NATIONAL COUNCIL for Mental Wellbeing

HEALTHY MINDS ▪ STRONG COMMUNITIES

ANNUAL MEMBER INSIGHTS REPORT:

Analysis of Form 990 Data, 2018-2020 and Other Sources

An annual report that provides our members with benchmarking resources and allows others to better understand the intricacies of community mental health and substance use treatment services.

FORWARD CONSULTANTS

Published December 2022

Table of Contents

Background

INCLUSION CRITERIA FOR ANALYSIS.

The National Council for Mental Wellbeing collaborated with Candid, a 501(c)(3) nonprofit organization that provides analytical tools to support the social sector, to obtain Internal Revenue Service (IRS) Form 990 data for member organizations. Of our 3,166 member organizations, more than 1,000 were included in this analysis.

Member organizations were included if they met the following criteria:

- **Federally Tax-exempt Organizations**. Member organizations that submit an IRS Form 990 are eligible for inclusion.
- **EIN or TIN Match**. The National Council was able to manually match the Employer Identification Number (EIN) or Taxpayer Identification Number (TIN) with the IRS Form 990 data. For 2018, this corresponded to 1,683 members; for 2019, this represented 1,663 members; and for 2020, this was 1,485 members.
- **Providers**. Only mental health and substance use treatment organizations were included in the financial analysis. State association members were omitted from the financial analysis but are included in the association executive-related analyses (within the Summary of Association Executives Survey section of this report).
- **Members Across All Three Years**. For much of the analysis, members who had an IRS Form 990 reported across all three years (i.e., 2018, 2019 and 2020) were included. This brought the total number of members comprehensively assessed to 1,021 members.

It is also important to note that not all member organizations yielded a complete data set for analysis. Accordingly, the results generated were based on those data fields in which a highly representative share of member organizations reported data, which helps substantiate the findings presented.

UNDERSTANDING 990 DATA.

The IRS Form 990 provides the public with financial information about a nonprofit organization. This report makes extensive use of the IRS Form 990 data. It serves as a robust data source but should also be balanced with other sources when understanding the financial aspects of a member organization. To form a better overall picture, it is good practice to review multiple years of data.

Although the Form 990 provides considerable information, it features several noteworthy limitations:

- **Incomplete Coverage of Small Nonprofits**. Only nonprofits with revenues over $200,000, or assets over $500,000, are required to file a 990. Nonprofits below this threshold file an abbreviated 990EZ form (if they file at all).
- **Imperfect Coverage**. There are different filing requirements for certain types of nonprofits.
- **Time Lag**. 990 data is generally made available on an 18-to-24-month lag. Therefore, available 990s may not reflect the most current condition.
- **Uneven Data Quality**. Nonprofits exercise their own judgment when filing a 990 without an independent audit. In addition, some information – for example, the availability of undrawn lines of credit – is not reflected on the 990.
- **Finance Focus**. The 990 is primarily a financial document. It says little about the nature, quality or effectiveness of a nonprofit's programs.
- **Quasi-Governmental Agencies**. Quasi-governmental agencies are not included in this report because they do not submit IRS Form 990s.
- **Fiscal Year Reporting**. Member organizations may not have a fiscal year accounting period that perfectly aligns with the calendar year accounting period (i.e., January 1 to December 31). Moreover, member organizations may have a short accounting period (i.e., a period of less than 12 months, which exists when an organization first commences operations, changes its accounting period or terminates). These issues may considerably influence the entries in the IRS Form 990.

Given these limitations, IRS Form 990 data alone should never be solely used to make important decisions about nonprofit operations. However, the analysis of 990 data can yield meaningful, high-level insights about the financial health of nonprofits that have completed such forms.[i] The Form 990 is provided in Appendix B.

EXECUTIVE SUMMARY
of Major Highlights

ABOUT THIS REPORT.

This document provides detailed descriptive and financial measures for a large representation of National Council member organizations providing mental health and substance use treatment services. In addition, specific insights given by National Council association executives are included as are comparisons to similar mental health and substance use treatment programs nationwide.

OBJECTIVES OF REPORT.

This report is intended to do the following:

- Offer a general profile of National Council member organizations across a three-year period (i.e., 2018, 2019 and 2020).
- Segment National Council member organizations into cohorts to enable peer-to-peer comparisons specific to financial health and other descriptive measures.
- Provide external audiences with insights into community mental health and substance use treatment delivery.

USAGE OF REPORT BY PERSON TYPE.

- **Executive/Leadership/Board of Directors**
  - Access peer-to-peer comparison to understand cohort and sector shifts in workforce makeup, benefit provision and financial landscape.
  - Use this data to help describe the experience of treatment organizations in the field for multiple audiences.
- **Finance Professionals**
  - Access peer-to-peer comparison to understand cohort and sector shifts in revenue and income, income diversification and distribution of costs.
  - Benchmark an organization's growth and financial decision-making across multiple years, including the first year of the COVID-19 pandemic.
- **External Partners**
  - Gain financial insights based on geography, rural status and facility type. Gain perspective into distribution of contracted services.

OVERVIEW OF PART I: WHO OUR MEMBERS ARE.

National Council member organizations, including both treatment organizations and state associations, are located throughout the country with a substantial proportion of organizations situated in the Northeast.

OVERVIEW OF PART II: SEGMENTATION AND NOTEWORTHY FINDINGS.

The following are some of the key findings upon segmenting provider member organizations by criteria such as total revenue and geographic region:

- **Employees**. The median number of employees was directly related to the median total revenue reported (i.e., member organizations with larger total revenue tended to have a larger number of employees). Moreover, the median number of employees tended to remain relatively stable across all three years assessed and across all three revenue cohorts, within geographic regions, and among CCBHCs. Note that member organizations in the Northeast featured the highest median number of employees while the South had the lowest median number of employees.
- **Net Income**. Overall, member organizations generally reported a positive net income in 2018, 2019 and 2020. In this three-year period, the greatest relative increases in median net income tended to occur among member organizations with smaller total revenues.
- **Total Revenue**. Member organizations in the Northeast consistently reported higher median total revenues than the other regions, followed by the West and the Mid-Atlantic.
- **Liquidity**. Financial measures, namely the current ratio and number of months of cash on hand, tended to be markedly higher in 2020 compared to 2018 and 2019. This was true across revenue cohorts, within geographic regions and for member organizations located in rural areas and may be due to financial assistance during the COVID-19 pandemic.

OVERVIEW OF PART III: ADDITIONAL DATA AND NOTEWORTHY FINDINGS.

Some of the noteworthy findings in this section include:

- **Sources of Revenue**. Program service revenue was the most common source of revenue for member organizations. Contributions – namely voluntary contributions, gifts, grants or other similar amounts from the general public, governmental units, foundations and other exempt organizations – also represented a sizable portion of revenue. Overall, fundraising served as a relatively small source of revenue for member organizations. In 2020, these revenue sources may have been affected by financial assistance provided due to the COVID-19 pandemic.
- **Cash and Savings**. Both the reported cash and reported savings of member organizations on average increased from 2018 to 2020.
- **Assets and Liabilities**. Across the three-year period, member organizations collectively increased their reported total assets and total liabilities.

PART I.
Overview of National Council Membership

Founded in 1969, the National Council for Mental Wellbeing is a membership organization that drives policy and social change on behalf of nearly 3,200 organizations and the more than 10 million children, adults and families they serve. The National Council membership includes both treatment and state association members that advocate for and/or operate a comprehensive array of services and networks. National Council members are at the forefront of mental health and substance use treatment delivery and consistently strive to boost their leadership, build their workforce, improve their service delivery and increase their community impact.

Figure 1 illustrates the distribution of the 3,100+ National Council member organizations across the United States as of summer 2022. In this map, the states with a higher number of member organizations are emphasized with a darker shade of blue. The largest proportion of member organizations are concentrated in the Northeast. Connecticut has the largest number of member organizations (n = 491, 15.5%), followed by Pennsylvania (n = 319, 10.1%), California (n = 226, 7.1%), New York (n = 204, 6.4%) and Ohio (n = 168, 5.3%).

Figure 1. Location of All National Council Member Organizations.

