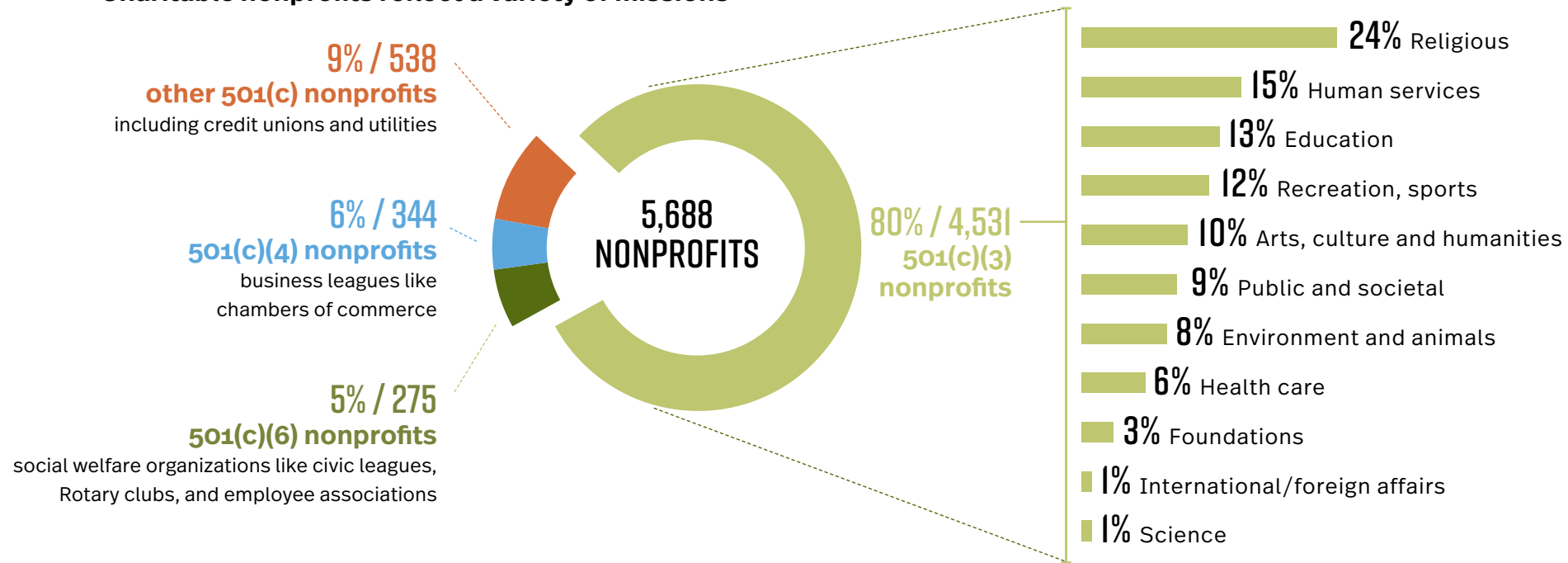
Religious congregations account for the largest number of nonprofits (24%) but are a small pool for employment. Conversely, healthcare organizations make up only 6% of total nonprofits but they account for 65% of all nonprofit revenue. While this is a percentage that has decreased since our last report—likely because of revenues returning to a more normal state following the pandemic—healthcare organizations remain a driving force in our understanding of the sector.

Understanding the total number

Understanding the total number of nonprofits should not be a debate about whether there are too many or too few but an opportunity to understand their role and impact in each community. In 2023, there were more than 5,600 tax-filing nonprofits in Alaska. This number has remained stable over the last decade. Of those 5,600, roughly one-fourth (1,211) had employees in 2023.

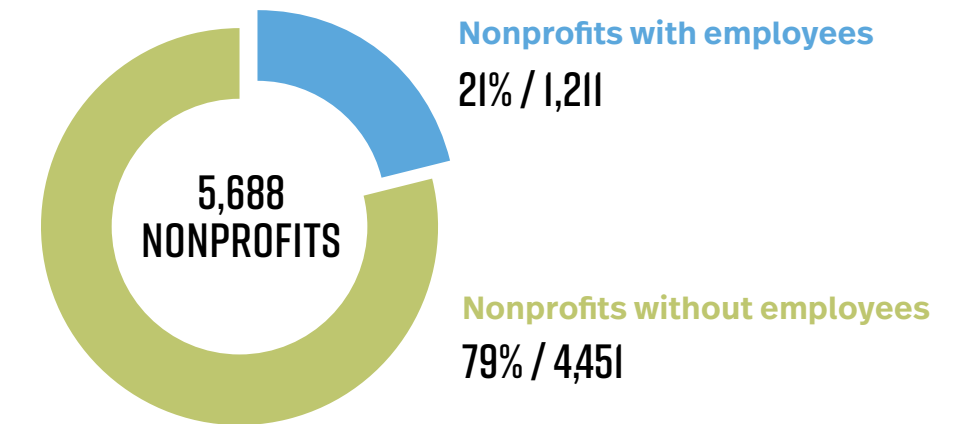
As a measure of economic impact, nonprofit organizations with employees can be a closer gauge of the strength of the sector. Still, with an understanding of the impact of volunteerism in creating and sustaining civil society, the sheer number of nonprofits operating without staff is an essential figure.

Charitable nonprofits reflect a variety of missions



SOURCE: IRS 990 DATA, 2023

Portion of nonprofits with employees in Alaska



SOURCE: IRS 990 DATA, 2023



NONPROFITS ARE part of everyday life in Alaska

Alaska's tribes take a leading role in local governance, community services, and cultural connection

Although America's Indigenous tribes are sovereign governments, the IRS also enables them to file for nonprofit status. At one point, all Alaska tribes held this status. However, as of 2023, only nine were registered with the IRS as nonprofits.

In addition to over 200 tribal entities, the sector encompasses at least 100 tribal or Alaska Native-led nonprofits, which are critical for our communities, Indigenous peoples, and all Alaskans. They serve missions like health care, economic and community development, local search and rescue, education, support for indigenous ways of life and culture, and advocacy for traditional food harvesting and

sovereign rights. Importantly, health care in Alaska is largely driven by and for Alaska Native-serving organizations, which are key employers across the state.

Tribes and Alaska Native-serving nonprofits and coalitions play a vital role in the well-being, advancement, and sovereignty of Alaska's Indigenous communities.

While there are many examples, the Organized Village of Kake, the Kodiak Archipelago Leadership Institute (KALI), and Kawerak Inc. demonstrate the profound impact of many entities.



The Organized Village of Kake, located on Kupreanof Island, thrives as a sovereign government with the core purpose of strengthening tribal community and culture. Guided by values such as respect and collaboration, they holistically address healing generational trauma, enhancing quality of life, and sustaining traditional ways of knowing and living. Their initiatives include economic enterprises, social programs, and advocacy for protecting traditional lands and gathering places essential for subsistence.

Alaska's tribes are essential to Alaska's economy, people, and community prosperity



The Kodiak Archipelago Leadership Institute (KALI), an award-winning nonprofit coalition of municipal and tribal governments in the Kodiak region, began as a force for food resiliency across six villages. Spanning 180 miles of coastline, its work now includes food security, Alutiiq heritage preservation, leadership development, and regenerative economies, and creates a resilient support network for the region.

Alaska's diverse coalitions are essential to how Alaska works at its best



Kawerak Inc., a nonprofit consortium, represents 20 federally recognized tribes in the Bering Strait region, where 75% of residents are Alaska Native Inupiat, Yup'ik, and St. Lawrence Island Yupik peoples. Serving 16 communities, Kawerak provides over 40 programs ranging from education and economic development to natural resource management and transportation. Rooted in Indigenous culture and values, Kawerak's goal is to assist Alaska Native people and their governing bodies to control their future.

Alaska's Indigenous health and human service nonprofits are essential for the well-being and economic engines of each region



NONPROFITS ARE a major economic driver

Nonprofits are strong contributors to Alaska's economy and a significant source of Alaska jobs. When nonprofits generate revenue and then spend money on supplies, services, or payroll, it circulates around the state creating more jobs and a stronger economy. **Let's recognize that nonprofits create and sustain jobs for Alaskans and their families.**

Nonprofit wages have a positive, direct and indirect impact on the economy

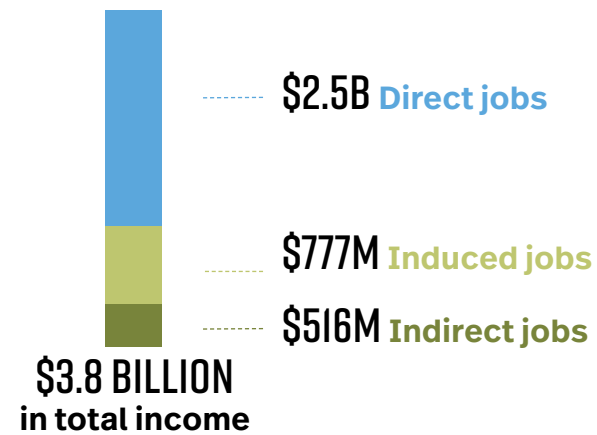
The nonprofit sector directly employs 35,302 Alaskans. Counting indirect and induced effects, nonprofits are responsible for sustaining 54,942 jobs in the state. Indirect jobs result from nonprofit organizations purchasing goods and services from other organizations, as when a nonprofit contracts with a construction

company for a new building. Induced jobs are the result of employees spending their paychecks on housing, groceries, recreation, and anything else they purchase. Together, these jobs translate into \$3.8 billion in total income generated by the nonprofit sector, which then ripples through our communities.

