

SOUTHWEST COLORADO NONPROFIT ECONOMIC IMPACT REPORT

SEPTEMBER 2018



INTRODUCTION

Southwest Colorado is a rural, five-county region near the Four Corners, adjacent to Utah, Arizona and New Mexico. The region has a population of about 97,000 and occupies roughly 6,500 square miles, 45% of which is delegated as public land.

Nonprofits in the area make an important impact, not only on community well-being but also on the local economy. This report illustrates the many ways nonprofits bring money into and boost the local economy. Although nonprofit organizations receive local investments in the form of grants and donations, they also attract external investments in the form of grants and contributions, provide jobs and compensation, and support local businesses and the real estate market through significant spending.

THERE ARE 1.8 NONPROFITS FOR EVERY 1,000 PEOPLE IN SOUTHWEST COLORADO, COMPARED TO 5.5 PER 1,000 THROUGHOUT THE STATE OF COLORADO.

NONPROFITS PER 1,000 PEOPLE

1.8



IN SW COLORADO

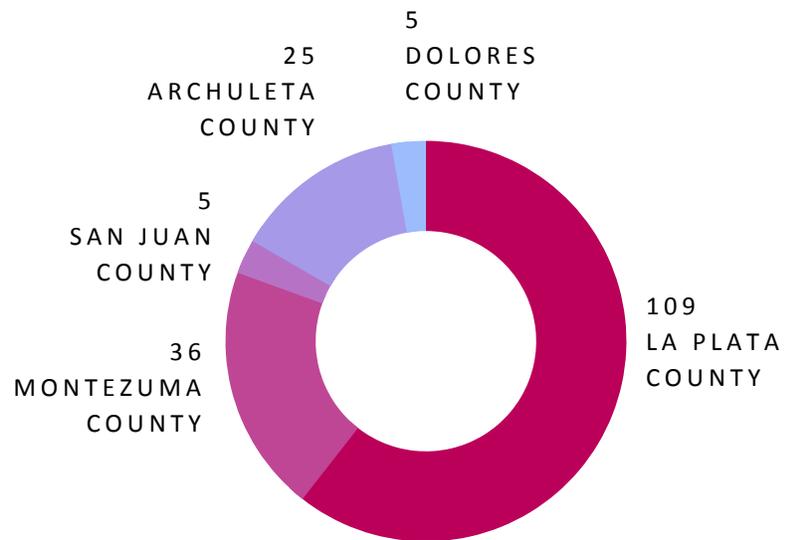
5.5



IN COLORADO

The 180 501(c)(3) organizations in the region may be lower than numbers you have previously come across. There are 29 types of tax-exempt organizations that add value to the community, including chambers of commerce and business leagues. We have restricted this report to the subset of 501(c)(3)s that report revenue and can receive tax-exempt contributions.

COUNTY BREAKDOWN OF NONPROFITS IN SOUTHWEST COLORADO (TOTAL = 180)



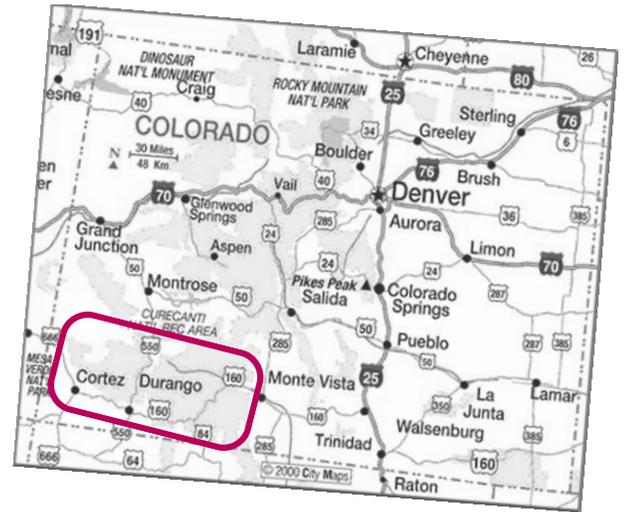
Annually, more than 450 tax-exempt organizations in Southwest Colorado file a Form 990 with the Internal Revenue Service (IRS). This number includes both organizations that are not 501(c)(3) and those with no revenue. Here, we report on the 180 501(c)(3) nonprofits in the region reporting any amount of annual revenue. Some organizations had millions in revenue, while others drew in a few hundred dollars. No matter the amount, each revenue-reporting organization contributes to the regional economy.