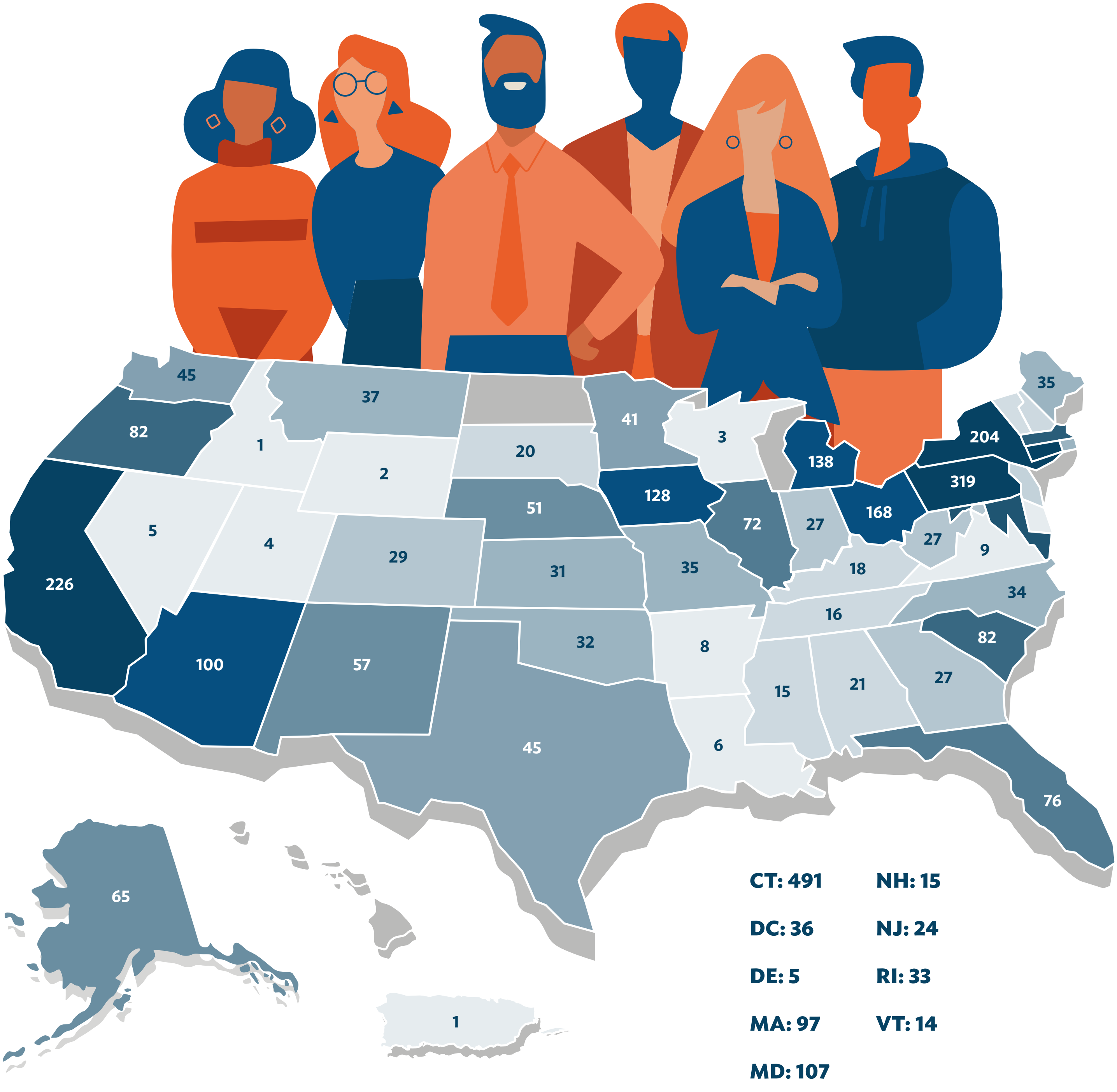
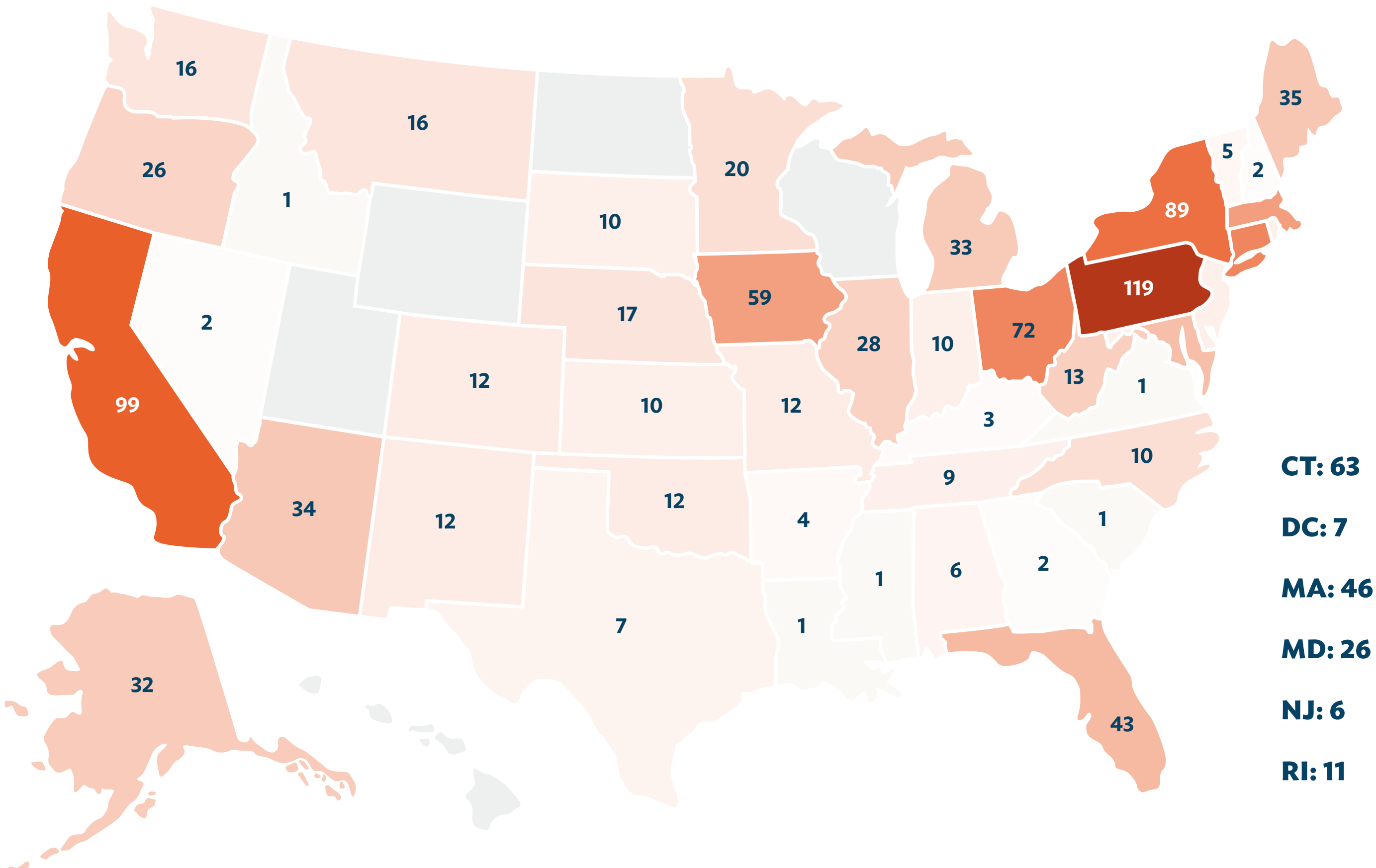


Figure 2 outlines the number of treatment member organizations within each state detailed in this report. The location of member organizations included in this report emulates the geographic distribution of National Council members. Among member organizations assessed in this report, Pennsylvania represents the largest number of member organizations (n = 119, 11.7%), followed by California (n = 99, 9.7%), New York (n = 89, 8.7%), Ohio (n = 72, 7.1%) and Connecticut (n = 63, 6.1%).

Figure 2. Location of Reporting National Council Mental Health and Substance Use Treatment Organizations.



3,166 *total members*

1,021 *reporting organizations in* **Part II** *and* **Part III** *of this report*

SUMMARY OF ASSOCIATION EXECUTIVES SURVEY.

The National Council conducts periodic surveys of its state and regional association members. This section of the report details selected findings from an annual survey completed by association executives in 2018, 2019 and 2020. These survey findings provide additional information about National Council members beyond what is supplied by the Form 990.

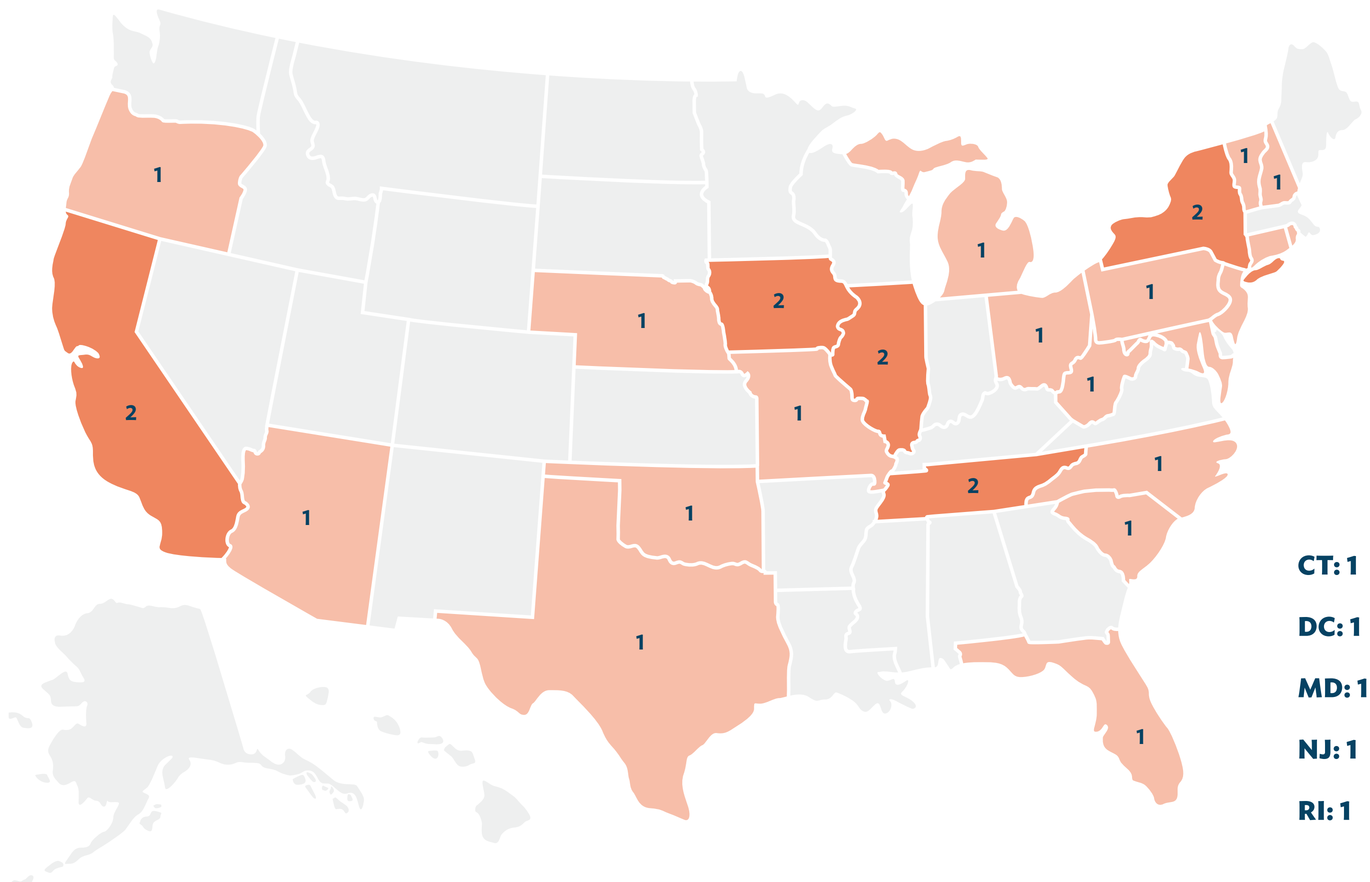
63 *state and regional associations;*

30 *respondents in all* **3 years**

The National Council has 63 associations within its membership. Overall, 46 association executives responded to the annual survey in 2018; the corresponding number of association executives responding to the annual surveys in 2019 and 2020 were 41 and 46, respectively. Of these respondents, 30 association executives responded in all three years and, consequently, the results provided by these association executives were examined further.