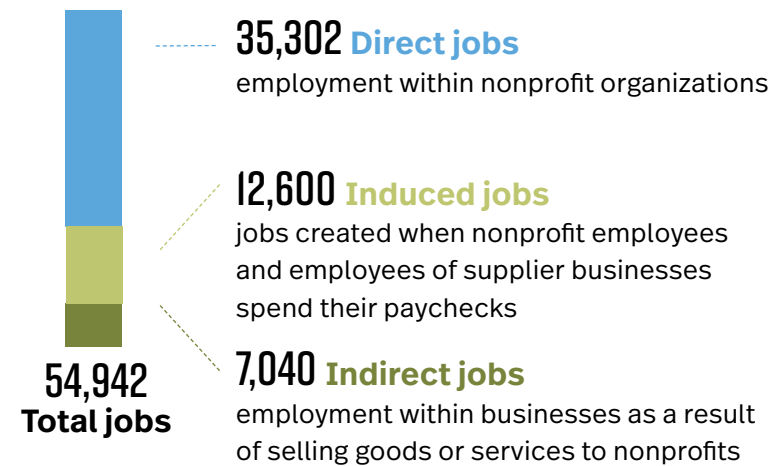
Nonprofits provide jobs for Alaskans

Jobs are a dynamic and important indicator of the health of an economy, and Alaska's nonprofits provide a significant source of Alaska's jobs. Accounting for all direct, indirect, and induced effects, the nonprofit sector supports a similar number of jobs as Alaska's leading private industries. When looking at only private (non-government) employment, the nonprofit sector supports one in five jobs.

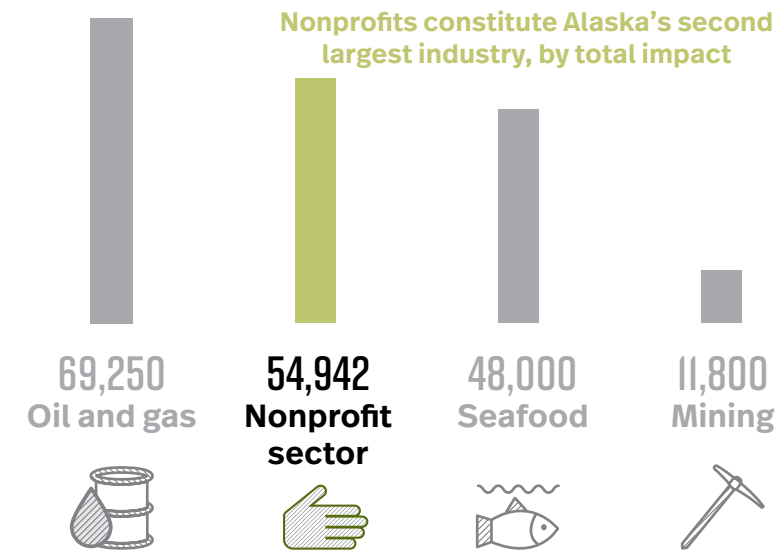
Nonprofit wages and salaries ripple through the community



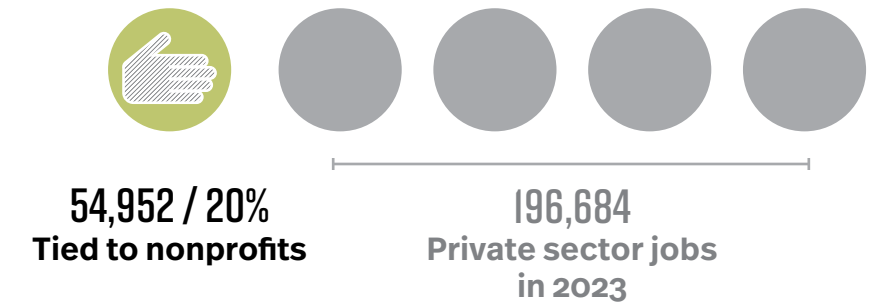
Nonprofits create Alaska jobs



Providing jobs for Alaskans



One in five non-government jobs tied to nonprofits





NONPROFITS ARE a major economic driver

Nonprofits are slowly closing the gender pay gap in Alaska

The gender pay gap has economic impacts not just in the nonprofit sector but for Alaska's economy overall. A healthy economic indicator is fair pay for everyone. In 2022, women in the Alaska labor market made 74 cents for every dollar earned by a man. However, in the nonprofit sector, the gap is significantly smaller. In 2022, women made 82% less than men on average—an increase of three percentage points from 2017.

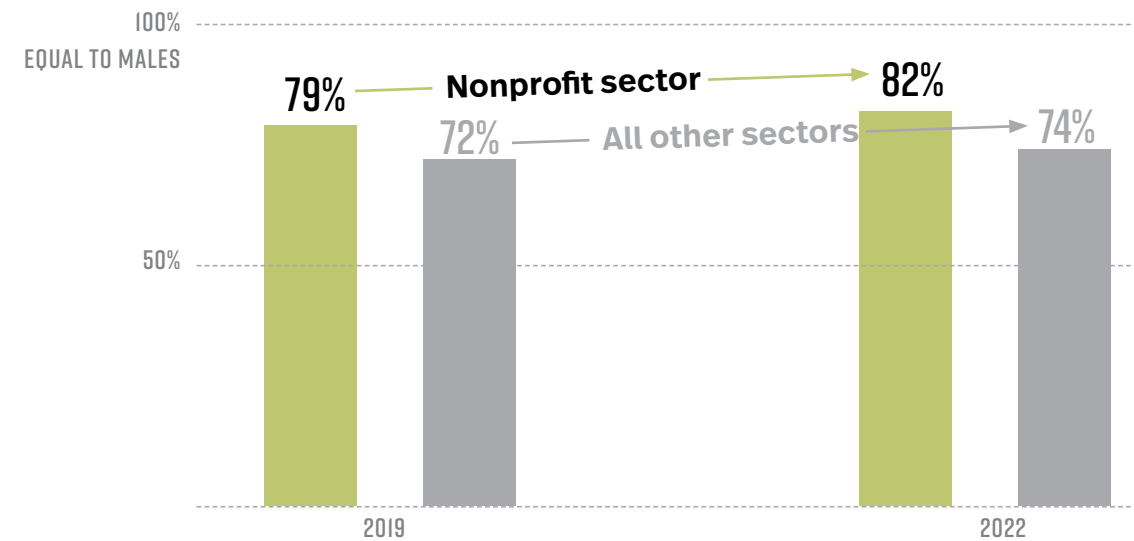
Yet, wage inequities persist despite women representing 66% of the nonprofit workforce. In 2020, the participation rate for women dipped but has since rebounded with 61% of Alaska women holding jobs in 2022. Economic challenges persist as lower pay means women are more likely to leave jobs for reasons like childcare costs and access, which then increases the workforce shortage. **Learn steps you can take today in our full report on closing the gender pay gap.**

Nonprofits are important to regional economies

Nationwide, nonprofits employ 10% of the workforce. In Alaska, nonprofits employ roughly 14% of the non-government workforce and 10% of the total workforce. Nonprofits in some rural areas account for up to 40% of direct employment. In at least five of Alaska's 30 boroughs and census areas, nonprofits provide 20% or more of all employment. The high level of employment in rural Alaska is largely because of entities in the nonprofit tribal health

system, which are the largest employers in these areas. Note the data below reflects the physical location of the job rather than the location of the employer, and for that reason, some data is suppressed by the Department of Labor to maintain privacy. In these cases, CED estimated nonprofit employment to calculate the percentages for total and nonprofit employment.

