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Nonprofits' impact beyond employment, officials say

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Programs offered by Family Alliance give seniors with Alzheimer's a place to go during the day, giving their caregivers the ability to stay in the workforce, the nonprofit's director said.

Government subsidies for early childhood centers such as the Hearthstone Early Learning Center require parents to be working or attending school, said Terry Egan, Hearthstone



Communities' chief executive officer and president.

A recently released report from the Donors Forum found that nonprofit organizations employ more than 523,000 people in Illinois and have a combined payroll of \$19.7 billion. Assistant teacher Lydia Patnaude of Woodstock (right) works with Sophia Carrion inside the classroom for 15-month-olds to 2-year-olds at the Hearthstone Early Learning Center in Woodstock. (Kyle Grillot - kgrillot@shawmedia.com)

The Home of the Sparrow estimates that over 90 percent of the women who graduate from its programming are successful in staying employed and maintaining housing, Executive Director John Jones said.

The people the Pioneer Center for Human Services helps might be recipients of welfare, not have jobs and not pay taxes, but the center has a high success rate in breaking that cycle, president and CEO Patrick Maynard said.

These services give nonprofits a larger impact than just the number of

employees they have and the dollars they spend, their top officials said.

A recent report released by Donors Forum, a nonprofit association, highlighted the economic footprint left by Illinois nonprofits.

Nonprofits employ more than 523,000 people in Illinois with a combined payroll of \$19.7 billion, according to the report. That's nearly 9 percent of the state's workers, more than construction, transportation and real estate combined.

In McHenry County, nonprofits employ 5,776 people, or about 3.64 percent of the county's workers in 2010, according to data compiled by Donors Forum. About two-thirds of those workers are employed in the education, health care and social assistance sectors.

Those numbers don't surprise Centegra Health System CEO and president Mike Eesley.

With 3,620 employees, Centegra is the county's largest employer, according to 2013 numbers submitted to the Northwest Herald. The next closest is Walmart with 2,400 employees.

Centegra is also set to add another location in Huntley, which will add an additional 1,000 positions and employ 800 people during the construction, Eesley said.

Centegra isn't the only organization looking to expand.

Woodstock-based Family Alliance is adding another location, its second, in Huntley, which will create six positions to start, Executive Director Kim Larson said.

It currently employs 50 people, according to submitted data.

Those employees go out, buy groceries and pay their bills, multiplying a nonprofits' effect as an employer, Maynard said.

The growth is despite the challenges raised by the 2008 economic downturn, which led to a dropoff in charitable giving (it's been on the rise for the past three, hitting 2007 levels in 2012) and cuts or delayed payments from the state and federal government.

The impact hasn't been the same for all nonprofits.

The senior living side of Hearthstone Communities was hit with some cuts, but the Early Learning Center hasn't really been affected at all, Egan said.

Nonprofit leaders are mixed in their expectations for the future and how these changes will play out.

For-profit businesses also are taking advantage of governments' emphasis on the bottom line, moving into areas that are traditionally the territory of nonprofits, Maynard said.

But as the government shrinks its role in various areas, Larson expects nonprofits to have to play a bigger role, stepping up to provide the cut services.

She's optimistic that nonprofits will continue to play a "tremendous role" in health care and social services and that donations and volunteer dollars will continue to support the growing missions.

Nonprofits also have become a lot more sophisticated at addressing needs and raising revenue, Jones said.

“A lot more partnering and relations are being developed between agencies and groups,” Eesley said, adding that larger health systems are combining to address capital needs and excess capacity.