Geographic Representation. The 30 association executives who completed the survey all three years were geographically dispersed throughout the nation (Figure 3).

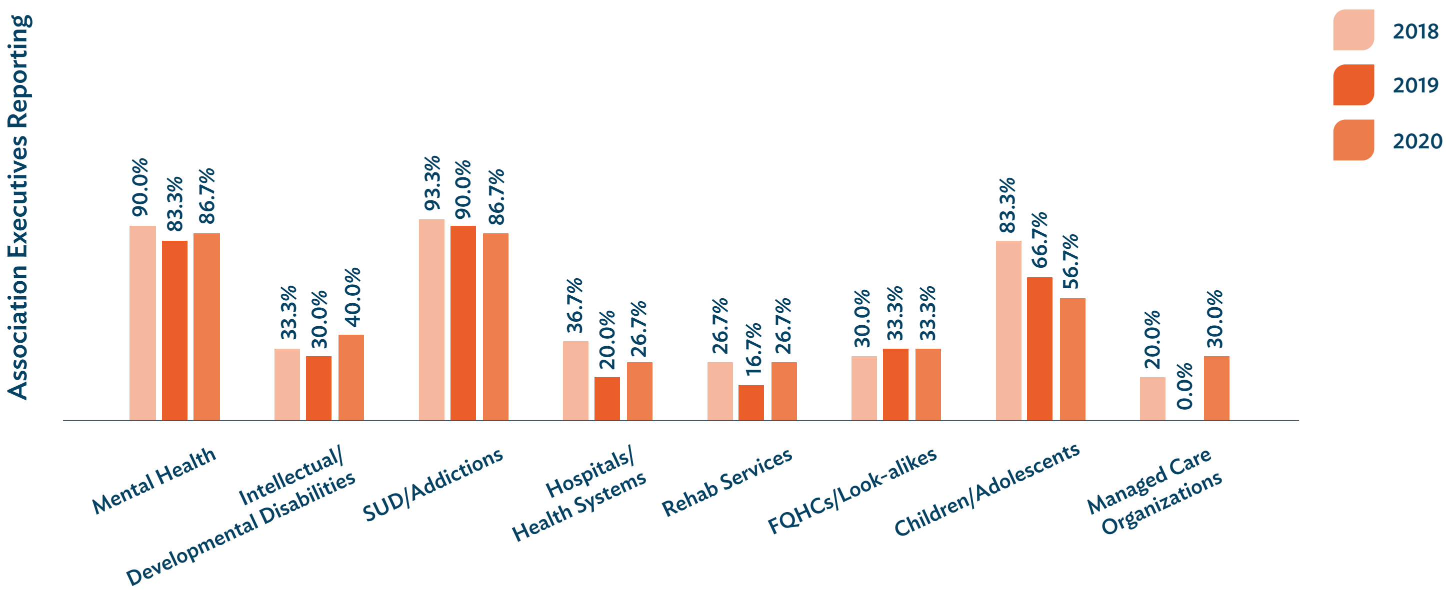
Figure 3. Location of Association Executives Completing Survey In All Years, 2018-2020.



Association Member Makeup.

Figure 4 shows that the majority of association executives indicated that their association represented mental health, substance use disorder (SUD)/addictions and to a lower extent, children/adolescents. This was consistently reported across all three years although the percentages documented for children/adolescents decreased each successive year. Managed care organizations were the least represented provider groups among the association executives surveyed.

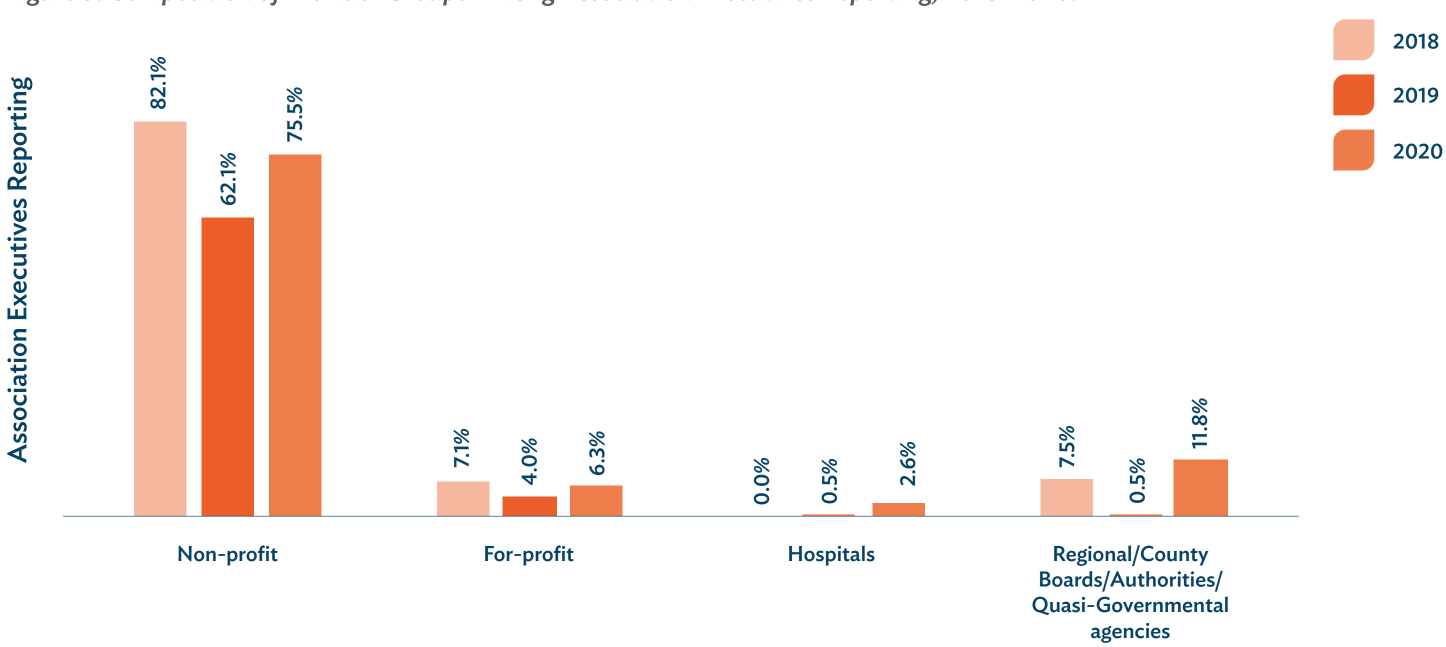
Figure 4. Provider Groups Represented by Association Executives Reporting, 2018-2020.



Composition of Associations Members and Groups they Represent.

In 2018, the median number of provider groups among the surveyed association executives was 46; in 2019, this figure was 54; and in 2020, this figure was 55. Figure 5 shows the composition of the provider groups among the association executives.[1] In all three years, the association executives stated that most of their provider members were nonprofits.

Figure 5. Composition of Provider Groups Among Association Executives Reporting, 2018-2020.

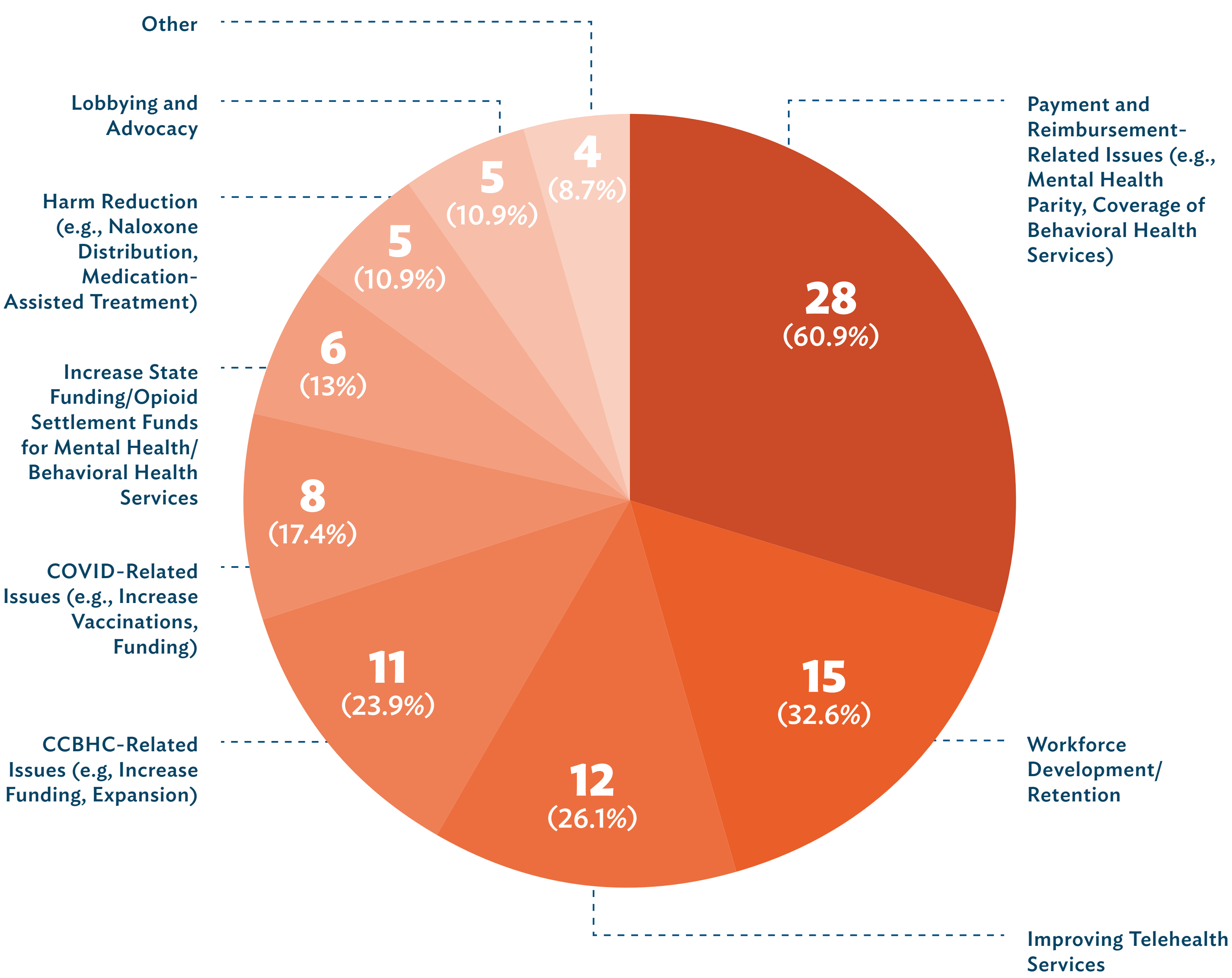


[1] In this analysis, the average percentage reported within each of the categories (i.e., nonprofit, for-profit) each year was taken.