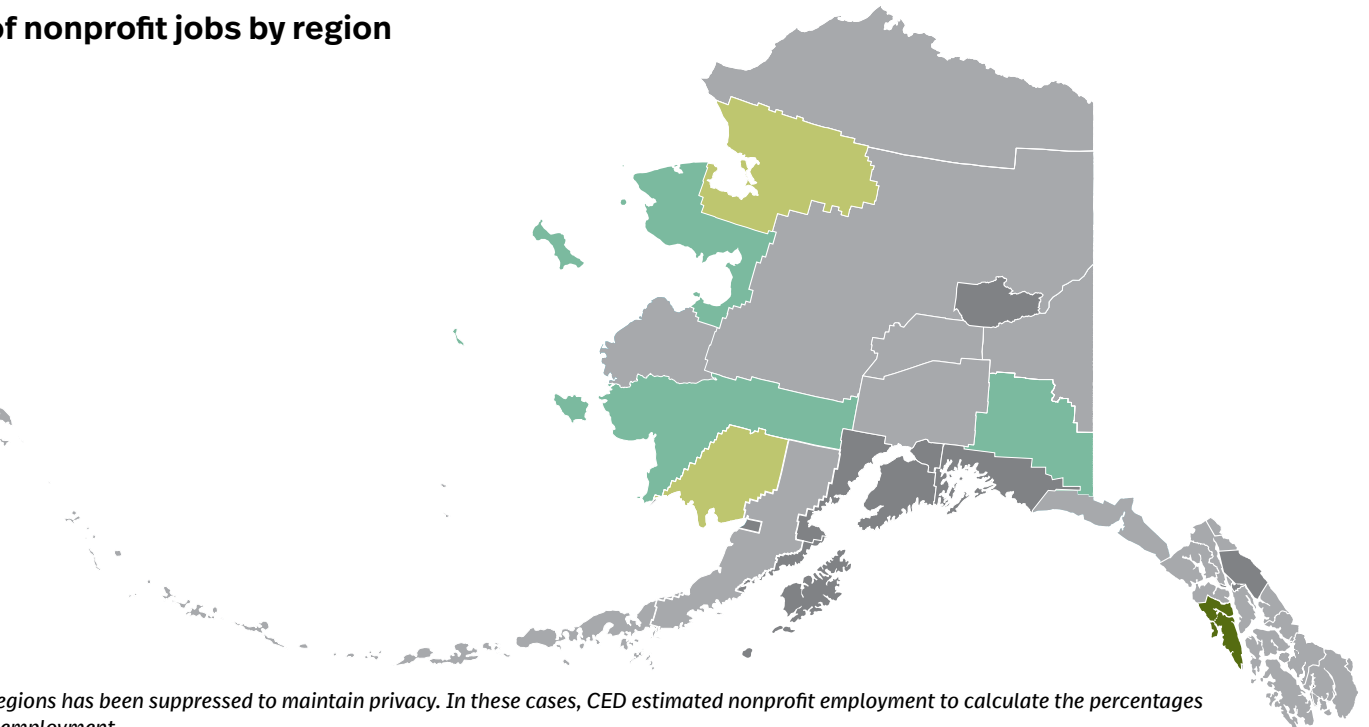
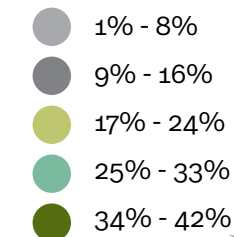
Improvement in gender pay gap



NOTE Alaska has the unique opportunity to track the pay gap through a partnership with the Alaska Department of Labor and the intersection of nonprofit EIN and PFD binary gender identification data. Only nonprofit employees who file for their PFD are included in this data.

SOURCE: DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT, 2022

Percentage of nonprofit jobs by region



NOTE Data for some regions has been suppressed to maintain privacy. In these cases, CED estimated nonprofit employment to calculate the percentages for total and nonprofit employment.

SOURCE: DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

Nonprofits strengthen Alaska’s other leading areas of employment

Nonprofits play a critical role in Alaska’s economy by providing the backbone for the state’s major industries. From associations engaging in the policy-making process to economic development agencies promoting jobs and workforce development, nonprofits contribute to the vitality of commercial enterprises. For the business community, nonprofits are often a vehicle for collaboration to improve the business climate or pursue shared objectives like visitor

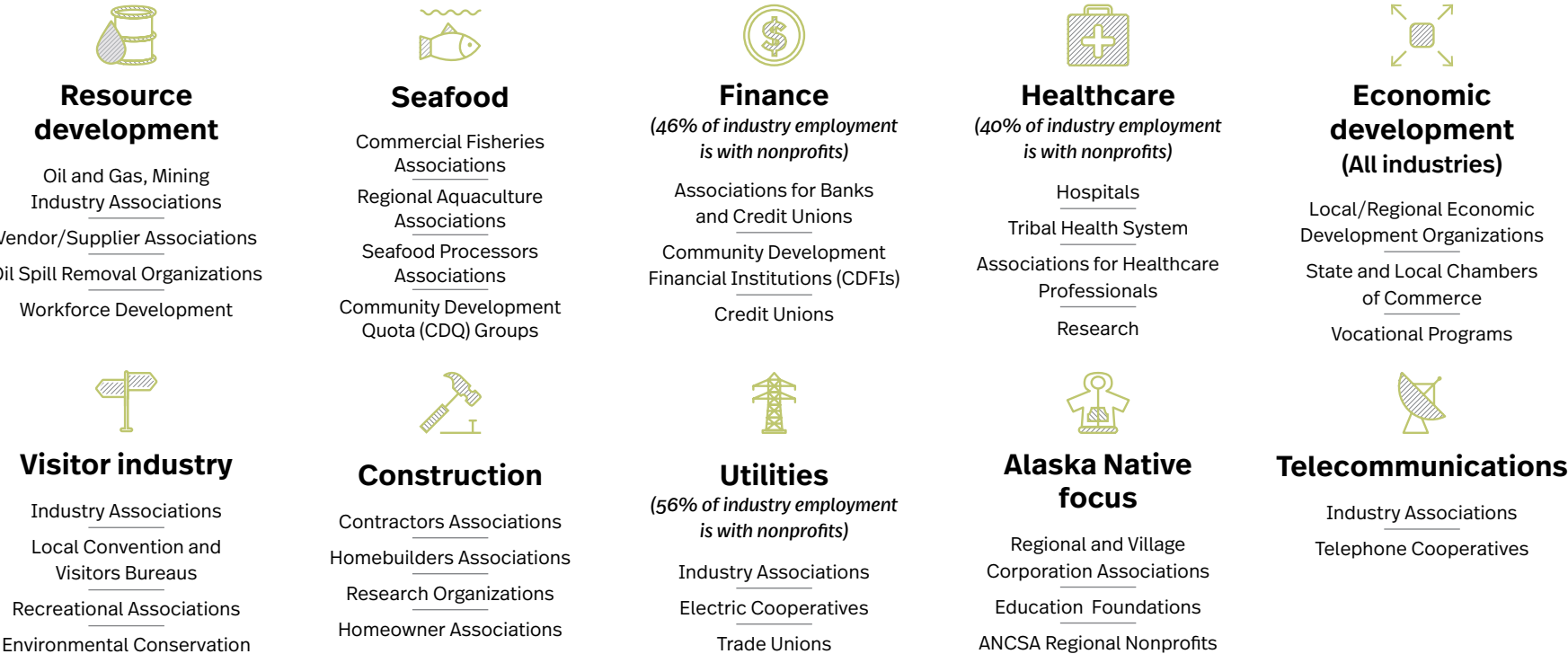
marketing. In some cases, the major players in an industry are the nonprofits themselves, such as hospitals, credit unions, arts and culture organizations, and the state’s largest electric utilities. Alaska’s seafood industry also hosts unique nonprofit entities that generate resources and revenue for communities and the state. **Consider how nonprofits are the backbone for all of Alaska’s economic drivers.**

Health care drives economic impact

Healthcare nonprofits, while fewer in number compared to other categories, account for the most revenue and jobs generated in the sector. 40% of healthcare jobs are within nonprofits. Excluding Providence Health and Services, which combines its Alaska assets with those in Washington state, six of the top healthcare organizations account for 22% of Alaska’s 501(c)(3) assets, or \$4.6 billion, and 34% of Alaska nonprofit revenues, or \$2.9 billion.

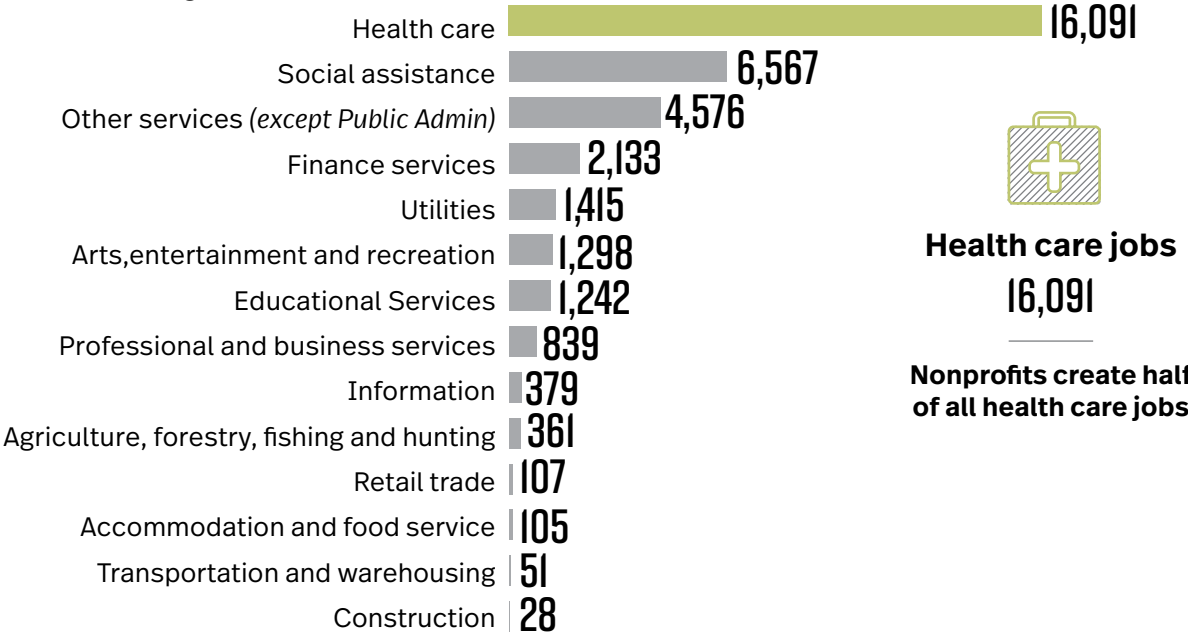
Social services is the second largest subsector for employment, with approximately 6,500 jobs in Alaska. More than any other sector in the state, nonprofits represent a disproportionate percentage of social service jobs, with 80% of the total jobs originating with nonprofit employers.

