In 2014, The Forbes Funds, The Pittsburgh Foundation and United Way of Allegheny County set out to sharpen their understanding of the social and economic significance of one nonprofit sub-sector: community-focused nonprofits. There are over 2,000 such organizations in Allegheny County.

Some of these organizations provide food and shelter to needy families, mental health services, job training and employment assistance. Others offer educational opportunities, enrich our cultural experience, or strengthen the vitality of our neighborhoods. Still others provide services for the elderly and the infirm.

What follows are some surprising facts about the collective impact these organizations have on quality of life in Allegheny County. Our conclusion is that community-focused nonprofits are essential to who we are and to the vitality of where we live. They are key economic partners, and also caring contributors of services that save tax dollars and improve lives.

### Preventive Programs Save Lives and Taxpayer Dollars

<table>
<thead>
<tr>
<th>Human Services</th>
<th>Education</th>
<th>Community Benefit</th>
<th>Arts &amp; Culture</th>
<th>Animals &amp; Environment</th>
<th>$16</th>
<th>$54</th>
</tr>
</thead>
<tbody>
<tr>
<td>34%</td>
<td>16%</td>
<td>14%</td>
<td>10%</td>
<td>3%</td>
<td>Short-term</td>
<td>Long-term*</td>
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<tr>
<td>Leading categories of nonprofits represented in the study:</td>
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</tbody>
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#### Annual Economic Impact

- **$4.5 Billion**
  - Annual Revenues

- **$9 Billion**
  - Total Economic Output

- **100,000+**
  - Direct and Indirect Jobs

- **$377 Million**
  - State and Local Taxes Generated

### Preventive Programs

- **Crime Prevention**: These services result in fewer jail-bed days, shorter probation, decreased number of court appearances, and fewer arrests.
  - *Includes correctional officer salaries*

- **Re-arrest**: Training Institute of Pittsburgh’s (TIP) re-arrest rate is 29% below PA’s average, a massive improvement due to the livable wages and long-term employment encouraged by the career skills program.

- **Domestic Violence**: Preventing domestic abuse saves families money in the form of medical care for injured victims, targeted education and counseling services for affected children, and law enforcement resources.

#### Cost per day, per child

- **Foster Care**: $206
- **Group Home**: $3,462

#### Cost per day of Allegheny County inmates (2011)

- **Short-term**: $16
- **Long-term**: $54

#### Average Savings per Family

- **TIP Students** vs. **PA population**: 12% vs. 41%
Vital Employer to Allegheny County Residents

Community-focused nonprofits are responsible for providing 8.7% of local residents with jobs that make the community a better place, and salaries that help sustain local jobs in a variety of industries such as restaurants, hospitals and grocery stores.

Nonprofit spending and employee salaries support 31,300 jobs. Just like manufacturing industries, the nonprofit sector supports local jobs in the professions such as real estate, finance and hospitality.

$4.4 Billion
Annual Spend

106,392
Jobs

1.8 Billion
Employee Compensation

377 Million
State and Local Taxes Generated

Operating on Thin Margins

Revenues brought in are used to provide essential services. With little (if any) surplus left at the end of the year, organizations must find other funding sources to maintain their services.

61% of PA nonprofits had to use emergency funding to maintain 2013 service levels

Breakdown of Key Revenue Sources

Program Revenues 59%
Community Support 34%

13% higher than national average

For a copy of the study, call The Forbes Funds at (412) 394 4271

The Forbes Funds is a supporting organization of the Pittsburgh Foundation whose mission focuses on building the management capacity and impact of community-based nonprofits individually and collectively.

PARTNERS

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