ARCHULETA COUNTY · DOLORES COUNTY · LA PLATA COUNTY · MONTEZUMA COUNTY · SAN JUAN COUNTY

SOUTHWEST COLORADO NONPROFITS AT A GLANCE

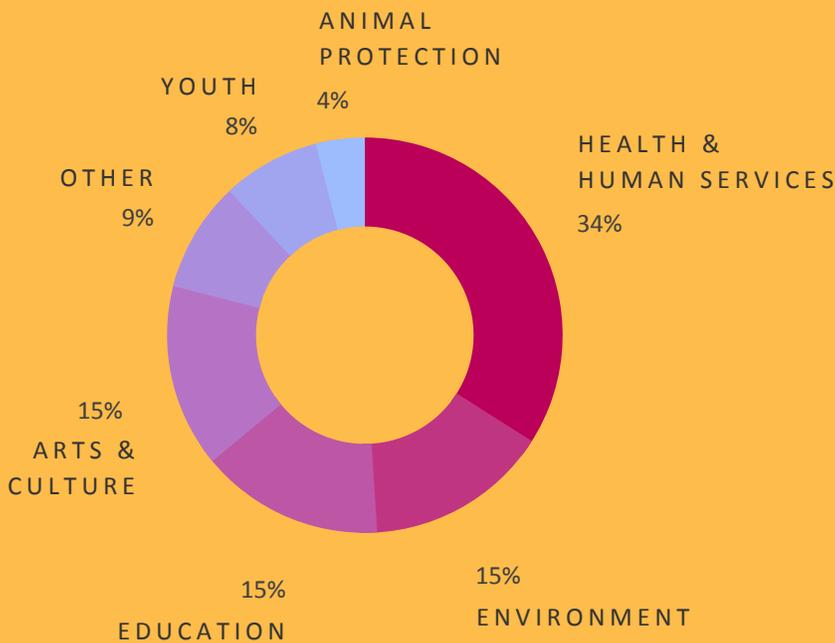
OUR REGION IS A RURAL AREA MADE UP OF FIVE COUNTIES IN THE SOUTHWEST CORNER OF THE STATE.

Roughly six hours and over two mountain passes from the Denver area by car, Southwest Colorado is isolated. As a result, communities face unique challenges. Rent and housing prices are high and employment opportunities are limited. While there are public/private partnerships and significant collaboration between local governments and nonprofits, nonprofits play an important role and fill service gaps that government cannot. Southwest Colorado is rich in culture and history, made up of mountain and farm towns and containing a wide variety of energy resources, as well as the state's only two Indian reservations: the Southern Ute and Ute Mountain Ute Indian Tribes. Learn more about the region at SouthwestRPD.org.



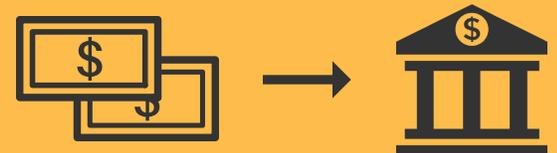
NONPROFIT SERVICE AREAS

Southwest Colorado is fortunate to have nonprofits serving a variety of needs, with the highest number in health and human services.



COLLECTIVELY, NONPROFITS IN THE REGION REPORTED HAVING

OVER \$20 MILLION IN LOCAL BANKS



AND EARNED A COMBINED

\$106,405,627

IN REVENUE

COLLECTIVELY, NONPROFITS IN THE REGION HAVE \$153,071,420 IN ASSETS

ARCHULETA

\$8.1 MILLION

DOLORES

\$2.7 MILLION

LA PLATA

\$86.5 MILLION

MONTEZUMA

\$56.9 MILLION

SAN JUAN

\$800 THOUSAND

GRANTS & FUNDRAISING: BRINGING MONEY INTO THE LOCAL ECONOMY

Nonprofits infuse a significant amount of money into the Southwest Colorado economy each year through grants awarded by state and federal government agencies such as the Colorado Department of Human Services and the Department of Veterans Affairs, and from philanthropic foundations from outside the region. In a single year, nonprofits reported

**\$31 MILLION
AWARDED
THROUGH
GRANTS**



In addition to grants, local nonprofits reported

**\$7.5 MILLION
RAISED
THROUGH
FUNDRAISING**



(Both locally and outside the region)



Nonprofits do not rely solely on grants and fundraising; they also bring in money through charging for services.