Generating and supporting for-profit jobs in Alaska



NOTE Notably, since 2020, nonprofit employment in telecommunications has shifted dramatically from 39% to 4% in 2023. This is likely because more major telecommunication companies are operating in Alaska and outsourcing jobs that previously were performed in the state.

Nonprofit employment by sub-sector in 2023



NOTE Examples of Other services include religious activity, grantmaking, and advocacy. Examples of Information include public media and telecommunications.

SOURCE: DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT



NONPROFITS ARE a major economic driver

Nonprofits continue as a steady force in the economy

From 2019-2020, nonprofits lost half as many jobs as the state overall. However, from 2022-2023, nonprofit sector employment grew by 4%, which is greater than total state employment growth and total private sector growth, which grew by 3% respectively.

Health care experienced the largest sub-sector growth -- nearly 600 jobs or 4%. However, jobs in the arts, entertainment, and recreation industry grew by 10%, reflecting the impact of pandemic relief and infrastructure funding that focused on ensuring the arts and our

outdoor infrastructure survived the pandemic impacts.

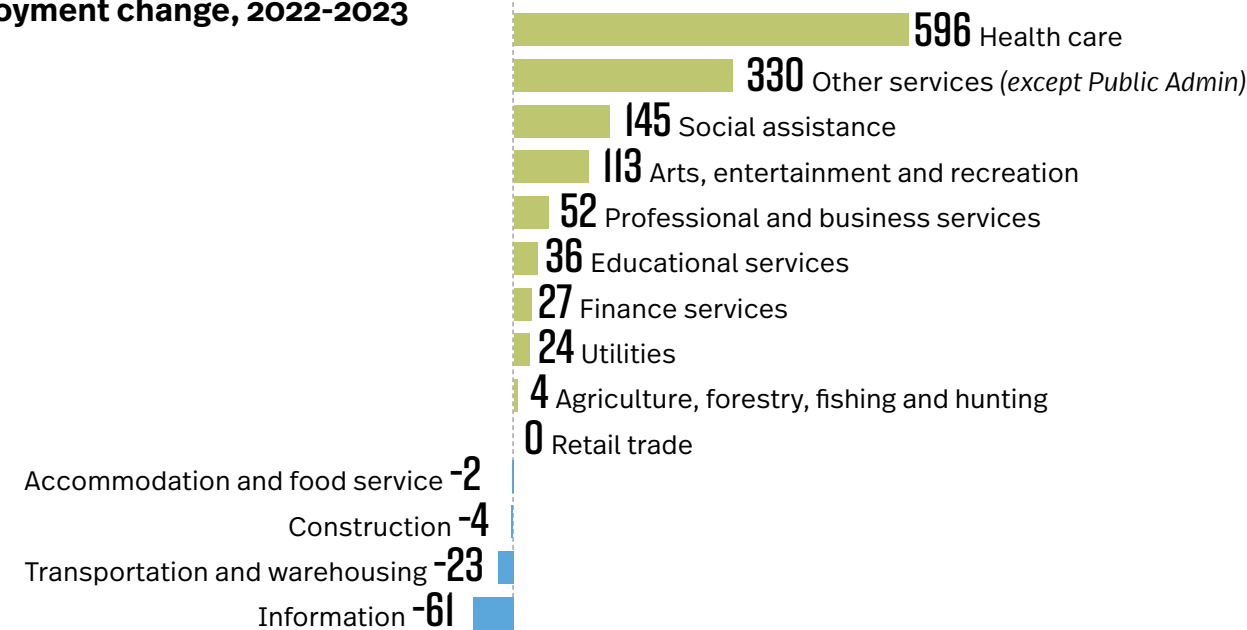
Conversely, four of the already smallest nonprofit sub-sector employers experienced further job loss from 2022-2023. The greatest number of losses occurred in the information sub-sector (including public media and telecommunications). It is possible these losses were heavily influenced by the workforce shortage or that the roles moved to contractor status. It is unclear at this time the overall impact on the services these nonprofits provide.

Nonprofits generate reliable revenue for our economy

Nonprofits generated \$9.4 billion in revenues in 2023, an increase of 19% from 2020. The greatest increase was in 501(c)(3) and 501(c)(1) organizations. Organizations with a 501(c)(4) designation experienced a 20% decrease in revenues from 2020, likely a result of the conclusion of federal pandemic relief spending.

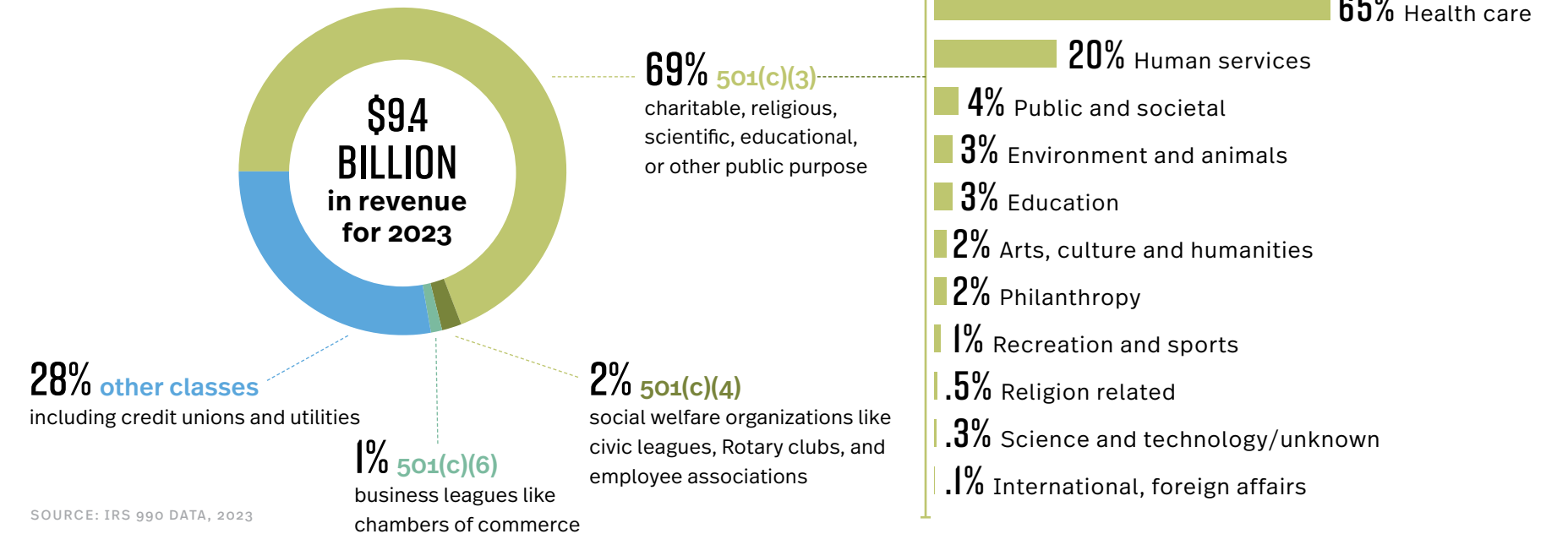
While the number of nonprofits is very similar to three years ago, the revenue change is largely the result of two main influences: 1) continued strength in the healthcare sector, which increased revenue by \$1 billion from 2018, and 2) the consolidation of the government-owned Municipal Light and Power by the nonprofit Chugach Electric Association, which accounted for approximately 9% of the total revenue growth during this period.

Alaska nonprofit employment change, 2022-2023



SOURCE: DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

Alaska nonprofits generate more revenue in 2023



SOURCE: IRS 990 DATA, 2023



NONPROFITS

leverage public funds for maximum returns

Nonprofits raise and leverage a variety of resources to meet their missions. The blend of earned income, private philanthropy, and public funding enables nonprofit organizations to maximize community impact. Policymakers must do all they can to ensure not just prompt payment but recognition of the vital partnership that brings more resources into our economy for us all. **These are partnerships that must continue.**

Nonprofits generate revenue from a variety of sources

The ways nonprofits generate revenue may surprise some. As nonprofits seek financial stability, each makes strategic decisions about whether to focus predominately on earned income or charitable contributions. Most Alaska nonprofits are generating mission-related earned income as their primary revenue source. This type of funding can come from program and service revenues (49% of total revenue in 2023), government grants and contracts (45% in 2023), membership dues, tuition, investment income, rentals and sales, and more (4% in 2023). Only 3% of revenues came from

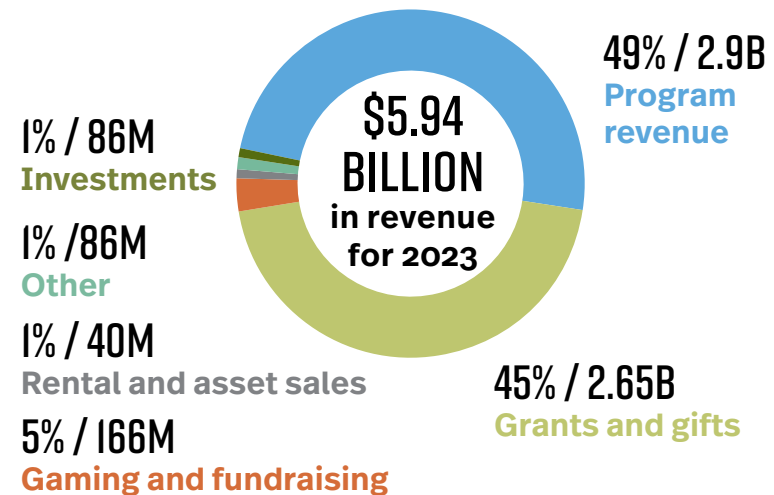
charitable donations from corporations, foundations, individuals, and state gaming; while small in total, the impact is significant for grassroots organizations. Healthcare nonprofits play a major role in increasing the portion of revenues derived from programs. Removing healthcare nonprofits from the total dramatically decreases the balance of program revenues. Non-healthcare nonprofits primarily rely on grants, gifts, and contracts to fund their operations, making up 63% of the total revenues in the state.

