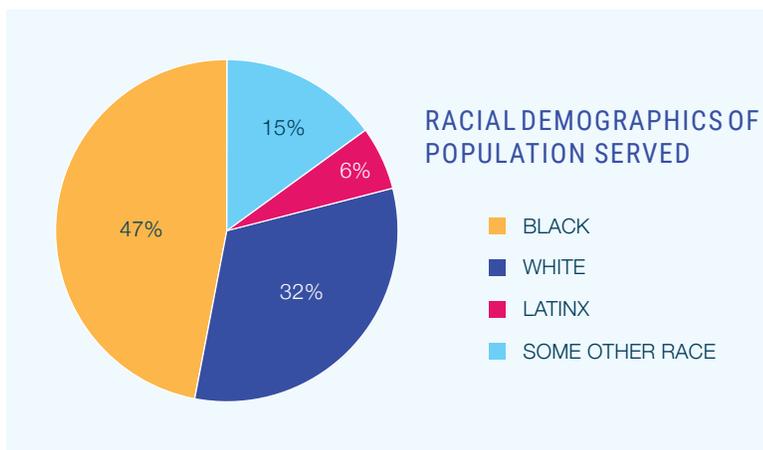
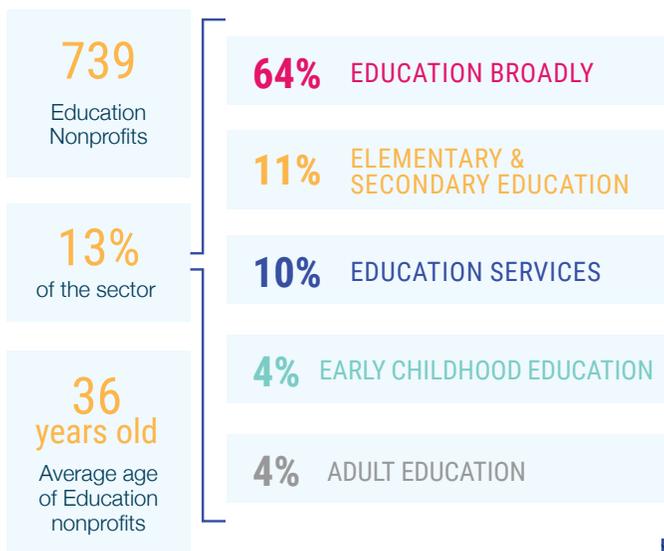


EDUCATION

In Cuyahoga County, nearly 6,000 nonprofits make up an ecosystem of social impact support. Education nonprofits play a vital role in this ecosystem, encompassing over 730 organizations that focus on providing opportunities for additional learning outside of formal educational institutions. This includes adult literacy programs, English-as-a-second-language programs, scholarship programs, dropout prevention, and other programs working toward improving educational outcomes for children and youth and continuing education for adults. 85% of these organizations have an operating budget less than \$200,000 or are operating as a church or religious institution—meaning they are not required to report deeper data to the IRS. This snapshot provides a glimpse into the Education nonprofit landscape throughout the county, with a deeper dive into the ~21% of organizations reporting comprehensive data.

EDUCATION NONPROFITS AT A GLANCE



REVENUE BY STAFF SIZE

STAFF SIZE	# OF ORGANIZATIONS	% OF ORGANIZATIONS	MEDIAN REVENUE
0	77	49%	\$212,000
1-2	7	4%	\$211,000
3-5	10	6%	\$304,000
6-10	9	6%	\$698,000
11-20	8	5%	\$768,000
21-40	14	9%	\$918,000
41-80	10	6%	\$4M
81-160	8	5%	\$7M
> 160	13	8%	\$14M

EDUCATION NONPROFITS BY SIZE

Education nonprofits reporting financial data on average have smaller median revenues (\$135,000) than other nonprofits in Cuyahoga County (\$172,000). Compensation and operational expenses make up a significant portion of where Education organizations spend money.

Of the ~21% of nonprofits reporting data, over half (53%) have staff sizes of two or less people and report being heavily supported by volunteers. The amount of organizations reporting small staff sizes is slightly greater than the nonprofit sector as a whole.

