

Hibbs Brief

Hibbs Institute for Business & Economic Research

Spreading Kindness and Generosity: Nonprofits, Fundraising and Volunteering in East Texas

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In this issue of the *Hibbs Brief*, we discuss kindness and generosity in our communities and their economic impact on our region. We explore figures associated with nonprofit organizations and volunteering in Texas, particularly for the East Texas region and the Tyler Metropolitan Statistical Area (MSA).

The idea of encouraging kindness and community engagement has gained remarkable progress as more individuals acknowledge the significance of contributing to their communities. Whether offering their time as volunteers or providing resources, people find ways to make a positive impact. The genuine effort made by these generous people produces a social impact in their communities and an economic impact on the region.

Charity plays a crucial role in the economy as it can positively impact various aspects such as production, investment, redistribution of income and consumption, as well as helping participants achieve economic stability. Additionally, charity may also function as an economic development tool due to its positive effect on supporting economic policies and promoting growth.¹ With this in mind, we have explored the two most common ways individuals philanthropically contribute to their community: donating money through nonprofit fundraising and donating their time as volunteers.

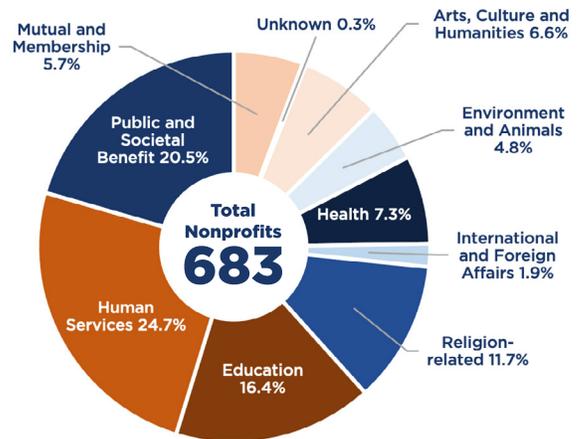
Nonprofit Fundraising

Donating funds to nonprofit organizations is a great way to help the community. In East Texas, several nonprofits strive to address important matters such as education, poverty and health care. Among other organizations that work hard to collect funds to help the community, the East Texas Communities Foundation (ETCF) is one of the most renowned nonprofits in East Texas. ETCF supports philanthropy by offering simple ways for donors to achieve their charitable goals. ETCF hosts an annual event called *East Texas Giving Day*, where the general public is encouraged to make charitable contributions. This year's event took place on April 25 and raised \$2,694,298

from 5,886 donations, and reached 350 different nonprofits.

Smith County is recognized for its kind and caring nature, always ready to lend a helping hand to those in need. According to the National Center for Charitable Statistics, Smith County is home to 683 nonprofit organizations. These organizations are classified based on their mission and purpose. The percent share by category in Smith County is depicted in **Figure 1**.²

Figure 1. Types of Nonprofit Organizations in Smith County by Percent Share



Source: Hibbs Institute's estimates using Urban Institute, National Center for Charitable Statistics (circa 2019).

The largest percentage of these nonprofits focus on human services (24.7%), public and societal benefits (20.5%), education (16.4%) and religious organizations (11.7%). In Smith County, nonprofit organizations raised \$3,745,754³ in 2019 (the most recent available), which accounts for 23% of the total donations raised in East Texas.⁴ Some of the nonprofits that raised the most in donations included The Junior League of Tyler Inc., Women's Symphony League Inc., Children's

Advocacy Center of Smith County, Boy Scouts of America Council and Texas Wounded Warriors (See **Figure 2**).

Volunteering

Another way to positively impact the community is by volunteering your time. In Texas, about 4.9 million worked as volunteers in 2021, which represented 8% of total volunteers in the nation. Texas volunteers contributed 259.2 million hours of service to nonprofit organizations, with an estimated contribution worth \$7.3 billion in economic value.⁵ Specifically, the Tyler MSA had 16,020 volunteers who dedicated 40,552 hours of their time, which could be translated to an economic value of approximately \$1 million in the same period.⁶

Volunteering is not evenly distributed throughout the State of Texas. **Figure 3** depicts the number of volunteer workers, per 100,000 inhabitants, in Texas by Metropolitan Statistical Area. In 2021, the MSA with the greatest number of volunteer workers per 100,000 inhabitants was College Station-Bryan, with 20,148, followed by Amarillo and Sherman-Dennison, with 17,006 and 16,668, respectively. While the Longview MSA occupied the 8th place on the list with 12,812 volunteers per 100,000 inhabitants, the Tyler MSA was ranked 13th out of 19 with 7,043 volunteer workers.⁷

As always, our estimates (presented above) remain on the conservative side. Also, the number of people who identify themselves as volunteers most likely lay below the real number. Thus, we believe the actual number of volunteers who donate their time working for their community may be larger. The significance of generosity and community engagement in Texas is remarkable, and Tyler is no exception. Both nonprofit fundraising and volunteering work profoundly impact the well-being of local communities, addressing various social issues and contributing to economic development.