Federal funding is only part of nonprofits' diversified budgets

All sectors in Alaska rely on support from the federal government. Each sector uses these funds to leverage other funding opportunities. Nonprofits understand that leveraging funds is a key strategy for a diversified budget. In 2023, \$32 billion in federal assistance was awarded to Alaska-based recipients, of which nonprofits received \$579 million or 2%. The largest share of funds went to state and local governments, followed by individuals and private industry. Since 2020, federal spending in Alaska has declined from pandemic peaks. However, as funding from the Infrastructure Investment and Jobs Act and broadband investments flows to Alaska, spending amounts

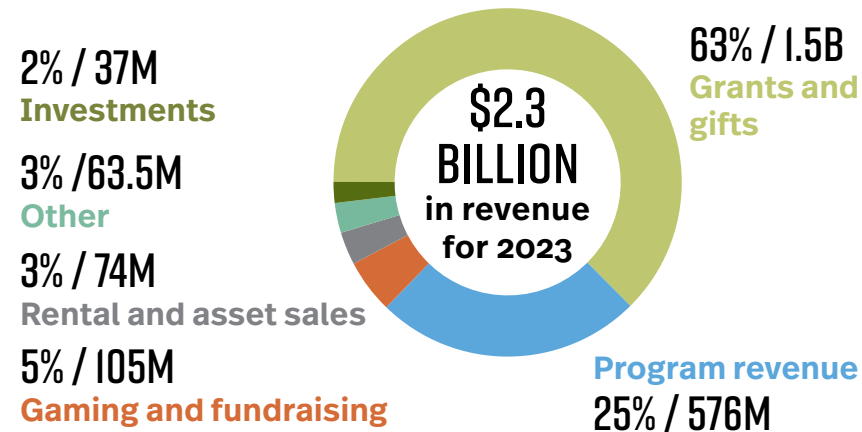
are anticipated to increase. Currently, it is nearly impossible to track the disbursement of individual federal funding streams to Alaska nonprofits through the state, local, and tribal governments. However, anecdotal data suggests that at least some of this funding is used in partnership with nonprofits.

Charitable nonprofit revenue by source, 2023



SOURCE: IRS 990 DATA, 2023

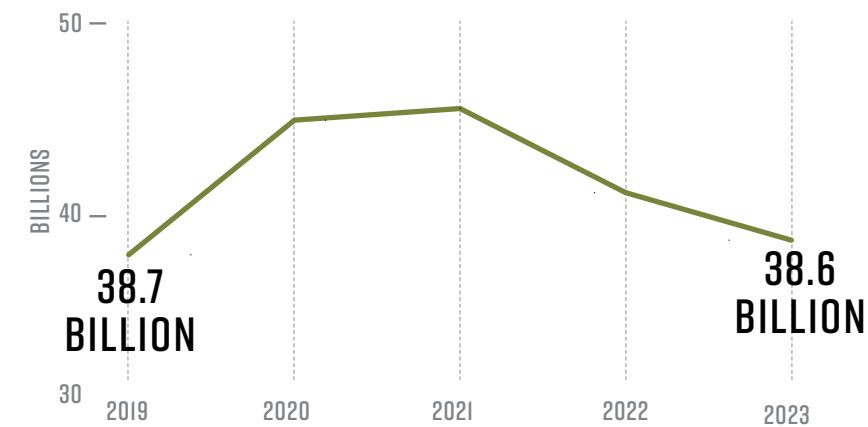
Charitable nonprofit revenue by source (excluding healthcare nonprofits), 2023



NOTE The large "other" category is a result of nonprofits filing the 990-EZ form, which unfortunately requires little detail as opposed to those filing the full 990. Both types of filing are included in this report.

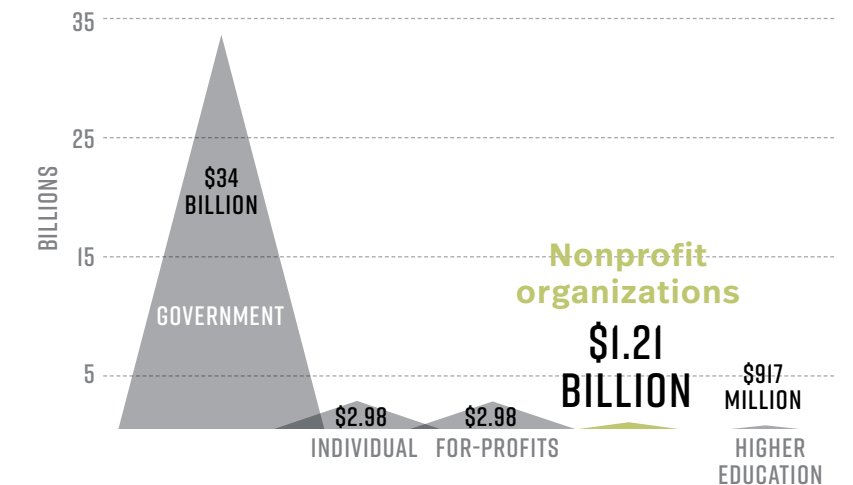
SOURCE: IRS 990 DATA, 2023

Total federal grant dollars to Alaska, 2019-2023



SOURCE: USASPENDING.GOV

Federal spending in Alaska by organization type



NOTE Federal grant funding to Alaska includes formula, project, block grants, and special funds, including pandemic relief, Infrastructure, and broadband resources, as well as the reintroduction of congressionally directed spending.

SOURCE: USA SPENDING.



NONPROFITS are navigating temporary funding and workforce shortages

The once-in-a-generation influx of federal funds coming to Alaska creates significant economic impacts. Nonprofits continue to work alongside governments to ensure that this short-term federal funding is maximized in each community. Simultaneously, many nonprofits and tribes face a workforce shortage while building internal systems to manage compliance. **Strategic partnerships with nonprofits and tribes are essential to maximize the benefit of temporary revenue.**

Collaborations across sectors make Alaska work

When Alaskans unite across sectors, political lines, and regions, the results are impactful and enduring. The recent influx of federal funding provides Alaska with a unique opportunity for large-scale investment to recover from pandemic-related losses and address equity gaps across our communities. Alaska's nonprofits and tribal organizations were at the forefront of the pandemic response, receiving funding directly and indirectly from federal, state, and local governments. Now, while tribes are receiving federal investment

dollars, nonprofits are key collaborators to ensure these funds are activated directly in communities. Although tracking each dollar's exact destination is challenging, data highlights the substantial investment so far, and we expect more funding in the coming years. Collaboration across sectors is essential to address workforce challenges and meet complex compliance demands, helping us make the most of these resources. Alaska's future economic resilience depends on working together to invest these funds strategically.

A snapshot of special federal investments in Alaska from 2022-2024



\$2.5 TRILLION

in federal spending tied
to COVID-19



\$7.6 BILLION

from the Infrastructure Investment
and Jobs Act also known as the
Bipartisan Infrastructure Law



\$2.5 BILLION

from the
Inflation Reduction Act



\$2.2 BILLION

from the federal
broadband funding

NOTE It is not possible to track spending tied to specific programs. However, by combining information from several sources, it is possible to identify infrastructure data up to March 2024 and broadband data up to October 2024.

SOURCE: USA SPENDING, THE WHITE HOUSE, INTERNET FOR ALL, IRA TRACKER

Nonprofits and tribes help make the most of federal investments

To take advantage of the economic impact from unprecedented opportunities for federal funding, Alaskans, nonprofits, and tribes have ramped up grant writing and project management, formed new partnerships across sectors, and intensified mechanisms for planning, reporting, and compliance. Their work, in partnership with state and local governments, has allowed trillions of dollars to flow into the state.

Several nonprofits and coalitions have created opportunities for others. For example, the **Alaska Federation of Natives** developed a navigator program to help tribes, regional and village for-profit Native corporations, regional Native nonprofit organizations, and tribal consortia to maximize tribal provisions in the federal spending bills.

Similarly, the **Alaska Municipal League** created a coalition to develop resources – including launching an Alaska federal funding website with **The Foraker Group** – to help local governments, tribes, and nonprofits navigate the myriad of funds while creating new pathways to streamline infrastructure funding projects through local governments.