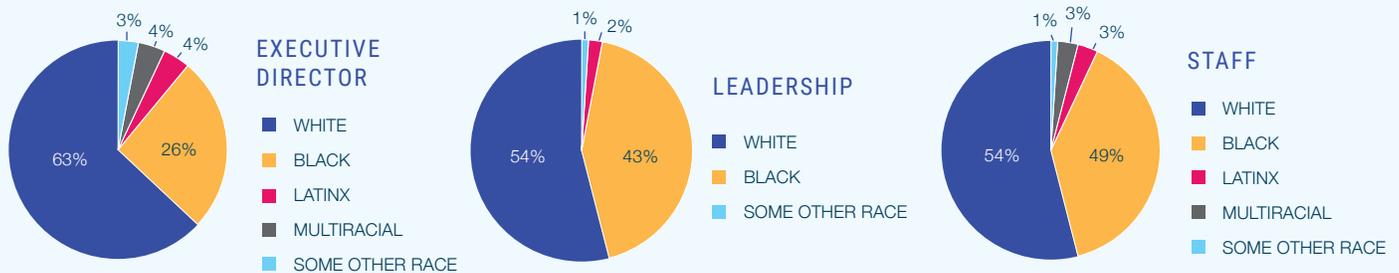
WORKFORCE AND COMPENSATION

BREAKDOWN OF STAFF, COMPENSATION, VOLUNTEERS, AND BOARD MEMBERS BY LARGEST SUBGROUP

TYPE OF ORGANIZATION	TOTAL STAFF	TOTAL STAFF COMPENSATION	MEDIAN STAFF COMPENSATION	TOTAL VOLUNTEERS	TOTAL BOARD MEMBERS
Education Broadly	684	\$18.5M	\$19,400	3,041	2,045
Elementary & Secondary Education	2,264	\$60.6M	\$24,000	5,578	533
Education Services	10,712	\$388.6M	\$31,000	462	158
Early Childhood Education	211	\$4M	\$15,700	83	45
Adult Education	51	No Data Available	No Data Available	249	35
ALL EDUCATION ORGANIZATIONS	21,673	\$596.6M	\$20,700	15,164	3,323

DEMOGRAPHICS OF EDUCATION NONPROFIT EMPLOYEES

from the 2022 COVID-19 Nonprofit Recovery and Resiliency Survey



Compensation data is reported by organizations with annual revenues of \$200,000 or more and includes only full-time and year-round employees. The numbers below illustrate a low average wage across the sector. Demographic data was not available from a significant enough number of Black- and Brown-led Education organizations to disaggregate compensation by race.

MEDIAN STAFF SALARY: \$20,700

MEDIAN SENIOR LEADERSHIP SALARY: \$80,400

Story of Resiliency

"During the 2020-2021 school year, [our schools] provided distance learning to all students. We partnered with other organizations and used our facilities as In-Person Learning Centers (ILCs) for the parents and guardians who were unable to stay home due to employment obligations. The ILCs served 475 students over the course of the year. Attendance for remote learning across the network was taken daily with an average of 94.1% of students logging in each day, an increase of 1.3% from attendance as monitored during the same time the previous school year."



–Cuyahoga County Education Nonprofit Organization Leader, 2022

FINANCES

Education organizations met unimaginable challenges due to the COVID-19 pandemic—affecting the way Education nonprofits could interface with students, meet families, and provide resources. Meanwhile, the effects of the pandemic caused lost learning time, increased social emotional concerns, and more. Education nonprofits overall have had some opportunities to counteract COVID-19’s impact through the support of the American Rescue Plan Act (ARPA) and other government relief funds.

OVERALL FINANCES BY ORGANIZATION TYPE

TYPE OF ORGANIZATION	TOTAL REVENUE	TOTAL EXPENSES	TOTAL ASSETS
Education Broadly	\$148.4M	\$40.4M	\$220.3M
Elementary & Secondary Education	\$166.7M	\$139.1M	\$43.7M
Education Services	\$1.3M	\$1.1B	\$9M
Early Childhood Education	\$7.8M	\$7.5M	\$5.7M
Adult Education	\$2.3M	\$1.6M	\$2.6M
ALL EDUCATION ORGANIZATIONS	\$2.1B	\$1.7B	\$540.4M

REVENUES

While this study focuses specifically on nonprofits, the education landscape as a whole is a mix of nonprofits, government, and private entities (e.g. child care centers, public schools, and private programs). Education nonprofits play a significant role in the local economy, generating at least \$2.1B in annual revenue—7% of the total revenue from nonprofits locally. While a significant portion of reported nonprofit Education income comes from program service revenue, 18% of all funding comes from foundation grants, and 19% comes from government grants, both of which are higher than most of the sector. Elementary and secondary education, education service, and early childhood education nonprofits receive the most government grant funding—with ¼ or more of all their funding coming from government grants.