Policy Priorities.

In 2020, the association executives were asked to list their top three policy objectives for the coming year. Figure 6 presents the most reported policy objectives of the 46 responding association executives thematically. As this figure illustrates, the association executives detailed a diverse set of policy objectives with payment and reimbursement-related issues serving as the most common policy objective (n = 28, 60.9% of association executives providing this response). This was followed by workforce development/ retention (n = 15, 32.6%) and improving telehealth services (n = 12, 26.1%).

Figure 6. Top Policy Objectives Identified by Association Executives, 2020.



PART II.

Snapshot of Key Sustainability Measures

This section of the report provides a summary of selected descriptive and financial health measures of member organizations both overall and segmented by revenue cohorts, geographic region and rural status. In addition to reporting on the number of employees, total revenue and net income, specific financial health measures were chosen and include current ratio, months of cash on hand, program efficiency and personnel expense ratio.

Please note that 2020 findings are likely impacted by the COVID-19 pandemic and related financial assistance that cannot be parsed from data analyzed in this report.

- **Current Ratio**. This is calculated as the current assets divided by the current liabilities. The current ratio indicates an organization's ability to meet short-term financial obligations by comparing current assets (defined as cash and other assets that are expected to be converted to cash within one year), to current liabilities (defined as the organization's debt or obligations due within one year). Ideally, an organization would have a current ratio of at least 1.0, which would indicate that the organization's current assets equals its current liabilities.[ii]
- **Months of Cash on Hand**. This is calculated as the sum of cash and savings at the end of the year divided by the average monthly expense. This measure assesses how many months an organization could continue to operate if they did not receive any more revenue. Ideally, an organization would have at least six months of cash on hand.[iii]
- **Program Efficiency**. This is calculated by dividing program service expenses by total expenses. This calculation allows an organization to ascertain how efficient it is in fulfilling its mission.[iii]
- **Personnel Expense Ratio**. This is calculated by taking the total salaries, wages and benefits and dividing this sum by the total revenues. The personnel expense ratio measures the personnel costs of producing revenue. The benchmark for this nonprofit ratio may look different for each organization, depending on how service-based the organization is. For example, an organization that provides counseling services may have a higher ratio than an organization that provides education and advocacy.[ii]

MEMBER ORGANIZATIONS BY REVENUE COHORTS.

To facilitate relevant financial comparisons among member mental health and substance use treatment organizations, four cohorts were developed based on total revenue. The characteristics of each cohort is outlined in Table 1. Overall, the distribution of member organizations is fairly even across the cohorts and across all three years investigated.

Table 1. Segmentation of Member Organizations by Revenue Cohort, 2018-2020.

Cohort	Total Revenue	Number and Percentage of Member Organizations Meeting Criteria		
		2018	*2019*	*2020*
Cohort A	Less than **$2.5 Million**	183 (17.9%)	169 (16.6%)	168 (16.5%)
Cohort B	Between **$2.5 Million** and **$9.9 Million**	343 (33.6%)	344 (33.7%)	327 (32.0%)
Cohort C	Between **$10.0 Million** and **$24.9 Million**	268 (26.2%)	258 (25.3%)	266 (26.1%)
Cohort D	**$25.0 Million** and Above	227 (22.2%)	250 (24.5%)	260 (25.5%)

This report makes extensive use of this revenue segmentation. Additional descriptive and financial comparisons are given in Part III of this report.

Figures 7A, 7B, 7C and 7D illustrate the location of member organizations in Cohorts A, B, C and D, respectively. As evidenced by these maps, Pennsylvania and Ohio had the largest number of Cohort A member organizations (Figure 7A) while California and New York had the largest number of Cohort C and D member organizations (Figures 7C and 7D).

Figure 7A. Location of Reporting Members (Cohort A).

CT: 12 DC: 1 MA: 4 MD: 4 RI: 2

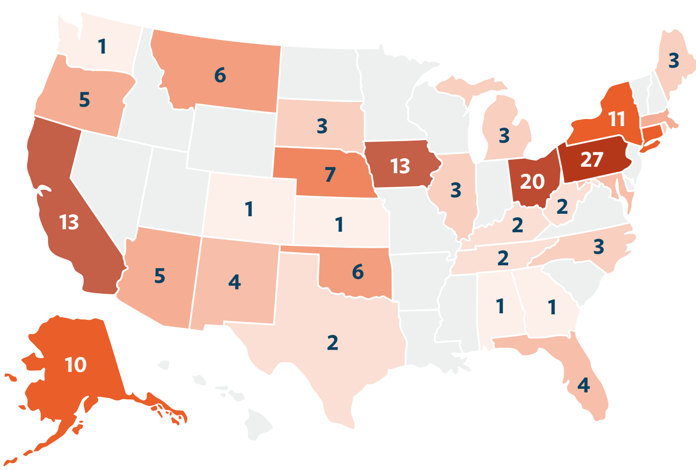


Figure 7B. Location of Reporting Members (Cohort B).

CT: 23 DC: 2 MA: 6 MD: 12 NJ: 1 RI: 4

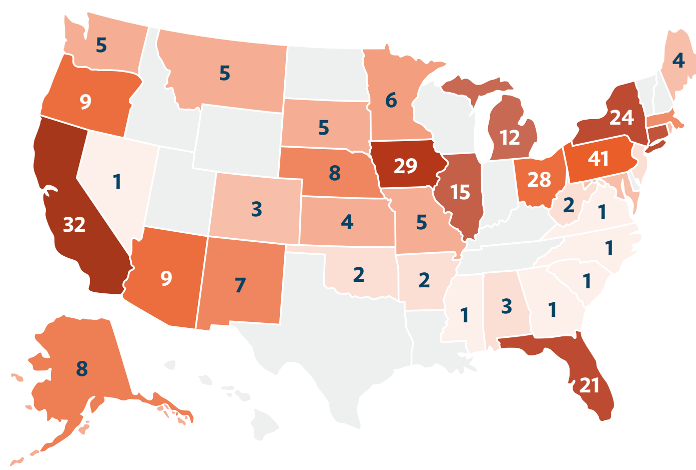


Figure 7C. Location of Reporting Members (Cohort C).

CT: 19 DC: 1 MA: 11 MD: 4 NJ: 2 RI: 1

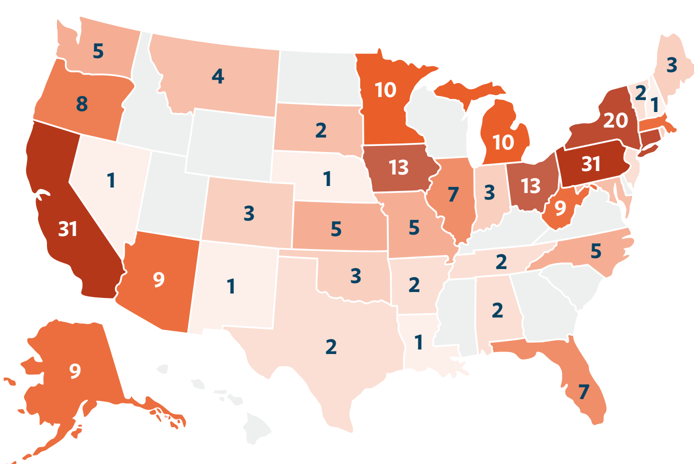
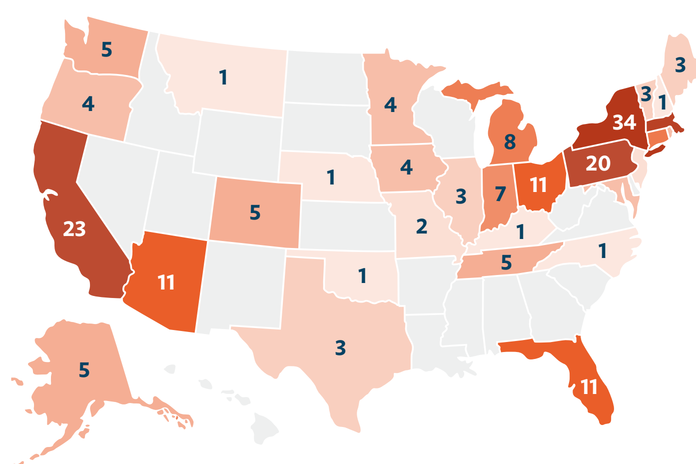


Figure 7D. Location of Reporting Members (Cohort D)

CT: 9 DC: 3 MA: 25 MD: 6 RI: 4



The following are key takeaways from segmentation of the member organizations by total revenues:

- **Employees**. As illustrated in Figure 8, the median number of employees among member organizations in the lowest revenue cohort (Cohort A) was approximately 30. The second lowest revenue cohort (Cohort B) had more than three times the median number of employees as Cohort A (roughly 110). Member organizations in Cohort C had a median number of employees of about 318, which was less than half of the median number of employees in the highest revenue cohort (Cohort D). The median number of employees was consistent within each cohort across all three years examined.
- **Total Revenue**. The median total revenue reported increased across all revenue cohorts with the exception of Cohort A, which featured a relatively small decrease in median total revenue between 2019 and 2020 (Figure 9). Across all three years, the median total revenue for Cohort A was roughly $1.2 million; for Cohort B, this figure was about $5.4 million; for Cohorts C and D, the figures were approximately $16.4 million and $44.8 million, respectively.
- **Net Income**. As illustrated in Figure 10, the median net income increased each year among member organizations in Cohorts A and C. However, in Cohorts B and D, the median net income decreased in 2019 compared to 2018 before increasing again in 2020.
- **Current Ratio**. The current ratio among member organizations in Cohort A was considerably higher than that of the other three revenue cohorts (Figure 11) and the current ratio across all revenue cohorts was highest in 2020. Note that all revenue cohorts reported a median current ratio above 1.0 in each year, which signifies that member organizations typically had more current assets compared to current liabilities on their respective balance sheets.
- **Cash on Hand**. Like the Current Ratio, the median number of months of cash on hand was highest among Cohort A compared to the other three revenue cohorts (Figure 12). In addition, across all revenue cohorts, the median number of months of cash on hand was highest in 2020 compared to 2018 and 2019. Generally speaking, the median number of months of cash on hand was between three and four for Cohort A, between two and three for Cohort B and between one and two for Cohorts C and D.
- **Program Efficiency**. The median program efficiency of member organizations tended to be marginally higher among the highest revenue cohorts compared to the lowest revenue cohort (Figure 13). It also remained generally consistent within each revenue cohort across all three years.
- **Personnel Expense Ratio**. The median personnel expense ratio was slightly higher among member organizations in Cohorts B and C compared to Cohort A and Cohort D (Figure 14). Like Program Efficiency, this measure remained generally consistent within each revenue cohort across all three years at between 60% and 70%.