Reliable internet connectivity is crucial to tackling barriers to community and economic development, employment, rural school viability, and the challenges posed by outmigration—issues that impact the cultural and daily practices integral to many Alaskans' identity. To address this, the **Digital Equity Coalition of Alaska**, comprised of nonprofits, was formed to identify equity gaps and deliver a five-year plan to the state's Broadband Office. This plan, shaped by nearly 200 community meetings, reflects strong collaboration with tribal partners, nonprofits serving Alaska's most vulnerable communities, local governments, and the State of Alaska, which will use federal resources to transform the state's digital landscape.



Alaska Federation of Natives (AFN)



Alaska Municipal League



Digital Equity Coalition of Alaska



NONPROFITS ARE navigating temporary funding and workforce shortages

Still, the workforce shortage hampers nonprofits in meeting mission demands

One of the lasting effects of the pandemic is the ongoing challenge to find and retain workers in all sectors. Across Alaska's labor force, job openings as a percent of statewide employment peaked in mid-2022 at 12%, nearly double the state's pre-pandemic averages.

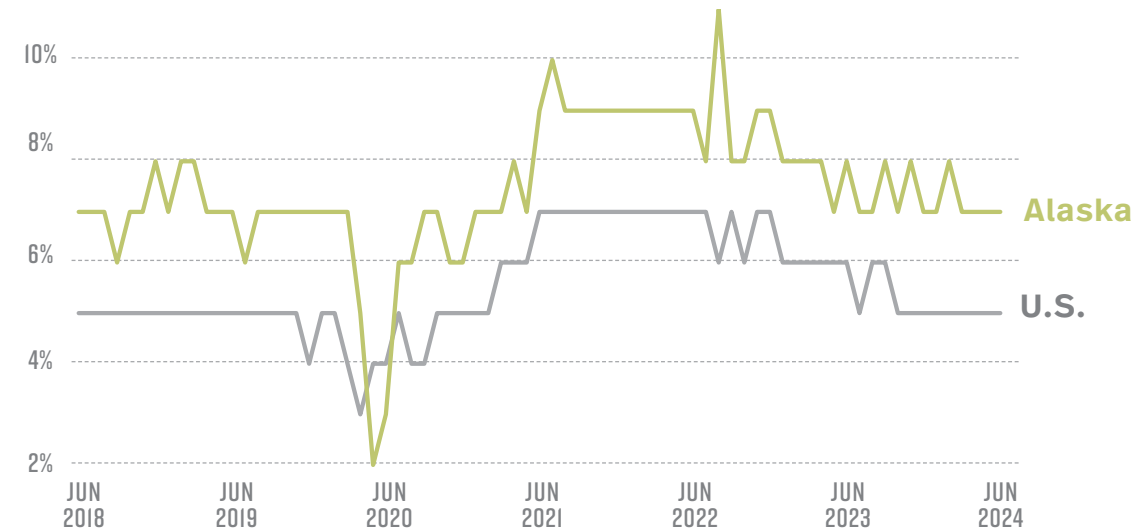
This indicates a large number of unfilled job openings across the state. Since 2022, job openings have decreased gradually but still remain nearly a percent above 2018 numbers.

Vacant jobs equate to fewer services

Vacant nonprofit jobs translate to reduced capacity to serve organizational missions and more stress on the existing workforce. At the same time, the demand for services has increased. Nearly all (89%) Alaska nonprofits participating in a nationwide survey conducted in 2023 reported experiencing job vacancies. Nearly three

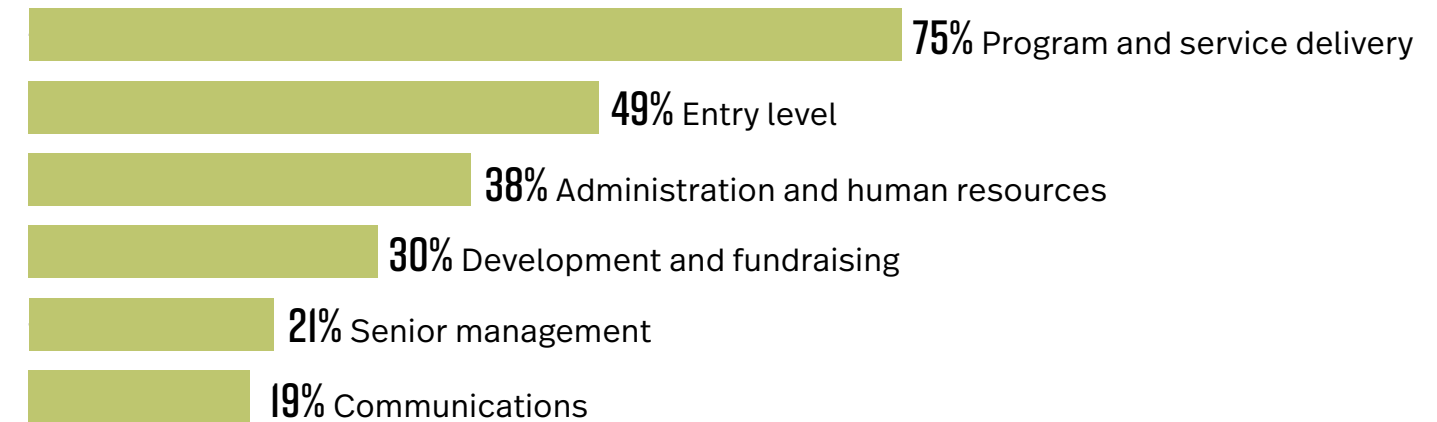
out of four (74%) in the state responded that they have more vacancies than before the pandemic, and nearly four out of ten (40%) have longer waiting lists for services. Three quarters (75%) of respondents with vacancies identified program and service delivery as a category with vacancies.

Total job openings as a percent of statewide employment 2018-2024



SOURCE: U.S. BUREAU OF LABOR STATISTICS

Categories of Alaska nonprofit jobs with vacancies



SOURCE: NATIONAL COUNCIL OF NONPROFITS, 2023



NONPROFITS provide community investment and civic engagement

The economic engine of philanthropy, coupled with volunteerism, has a powerful influence on the quality of life, infrastructure, and jobs across Alaska. Nonprofits are uniquely positioned to raise and celebrate these investments and use them to strengthen each mission-based outcome across the state. **Alaska's philanthropy is a cause for celebration we can all feel proud to be part of.**

Nationally, philanthropic giving to nonprofits is shifting

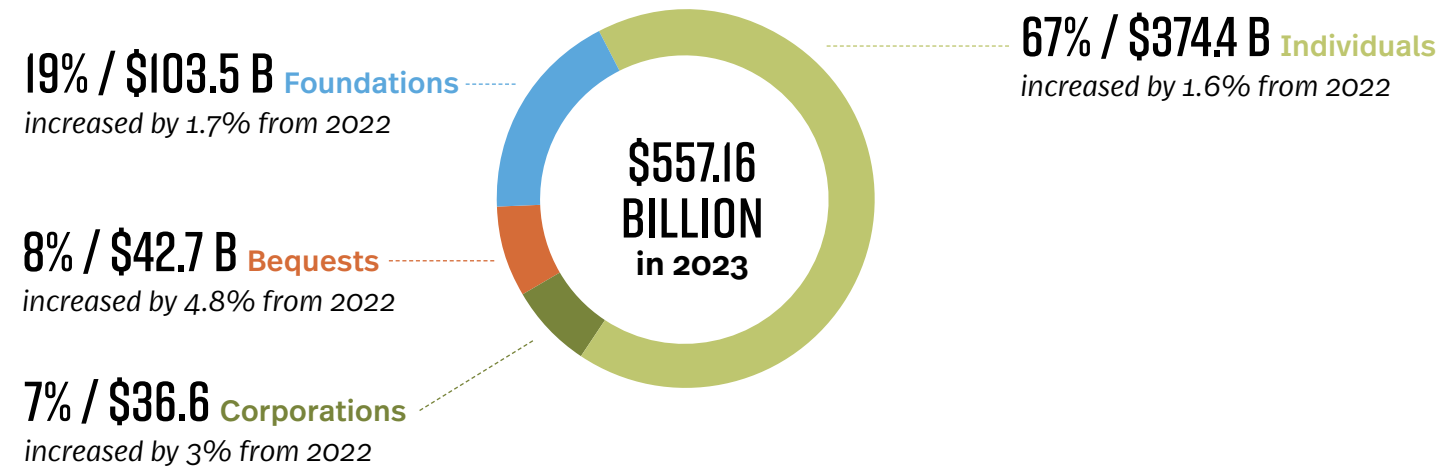
National philanthropic data reveals mixed results for 2023. The Giving USA report, based on annual IRS data for 128 million U.S. households, says Americans gave \$557.16 billion to nonprofits, which is more in 2023 than in 2022 in nominal terms. However, when adjusted for inflation, the value decreased, indicating that rapid inflation is also eroding the value of philanthropic giving. Giving by individuals, which historically makes up a majority of donations, rose by approximately 1.6% and bequests by 4.8%.

Corporations increased their contributions by 3% and foundations by 1.7%. Gifts to donor-advised funds increased by nearly 7%, including gifts through for-profit vehicles, creating some question about overall charitable impact. Several studies in 2021-2023 continue to report the importance of individual giving to nonprofits – especially smaller ones. These studies also rightly point out the inequity of giving to organizations led by people of color and those that operate in rural environments.