**\$46.4 MILLION
EARNED IN FEES
FOR SERVICES**

LOCAL NONPROFITS RENT,
LEASE OR PAY MORTGAGE
ON OVER

140,000 SQ. FT.
OF LOCAL REAL ESTATE

**CONTRIBUTING
OVER \$2 MILLION
TO THE ANNUAL
REAL ESTATE
MARKET**

LOCAL ECONOMIC FOOTPRINT

Collectively, the annual amount regional nonprofits report spending on local food services is:

\$213,011



Collectively, the annual amount regional nonprofits report spending on local printing services is:

\$262,291



The total market value of annual volunteer labor hours regionally is:

\$4,334,280



JOBS & COMPENSATION

Many local residents rely on nonprofits for employment. Although there is variation, average employee compensation reported provides local residents a livable wage -- the amount of income needed to live in a given location without public assistance.

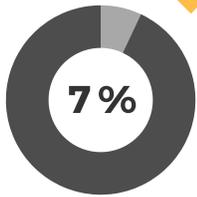


COLLECTIVELY, SOUTHWEST COLORADO NONPROFITS SPEND

\$56,784,145

ON EMPLOYEE COMPENSATION.

TOTAL NUMBER OF EMPLOYEES REPORTED BY NONPROFITS INDICATES THAT SURVEY RESPONDENTS PROVIDE 3.5% OF JOBS IN THE REGION. ROUGHLY HALF OF ALL LOCAL NONPROFITS REPORTED JOBS INFORMATION; THEREFORE, ALL NONPROFIT ORGANIZATIONS MAY MAKE UP AS MUCH AS



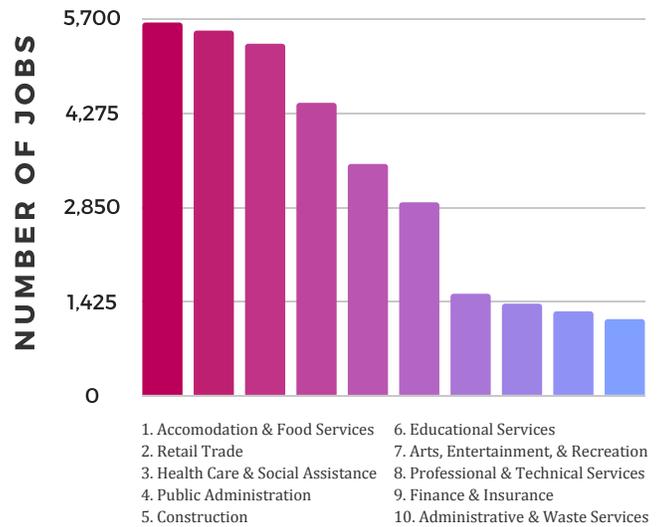
7%
OF THE LOCAL WORKFORCE

FOR EVERY DOLLAR NONPROFITS SPEND, THERE IS A RIPPLE EFFECT THROUGHOUT THE REGIONAL ECONOMY.

Catering a community meeting from a nearby restaurant supports a local business. Using grant funds to secure printing for program flyers and brochures builds capacity and increases business for local print shops. Nonprofit employees who make a living wage pay into the real estate market, shop at local farmers markets and eat at local restaurants. In addition, the services nonprofits provide impact the economy in and of themselves: visitors coming to support a nonprofit arts and culture festival spend money at local businesses; parents can work steady jobs thanks to nonprofits providing affordable childcare; homeless can get back on their feet and back to work thanks to nonprofits providing housing assistance; folks can learn a trade or earn an academic degree and build a career thanks to nonprofits supporting adult education. All of this continually impacts the regional economy.

This report compiles data collected through a survey administered in early 2018 to 180 501(c)(3) organizations in southwest Colorado that, according to IRS information, reported annual revenue. We received responses from 134 (74%), and supplemented this information with publicly-available tax data to include the five largest organizations in each county. The survey asked about finances, income, jobs and compensation, local economic footprint, and volunteers. We asked organizations to report about financial information from 2016, reflecting their most recently filed 990, 990-EZ, or 990-N tax forms. Not all respondents could reply to all survey items (responses ranged from 60% to 80% for each question), meaning that the substantial economic impact documented in this report is actually an underestimation of the true, total economic contribution of local nonprofits.

TOP TEN INDUSTRIES IN SOUTHWEST COLORADO



Nonprofit employment is not its own sector in the data shown in the chart above. But, roughly half of all local nonprofits answered our survey questions on jobs, and collectively, they reported providing 1,412 jobs. Therefore the nonprofit sector is likely one of the top five industries in the region.

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Research and report development by
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