Figure 8. Median Number of Employees Reported by Revenue Cohort, 2018-2020.

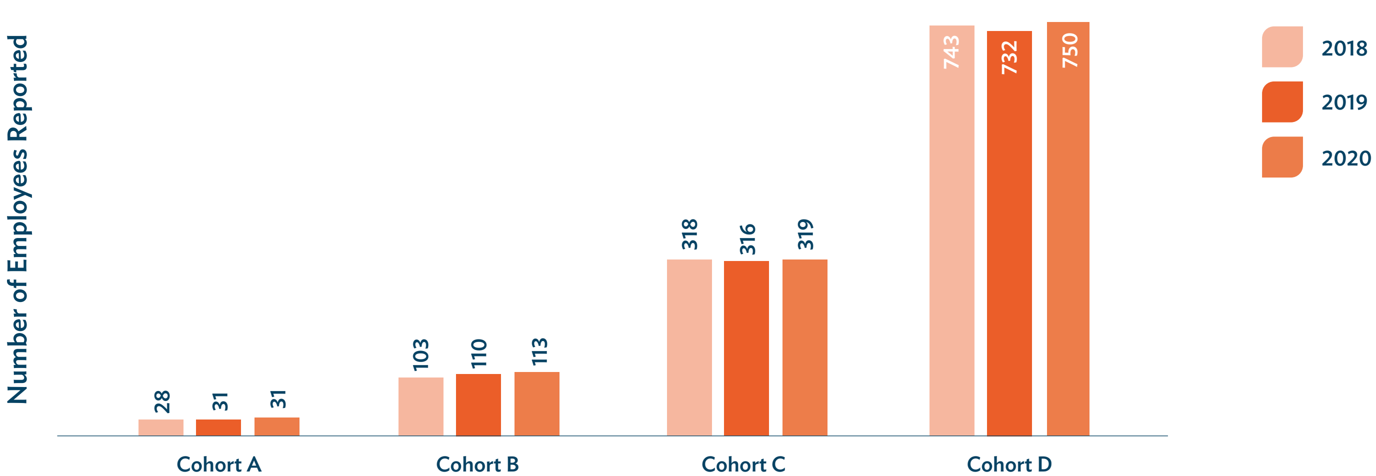


Figure 9. Median Total Revenue Reported by Revenue Cohort, 2018-2020.

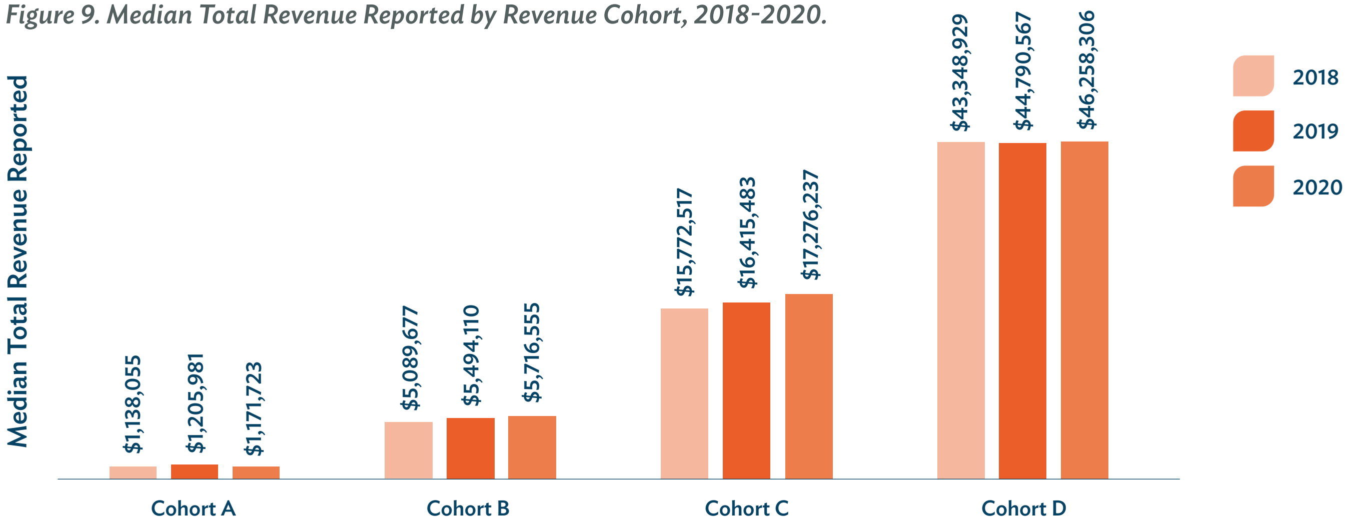


Figure 10. Median Net Income Reported by Revenue Cohort, 2018-2020.

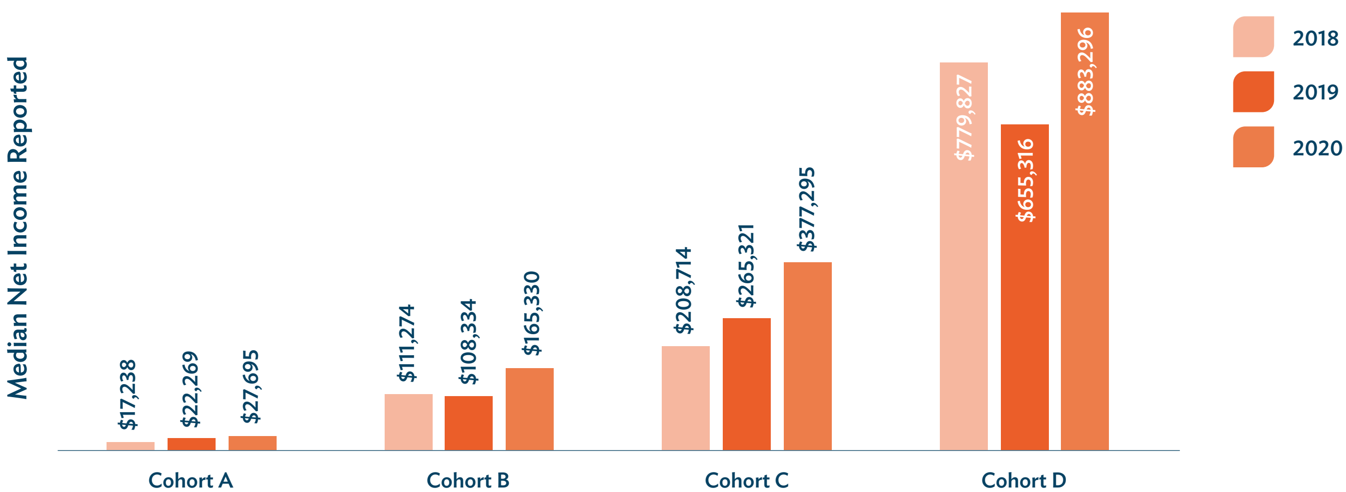


Figure 11. Median Current Ratio by Revenue Cohort, 2018-2020.

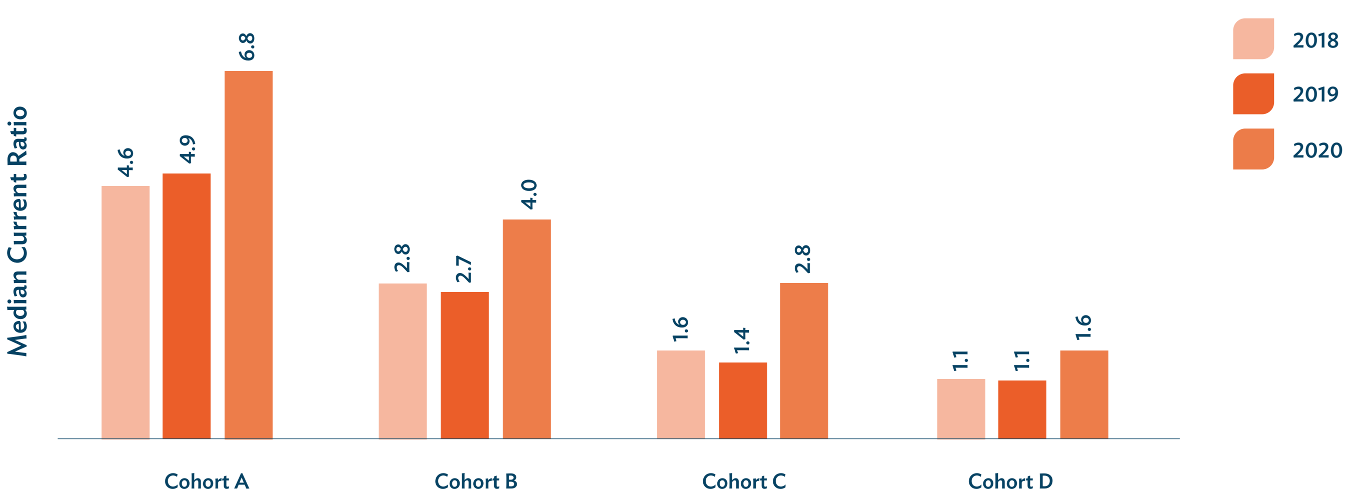


Figure 12. Median Number of Months of Cash on Hand by Revenue Cohort, 2018-2020.