Giving to religious congregations is still an important indicator of philosophy

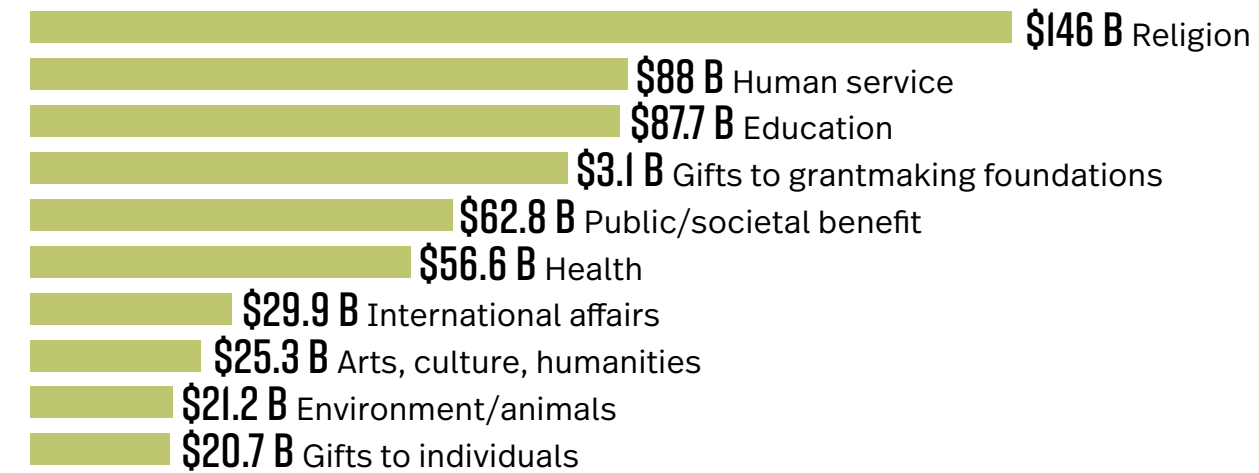
Religious organizations are exempt from reporting income to the IRS and filing tax returns, making it difficult to gauge the economic impact of religious organizations in Alaska and across the U.S. However, Giving USA tracks data on philanthropic contributions of all types, including religious organizations. Nationally, religious organizations represent the largest nonprofit subsector for recipients of contributions, receiving \$145.8 billion in 2023. After religious organizations, human services, and educational organizations received the most donations, \$88.8 and \$87.7 billion, respectively, in 2023. These three sub-sectors have consistently ranked among the highest in giving since tracking began in 1987.

2023 Contributions U.S.



SOURCE: GIVING USA, 2023

Contributions by type of recipient organization



SOURCE: GIVING USA, 2023



NONPROFITS

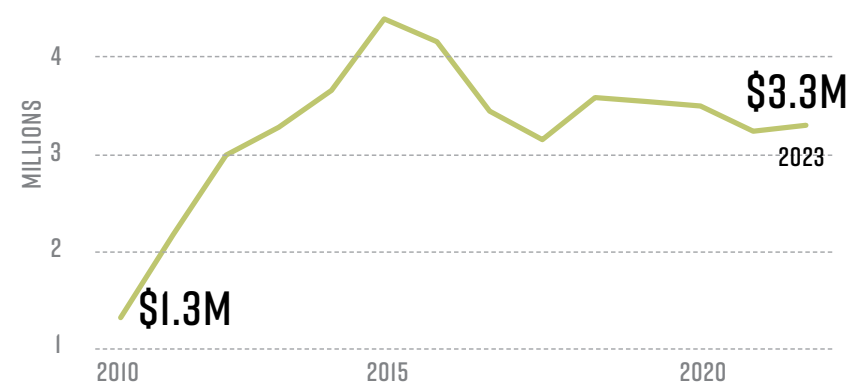
provide community investment and civic engagement

Alaskans demonstrate generosity through Pick.Click.Give.

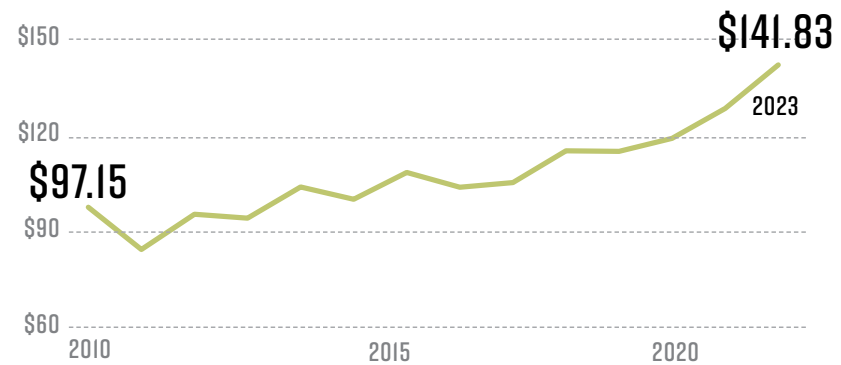
While there are many ways to demonstrate how Alaskans invest in the causes they care most deeply about, Alaska’s one-of-a-kind Pick.Click.Give. program tells the story of generosity like no other. Despite the political debate and variability of the total amount of each year’s Permanent Fund Dividend, Pick.Click.Give., which relies on the PFD, has continued to be a tool for new and existing donors.

In 2023, Alaskans donated \$3.2 million from their PFD to local nonprofits through Pick.Click.Give. Average donations per donor have increased 4% annually on average over the last decade, with a record 11% increase in 2023.

Alaskans demonstrate generosity through Pick.Click.Give.



Average pledges per donor



SOURCE: STATE OF ALASKA PERMANENT FUND DIVIDEND CORPORATION

Alaskans invest their time, talent, and treasure in remarkable ways

For 10,000 years, Alaska Native peoples have shown us what it means to give and support each other in daily practice, in times of need, times of sorrow, and times of celebration. The robust giving of Alaska’s Indigenous peoples includes sharing traditional foods every day, distributing items during potlatches or uqiquqs, and marking significant events with donations of time, talent, and treasure directly to nonprofits. Every type of giving, both formal and cultural, should be celebrated as an expression of our generosity and spirit of community. Often, formal philanthropy (donations that go to charitable nonprofits) is tracked based on tax returns. For decades, nonprofits have had reliable data on household giving based on itemized returns. However, in 2017, changes in the federal tax code gave Americans less incentive to itemize. Now, we no longer have data because fewer than 2% of Alaskans itemize their returns. Nonetheless, Alaska nonprofits continue to build a culture of philanthropy, and Alaskans continue to invest in causes and nonprofits that make a difference in their lives.

Bright spots to celebrate – Alaska’s numerous community foundations

As of 2023, plenty of reports on the state of philanthropy had been written – but they all used sampling data that does not exist for Alaska. Importantly, every report notes that giving is down to historic lows. Anecdotally, we concur that the national findings apply to Alaska. However, bright spots exist. The rise in both the number of community foundations, the new funds, and the total amount of individual contributions across the state are excellent examples. Currently, six independent community foundations operate, along with 11 affiliates of the Alaska Community Foundation. Each foundation promotes philanthropy and effectively responds to community needs to create a healthy, safe, and culturally rich environment. Every foundation has remarkable stories to share of individuals making meaningful gifts to causes that matter.





NONPROFITS

provide community investment and civic engagement

Alaskans show up as volunteers every day

The rate of volunteerism in Alaska continues to exceed the U.S. average, with an estimated 27% of residents reporting that they volunteered in 2021, the most recent available data. (Note that the data still reflects a decline brought on by the pandemic both nationally and in Alaska.) Alaska ranks fifth in the nation in volunteerism overall. We see these volunteers in 79% of Alaska’s nonprofits, which are run solely by volunteers, and in all nonprofits

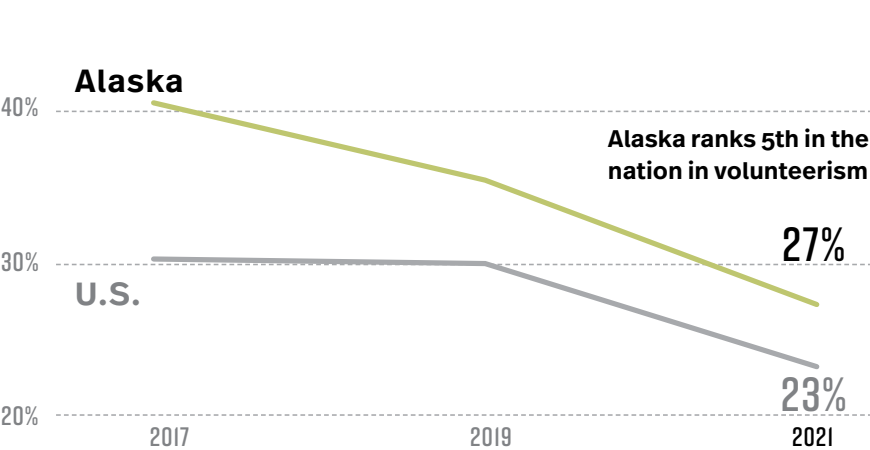
with their required volunteer boards of directors. Volunteer contributions to the economy are indisputable. Time is money, and in Alaska, volunteers donate an estimated 47.3 hours per volunteer annually, which equates to 5 million hours. Translated into wages based on the IRS determination of average volunteer costs, the economic benefit is estimated at \$9.5 million.