\$2.1B TOTAL REVENUE

\$135,000 MEDIAN REVENUE



GOVERNMENT GRANTS BY SUBGROUP

TYPE OF ORGANIZATION	GOVERNMENT GRANTS	GOVERNMENT GRANTS AS % OF TOTAL REVENUE
Elementary & Secondary Education	\$57M	34%
Education Services	\$310M	25%
Early Childhood Education	\$2M	24%
Vocational Education	\$70,000	13%
Adult Education	\$248,000	11%
Education Broadly	\$7M	5%
Higher Education	\$18M	4%

EDUCATION

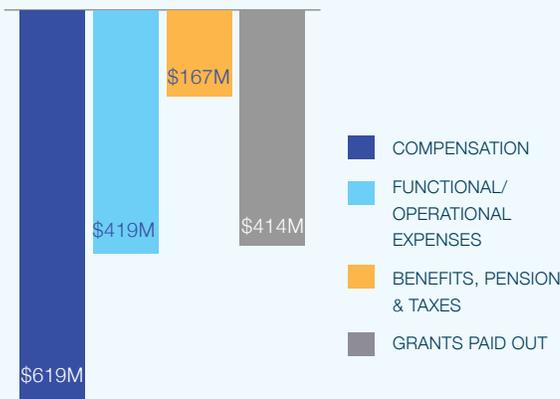
EXPENSES

Education nonprofits on average have expenses comparable to other nonprofits in Cuyahoga County with a median expense per reporting organization of \$158,000, compared to \$154,000 for the entire nonprofit sector. Education nonprofits report more grants paid to other organizations (\$414M) than other industries, nearly half of all grants paid by nonprofits across the sector. This is mostly due to nonprofit schools (including higher education agencies) providing grants for individuals.

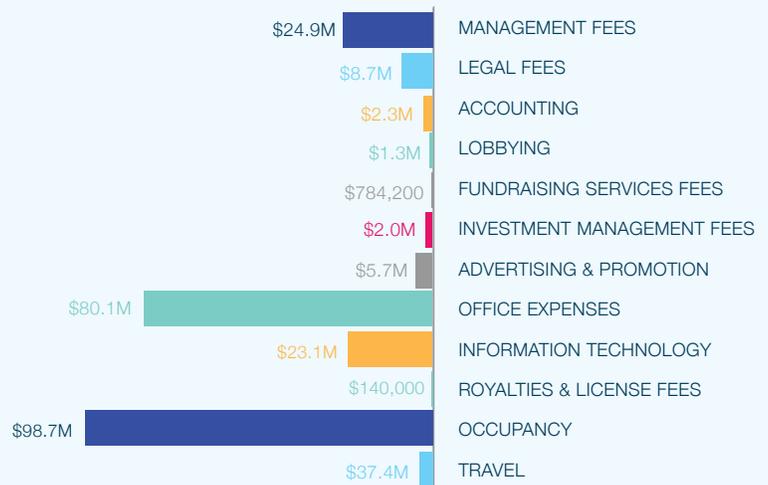
\$1.7B TOTAL EXPENSES

\$158,100 MEDIAN EXPENSES

TOP EXPENSE CATEGORIES



FUNCTIONAL/OPERATIONAL EXPENSE BREAKDOWN



ASSETS

Education nonprofits hold \$540.4M in combined total net assets with elementary and secondary education organizations holding a majority of those assets (\$43.7M combined). A bulk of Education nonprofits' assets are investments, or land, building, and equipment, with a majority being unrestricted—which allows the organizations to use the funding wherever it is needed.

BREAKDOWN OF ASSETS



\$540.4M

TOTAL NET ASSETS

\$9.6M

TEMPORARILY RESTRICTED ASSETS

\$6M

PERMANENTLY RESTRICTED ASSETS

\$134.3M

UNRESTRICTED ASSETS

TOP 5 CAPACITY BUILDING NEEDS FOR EDUCATION NONPROFITS

2022	2023 AND BEYOND
 Fundraising and Grant Writing	 Facilities and Operations Costs
 Strategic Planning or Long Term Planning	 Fundraising and Grant Writing
 Staff Salaries	 Program Development
 Facilities and Operations Costs	 Leadership and Management Development
 Board Development	 Strategic Planning or Long Term Planning

KEY FINDINGS:

- There is Room for Increased Policy and Advocacy Engagement:** 28% of all local Education nonprofits report currently engaging with policy and advocacy or wanting to in the future—compared to 47% of all Cuyahoga County nonprofits. This is important, because education is largely driven by State and Federal policy and across the industry there are significant disparities for populations such as immigrants and refugees, English language learners, people of low social-economic status, Black- and Brown-youth, and more. Moving forward from the educational shifts caused by the pandemic, many public educational entities are advocating for changes in policy including those that address absenteeism, disengaged populations, digital equity, social-emotional learning, remediation, and access to higher educational opportunities. There is room for the Education nonprofits to engage in these efforts as well.
- Strong Support from Foundation and Government Grants:** Education organizations in Cuyahoga County receive the greatest total amount of financial support from foundations (\$376.6M) and government grants (\$393.8M). Nearly 18% of all their revenue is from foundations (over 3X that of all nonprofits locally) and 19% is from government grants (almost 5X that of others). Larger Education nonprofits with revenues over \$2M receive almost 51% of all their funding from government grants, while large nonprofits in other industries receive 41%. Nonprofits with significant government funding tend to be the most stable.
- Leadership Not Racially Representative of Population Served:** The population supported by Education nonprofits is nearly 50% Black individuals, however, the leadership and staff do not represent the population served by Education nonprofits. With 47% of the population served by Education nonprofits being Black, and another 20% being people of color, over 63% of organizations are White-led. There is significant opportunity to increase Black- and Brown-leadership across Education nonprofits in the region.
- Financially Stable Through Pandemic:** Prior to the pandemic, Education nonprofits reported a strong financial state. In 2022, 46% of Education nonprofits have more than 6-months operating dollars in the bank; this is 7% percentage points greater than all nonprofits in the county. About 50% of all Education nonprofits in 2020 and 38% in 2021 reported revenue loss as a result of the COVID-19 pandemic, slightly lower than other nonprofit types in Cuyahoga County. This may be due to additional pandemic recovery funding available to this industry.
- Early Childhood Nonprofits Pay Significantly Less:** Median staff wages for Early Childhood workers in Cuyahoga County is almost 30% lower than the salaries of nonprofit workers across Cuyahoga County. For Early Childhood workers, this amounts to a full-time wage of \$7.55/hour, nearly 20% less than Ohio's current minimum wage of \$9.30. This suggests that many Early Childhood workers are working part-time, move jobs frequently, and are likely to carry a second job to make ends meet. With a 94% female workforce, represented by 15% Black women and 21% Hispanic women, these low wages disproportionately affect women.

This snapshot was developed as part of the Cuyahoga County Nonprofit Landscape Assessment, funded by the Funders Collaborative on Covid Recovery and available to the public. Visit sangfroidstrategy.com/cuyahoga for much more detail on Education nonprofits and the sector as a whole!

A DEEPER DIVE

THE EARLY CHILDHOOD EDUCATION INDUSTRY THROUGH THE PANDEMIC

29 Early Childhood Education Nonprofits

4% of the Education Nonprofit Industry

40 years old Average age of Early Childhood Education Nonprofits

The COVID-19 pandemic has created significant strain on the early learning landscape as a whole, causing increases to expenses and staff turnover and loss of income, resulting in workforce shortages that have created a crisis for early childhood providers. The early childhood landscape consists of a network of nonprofit, public, and private entities (e.g. child care centers, Head Start programs, public preschools, private programs, etc.), with only a very small portion of the industry being nonprofits. This section provides a deeper look into the small nonprofit subsection of the early childhood industry—which highlights some of the issues seen in the larger early childhood landscape.

WORKFORCE AND COMPENSATION

211 WORKERS

45 BOARD MEMBERS

45 VOLUNTEERS

MEDIAN STAFF SALARY: \$15,700

27% LOWER THAN SALARIES OF WORKERS ACROSS THE CUYAHOGA COUNTY NONPROFIT SECTOR

Median staff wages for Early Childhood workers in Cuyahoga County is almost 30% lower than the salaries of nonprofit workers across Cuyahoga County. For Early Childhood workers, this amounts to a full-time wage of \$7.55/hour, nearly 20% less than Ohio's current minimum wage of \$9.30. This suggests that many Early Childhood workers are working part-time, move jobs frequently, and are likely to carry a second job to make ends meet. With a 94% female workforce, represented by 15% Black women and 21% Hispanic women, these low wages disproportionately affect women.

REVENUES, EXPENSES, AND ASSETS

Early Childhood nonprofits tend to be smaller compared to the industry as a whole. Financial data is available for some, however the median expenses are higher than the median revenues due to an imbalance in the number of nonprofits reporting both revenue and expense data, and some organizations reporting a deficit during the reporting period.

24% of Early Childhood nonprofits' revenue comes from government grants, bringing an additional \$2M in government funding outside of publicly funded child care reimbursements. Together, these nonprofits hold just \$5.7M in combined net assets.

\$7.8M TOTAL REVENUE

\$113,700 MEDIAN REVENUE

\$7.5M TOTAL EXPENSES

\$182,000 MEDIAN EXPENSES

TOP EXPENSE CATEGORIES