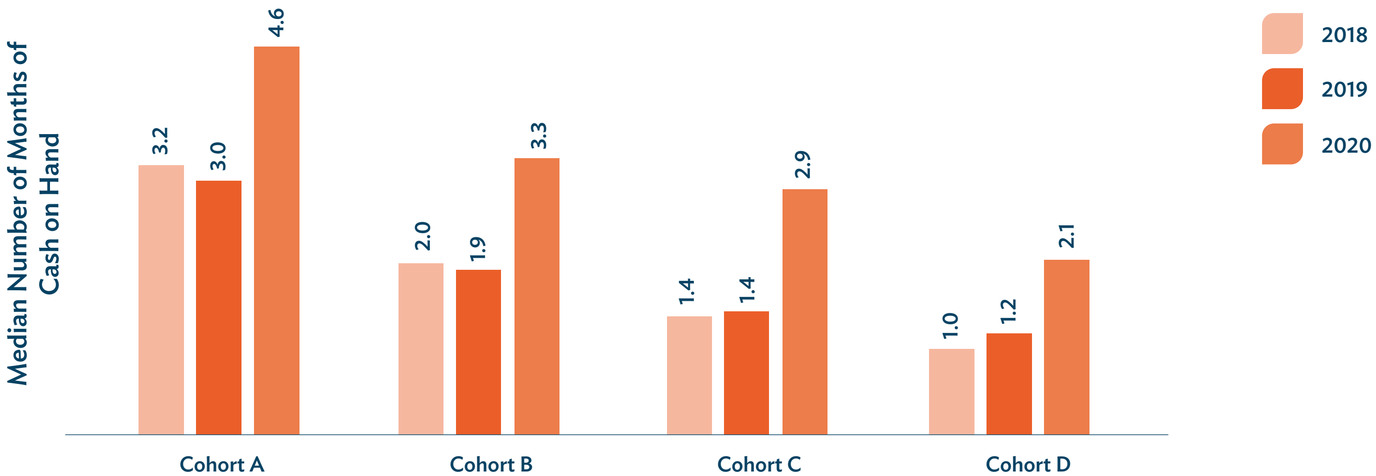


Figure 13. Median Program Efficiency by Revenue Cohort, 2018-2020.

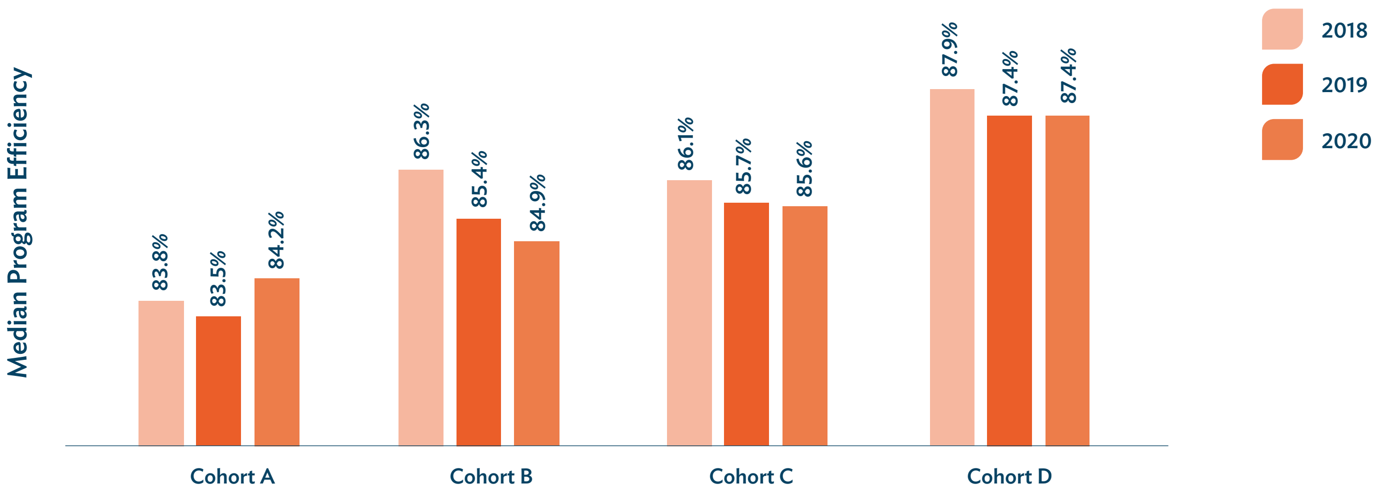
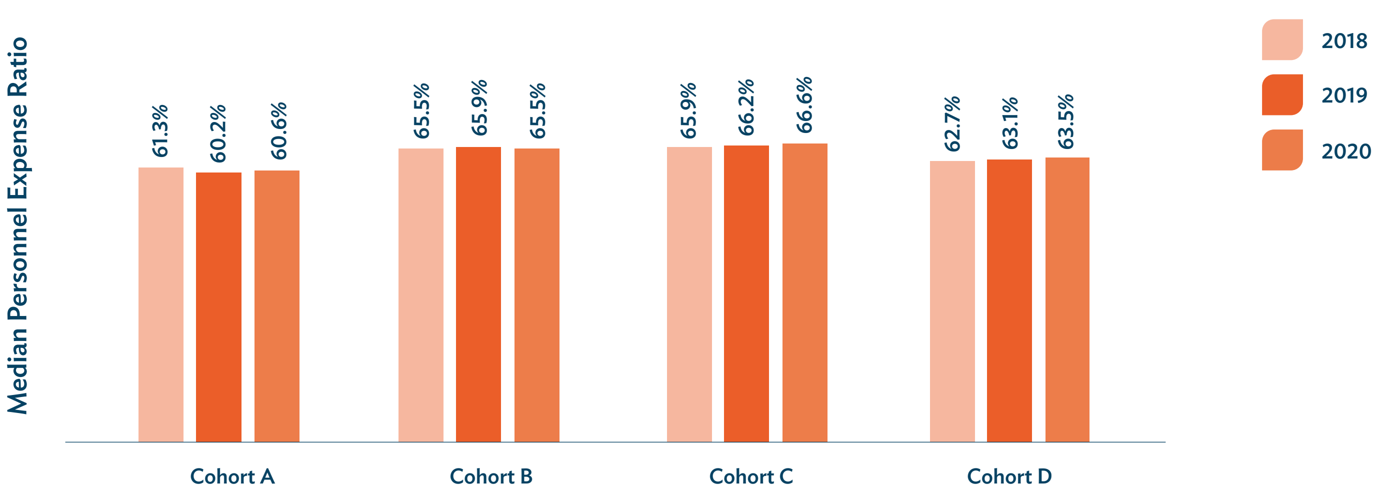


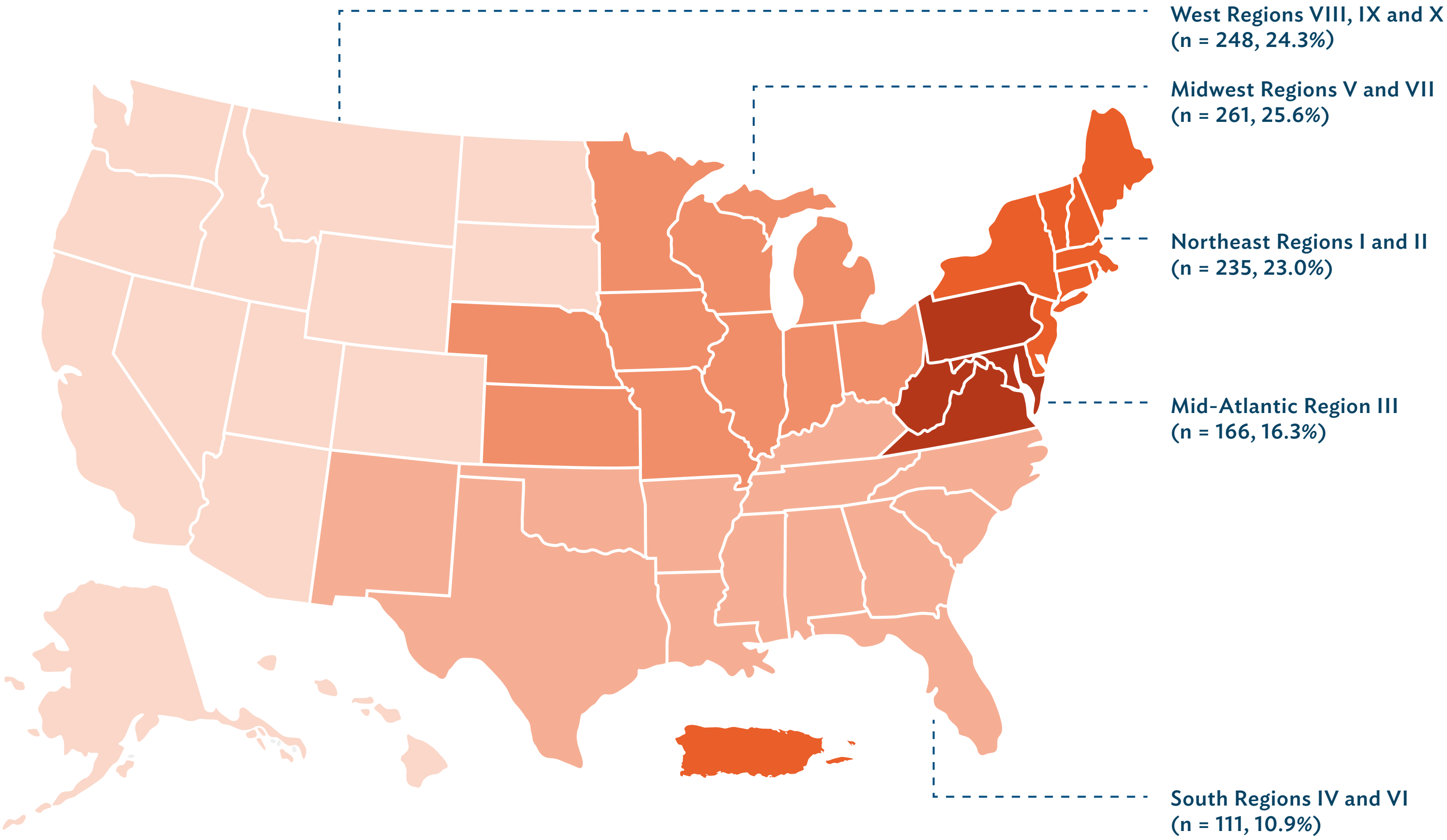
Figure 14. Median Personnel Expense Ratio by Revenue Cohort, 2018-2020.



MEMBER ORGANIZATIONS BY GEOGRAPHIC REGION.

Reporting member treatment organizations were aggregated into geographic regions aligned to common segmentation utilized by the United States Department of Health and Human Services (HRSA),[iv] which in turn, were aggregated into five regions: Northeast, Mid-Atlantic, South, Midwest and West. Figure 15 shows the number and percentage of reporting member organizations in each region as well as the HRSA regions that constitute the region.