Alaska foundations are growing the impact and leverage of philanthropy

A variety of nonprofit foundations are present in Alaska, including family, corporate, community, and operating foundations. Each generates revenue differently, but all play a role as investors in nonprofits, scholarship programs, and nonprofit missions. Foundations as nonprofits are also an economic driver in their own right. Foundations leverage their funding with other funding sources to ensure a strong, educated, and creative workforce. Many of

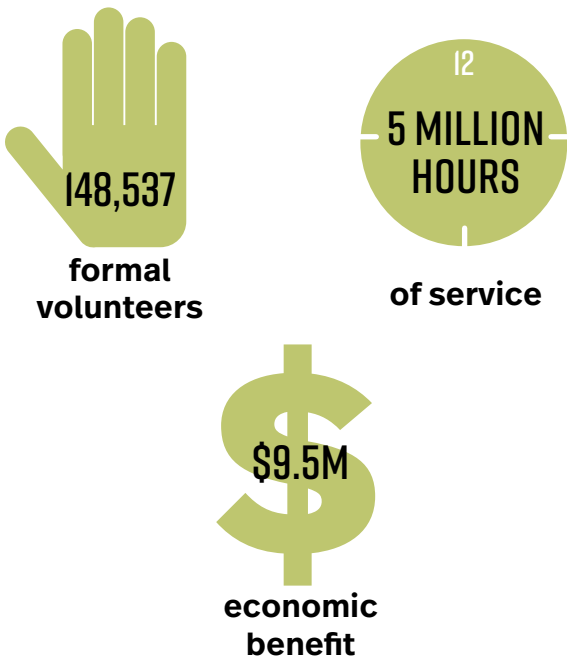
Alaska’s largest foundations also fund educational scholarships and cultural projects. Foundations typically support capital infrastructure along with corporate and individual donors and government sources. Some foundations also provide limited operating support to nonprofits. Note the large number of growing family foundations in the list and the positive impact of education foundations on future scholars and cultural and language programming.

Percentage of residents who volunteer each year



SOURCE: CORPORATION FOR NATIONAL AND PUBLIC SERVICE, SURVEY OF VOLUNTEERING AND CIVIC LIFE IN AMERICA

Contributions of Alaska volunteers



SOURCE: AMERICORPS, IN COLLABORATION WITH THE U.S. CENSUS BUREAU, BIENNIAL VOLUNTEERING AND CIVIC LIFE IN AMERICA REPORT, 2023

Largest private foundations by total giving in 2022

1.	Rasmuson Foundation	32,597,746
2.	Arctic Education Foundation	2,874,384
3.	CIRI Foundation	2,801,402
4.	Atwood Foundation	2,646,485
5.	Benito And Frances C. Gaguine Foundation	1,671,834
6.	Richard L. & Diane M. Block Foundation Trust	1,518,911
7.	Doyon Foundation	1,308,103
8.	Bill Stroecker Foundation	1,273,879
9.	Aleut Foundation	1,048,709
10.	Thomas and Cindy Massie Foundation	899,958
11.	Bristol Bay Foundation	785,709
12.	Alaska Airlines Foundation	755,000
13.	Harvey Samuelsen Scholarship Trust	734,600
14.	Robert Aqqaluk Newlin, Sr. Memorial Trust	702,000
15.	Chugach Heritage Foundation	683,083

12 of 30 are education foundations (bold), 6 of 30 are family foundations (green), 5 of 30 are healthcare foundations (blue)

SOURCE: IRS 990 DATA, 2022 (LAST FULL SET OF DATA DUE TO 990 FILE EXTENSION DEADLINES)

Largest public foundations by total giving in 2022

1.	Alaska Community Foundation	\$ 23,710,047
2.	University of Alaska Foundation	13,734,374
3.	Valley Hospital Association (Mat-Su Health Foundation)	13,024,317
4.	Providence Alaska Foundation	10,604,055
5.	Juneau Community Foundation	5,666,663
6.	Sealaska Heritage Institute	3,474,421
7.	Arctic Slope Community Foundation	2,888,189
8.	Southcentral Foundation	1,957,729
9.	Greater Fairbanks Community Hospital Foundation	1,738,099
10.	Mat-Su Trails & Parks Foundation	1,030,374
11.	Alaska Conservation Foundation	1,027,978
12.	Monroe Foundation	910,327
13.	Healthy Alaska Natives Foundation	890,839
14.	Alaska Pacific University Foundation	720,883
15.	Global Credit Union Foundation	562,500

It is time to work together and turn our data into action

Community leaders and policymakers

Your decisions have a significant impact on how Alaskans live, prosper, care for their families, and find value in their lives. You set the priorities that will strengthen our state. **We call on you to:**



Use the data

data to better understand the economic contributions of nonprofits that are ensuring a vibrant place for all Alaskans to thrive



Use your position of influence

to stabilize our safety net, secure our points of leverage, and collaborate to maximize our resources



Engage local nonprofit leaders

and call upon their deep community knowledge as you set priorities and make decisions



Work together to reassess

grant agreements, government contracts, and reimbursements with a focus on providing operating support, adjusting wages, rebuilding financial reserves, and adapting programs to address staffing shortages



Give nonprofit leaders the support

they need to reimagine workplaces that attract and retain a high-quality and high-capacity team

By taking action, you will nurture vibrant communities and help Alaskans enjoy healthy, productive lives.

Nonprofit board members, staff, and volunteers

You perform the work every day that strengthens our state. **We call on you to:**



Use the data

to better understand how YOU fit into the economic impact of Alaska nonprofits and use the data to make the best decisions for the communities you serve



Use your position of influence

to stabilize our safety net, secure our points of leverage, and collaborate to maximize our resources



Work with policymakers and local leaders

to find creative solutions to community challenges



Use your voice

to encourage policymakers to invest in communities that are equitable, healthy, and prosperous for all Alaskans



Engage donors and volunteers

in meaningful ways that foster stronger connections, deepen relationships, and advance your mission work



Be clear and strong when you advocate

that your work is essential to Alaskans, and the state's prompt payment of funds you are due promotes a vibrant and strong economy for all

It is time to work together and turn our data into action.
Check out our toolkit for ideas on how to use the report.

Gathering the data

This is the seventh economic impact study released by The Foraker Group. Every three years we embark on this analysis to better inform policymakers and the private sector about Alaska’s nonprofit sector. This report requires an enormous amount of research because no single source exists for comprehensive data on the sector at either the state or federal levels. We are confident that we are using the best and most trusted sources available for both raw data and research from the field. Those sources include the Internal Revenue Service (IRS), the Alaska Department of Labor and Workforce Development, the U.S. Census Bureau, Giving USA, and the National Council of Nonprofits. We are particularly grateful to the Alaska Department of Labor Research and Analysis division for their willingness to provide the best available data on the nonprofit sector. Unless otherwise noted, the data in this report is from 2022-2023, the last years when complete data sources were available. While we make every attempt to replicate the data from one report to another, the data sources do shift as better information becomes available.

We are deeply grateful to the team at the University of Alaska Center for Economic Development for their expertise, analysis, and shared belief in the power and possibility of the nonprofit sector.

This report would not be possible without our sponsor, Credit Union 1.

Credit Union 1 was founded in Alaska in 1952 on the spirit of people helping people, and their commitment to improving the lives of fellow Alaskans can be seen through their employee volunteerism, corporate giving, and welcoming branch locations statewide. We are incredibly grateful for their support.

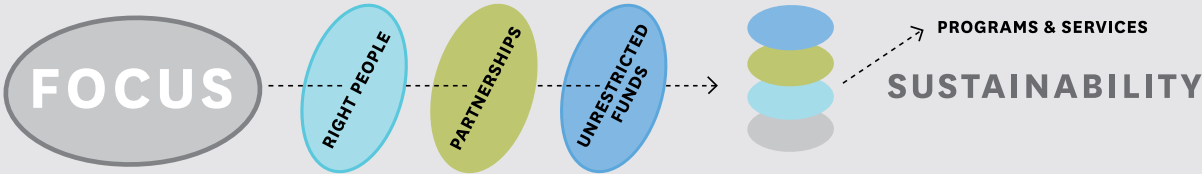
At Credit Union 1, being a positive member of the community means: investing in future generations, aiding our neighbors, and helping Alaskans achieve their dreams.



We are ready to stand beside you

The Foraker Group - dedicated to the idea that strong nonprofits and tribes build strong communities

Since 2001, Foraker has served as the state nonprofit association and capacity building organization for the purpose of strengthening Alaska's nonprofits and tribes. Our core values are “Sustainability, Strategic, Collaboration, Urban/Rural/Native/Non-Native.” These values reflect the spirit of Alaska and our commitment to serve all Alaskans.



The Foraker Nonprofit Sustainability Model is the basis of our work. We believe sustainability is a journey, not a destination, and that staying on the path means looking through the right lens to make good decisions. It also means having solid data, information, and knowledge of the economic, political, and social landscape to create context for those decisions. We are committed to sharing research with policymakers, industry leaders, and nonprofit board and staff. Together, we make Alaska work.

The Foraker Group proudly recognizes that we work on the unceded traditional territories of the Alaska Native Peoples: the Iñupiaq and St. Lawrence Island Yupik, the Athabascan, the Yup'ik and Cup'ik, the Unanga and Suq'iaq, and the Eyak, Haida, Tsmishian, and Tlingit. We acknowledge and appreciate the Native peoples who for more than 10,000 years have called this place that we now know as Alaska, their home.



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