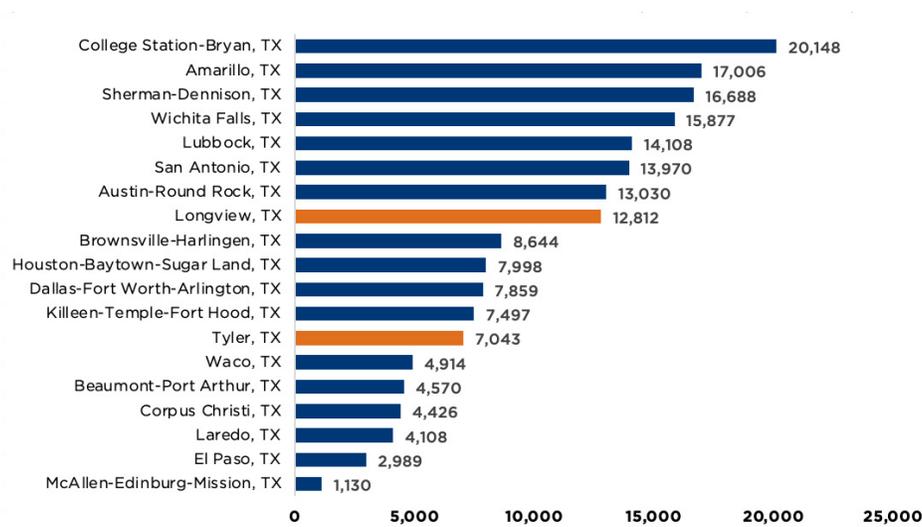
The importance of giving back to our communities cannot be overstated, and the impact of these charitable efforts extends far beyond the individuals and organizations that receive support; it impacts socially and economically our entire community. As more individuals continue to recognize the value of contributing their time and resources, the culture of kindness and community support in Texas will undoubtedly flourish, creating a brighter and more resilient future for all. Thank you for your generosity; someone needs it, and the entire community appreciates it. Let us keep up the good work in East Texas!

Figure 2. Total and Highest Nonprofit Fundraising Amounts in Smith County



Source: Hibbs Institute's estimates using Urban Institute, National Center for Charitable Statistics (circa 2019).

**Figure 3. Percent of Volunteers by Metropolitan Statistical Areas in Texas
(per 100,000 individuals)**



Source: Hibbs Institute's estimates using Current Population Survey Civic Engagement and Volunteering (CEV) Supplement, 2021.

Note: Abilene, Midland, Odessa, Texarkana, San Angelo and Victoria were excluded due to a lack of data.

End Notes

¹ Thamer Ali Alwairan assesses the effects of charity as an economic development tool to achieve economic development and growth in his article titled "Charity Work and its Role in Achieving Economic Development" in the Millennium Journal of Economic and Administrative Sciences, published in 2021.

² The National Taxonomy of Exempt Entities (NTEE) is a classification system that is used by both the IRS and the National Center for Charitable Statistics to categorize nonprofit organizations. The NTEE system serves as an important tool for categorizing and understanding the work and impact of nonprofit organizations and tracking the funding of nonprofit initiatives. <https://nccs.urban.org/project/national-taxonomy-exempt-entities-ntee-codes>

³ Hibbs Institute's estimates using Urban Institute's figures for 2019 circa year (the most recent available). <https://nccs-data.urban.org/data.php?ds=core>

⁴ East Texas counties include Anderson, Bowie, Camp, Cass, Cherokee, Delta, Franklin, Gregg, Harrison, Henderson, Hopkins, Lamar, Marion, Morris, Panola, Rains, Red River, Rusk, Smith, Titus, Upshur, Van Zandt, and Wood.

⁵ This concept is similar to the opportunity cost. The economic value is the amount an individual is willing to pay for a good or service while considering the money could be spent elsewhere. <https://www.investopedia.com/ask/answers/061615/what-difference-between-economic-value-and-market-value.asp>

⁶ Estimates made by AmeriCorps using Current Population Survey Civic Engagement and Volunteering (CEV) Supplement, 2021. <https://americorps.gov/about/our-impact/volunteering-civic-life/tx>

⁷ Estimates made by Hibbs Institute using Current Population Survey Civic Engagement and Volunteering (CEV) and Chmura Economics & Analytics.

The Hibbs Institute has created a [LinkedIn](#) page that frequently releases business and economic information. Follow our page for future brief updates, announcements and links to our periodic publications.