Figure 15. Location of Reporting Members by Combined HRSA Region.



The following are key takeaways from segmentation of the member organizations by geographic region:

- **Employees**. The median number of employees reported by geographic region was consistent across all three years (Figure 16). Member organizations in the Northeast featured the highest median number of employees while the South had the lowest median number of employees. The median number of employees in the other regions were comparable to one another each year.
- **Total Revenue**. Member organizations in the Northeast consistently reported higher median total revenues than the other regions, followed by the West and the Mid-Atlantic. Across all five geographic regions, the median total revenue generally increased across each year (Figure 17).

- **Net Income**. The West was the only geographic region where the median net income for member organizations increased each year. Generally speaking, the median net income across all years and all regions was between $100,000 and $200,000 (Figure 18).
- **Current Ratio**. The median current ratio was considerably higher in 2020 than in 2018 and 2019 across all geographic regions (Figure 19). Generally speaking, the current ratio was higher in the South, Midwest and West compared to the Northeast and Mid-Atlantic.
- **Cash on Hand**. As illustrated in Figure 20, the median number of months of cash on hand was consistently higher in 2020 compared to the preceding two years. As with the current ratio, member organizations in the South, Midwest and West tended to have a higher number of months of cash on hand compared to member organizations in the Northeast and Mid-Atlantic.
- **Program Efficiency**. The median program efficiency of member organizations was fairly comparable across all geographic regions each year (Figure 21).
- **Personnel Expense Ratio**. The median personnel expense ratio was slightly lower among member organizations in the South compared to other geographic regions (Figure 22).

Figure 16. Median Number of Employees Reported by Geographic Region, 2018-2020.

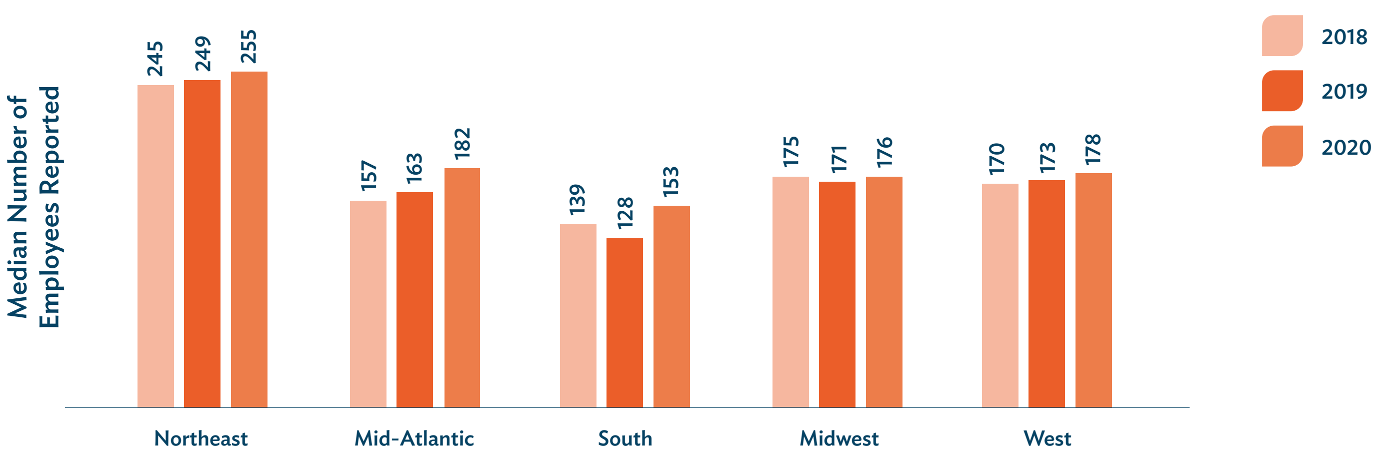


Figure 17. Median Total Revenue Reported by Geographic Region, 2018-2020.

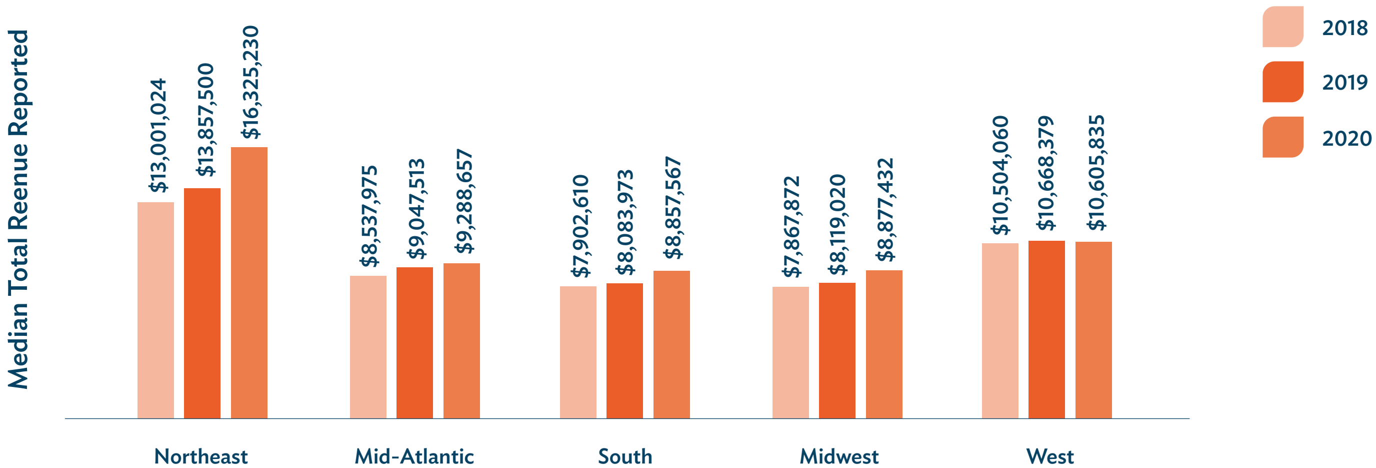


Figure 18. Median Net Income Reported by Geographic Region, 2018-2020.

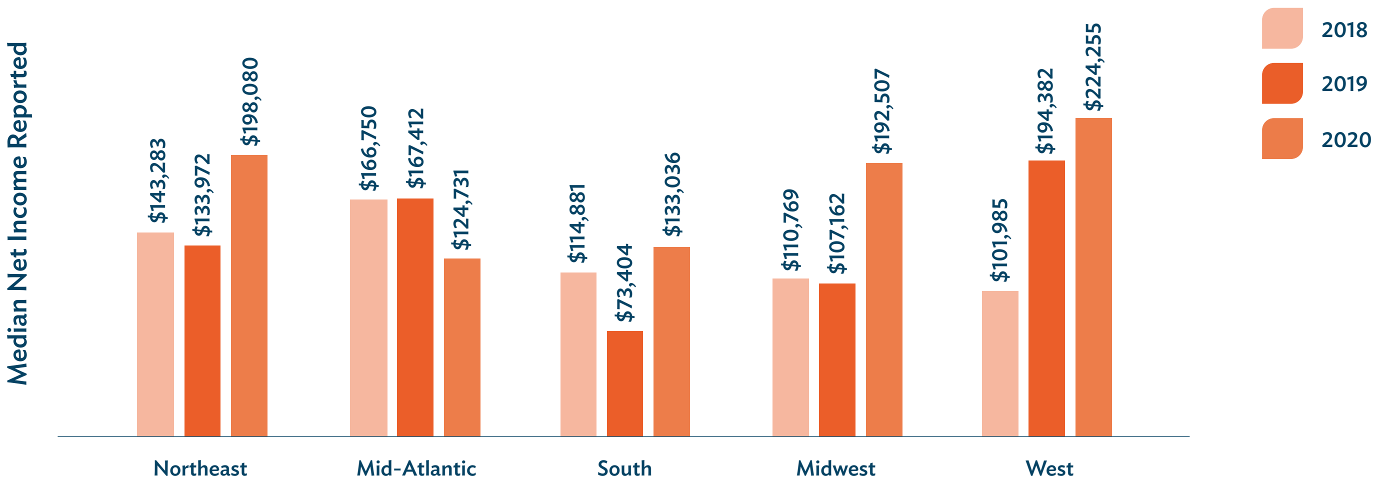


Figure 19. Median Current Ratio by Geographic Region, 2018-2020.

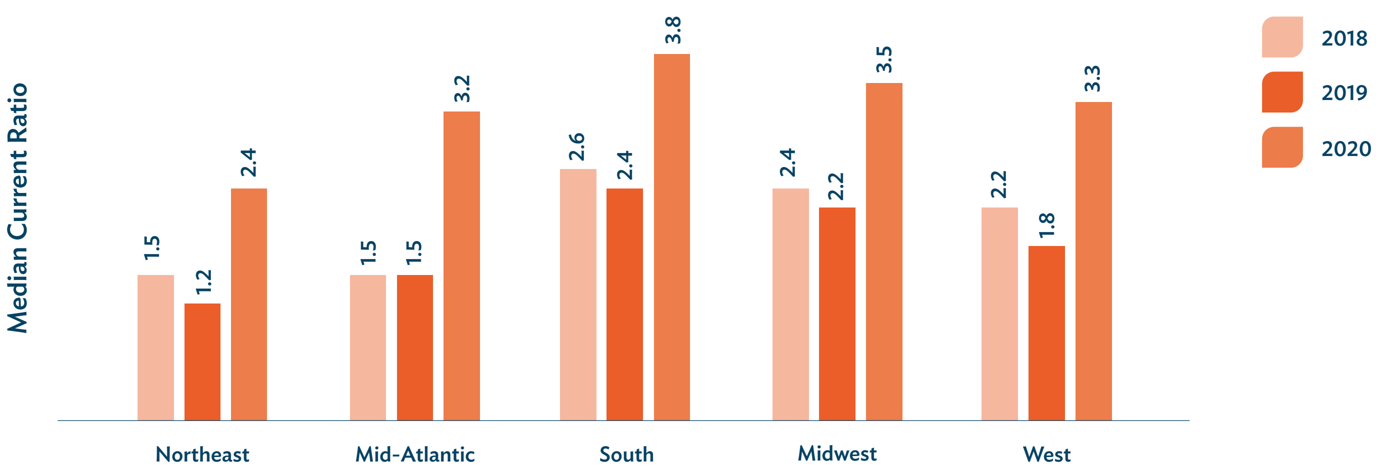


Figure 20. Median Number of Months of Cash on Hand by Geographic Region, 2018-2020.

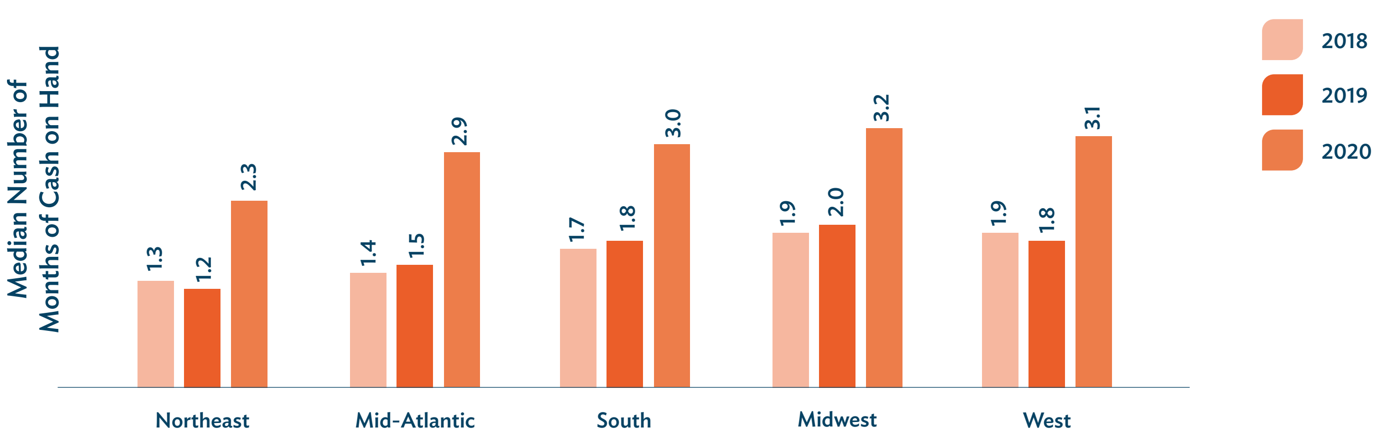


Figure 21. Median Program Efficiency by Geographic Region, 2018-2020.

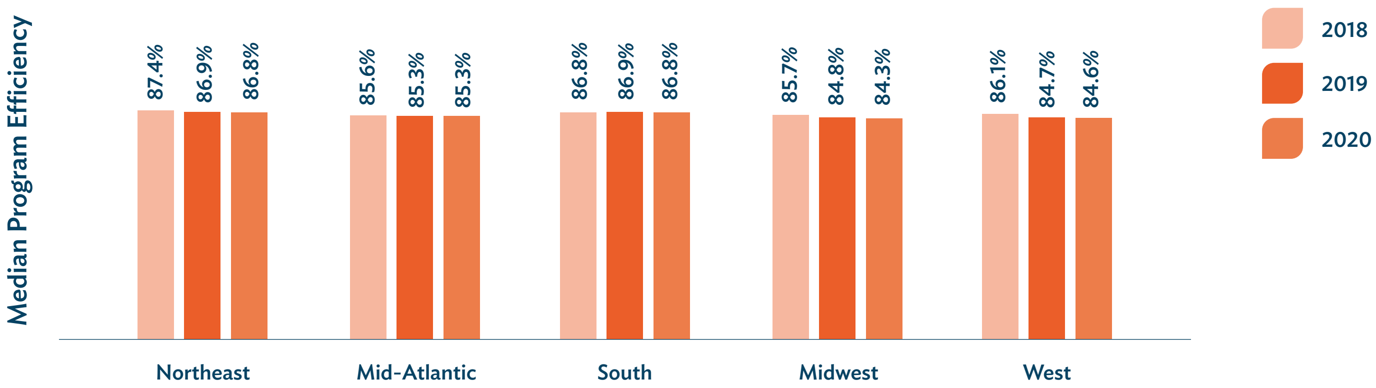
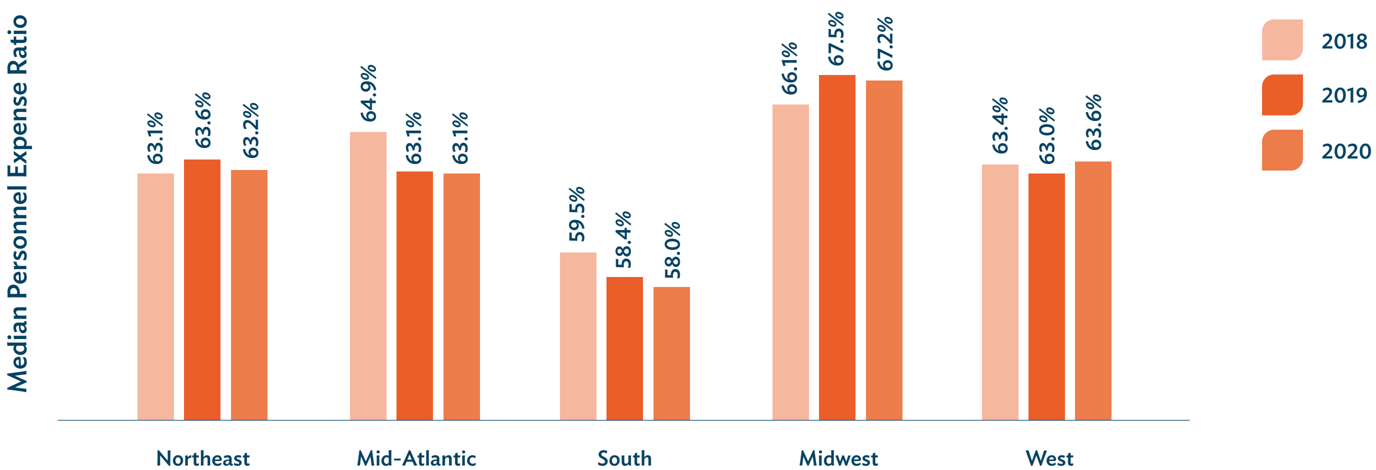


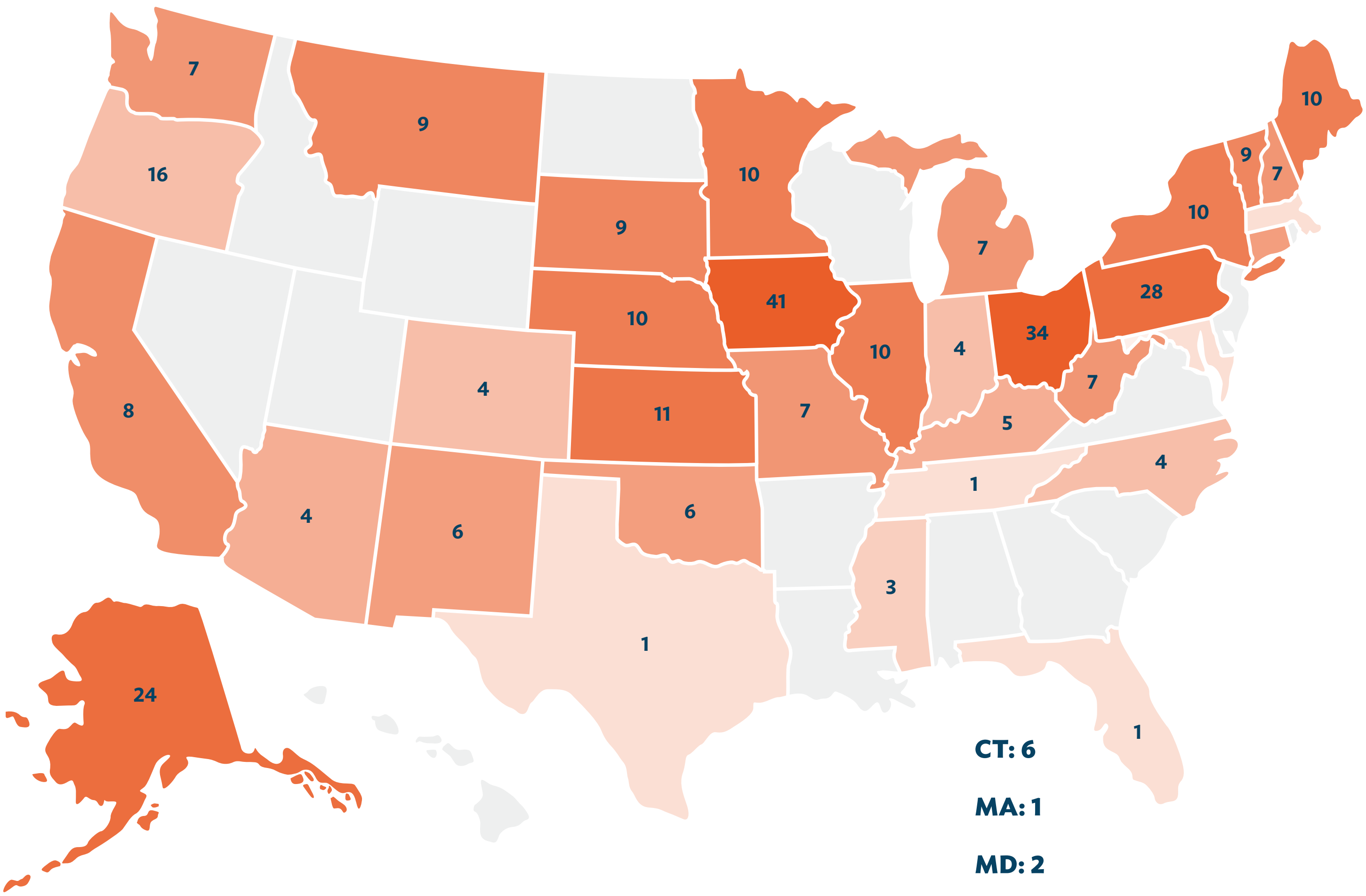
Figure 22. Median Personnel Expense Ratio by Geographic Region, 2018-2020.



MEMBER ORGANIZATIONS WITHIN RURAL AREAS.

Of the 557 member organizations designated as located in a rural area,[2] 332 (57.8%) were matched in this analysis. Figure 23 details the location of the matched members that are located within a rural area. As indicated by this map, the reported members located in rural areas was geographically diverse with the majority located in the Midwestern states, namely Iowa (n = 41, 18.2%) and Ohio (n = 34, 10.2%).

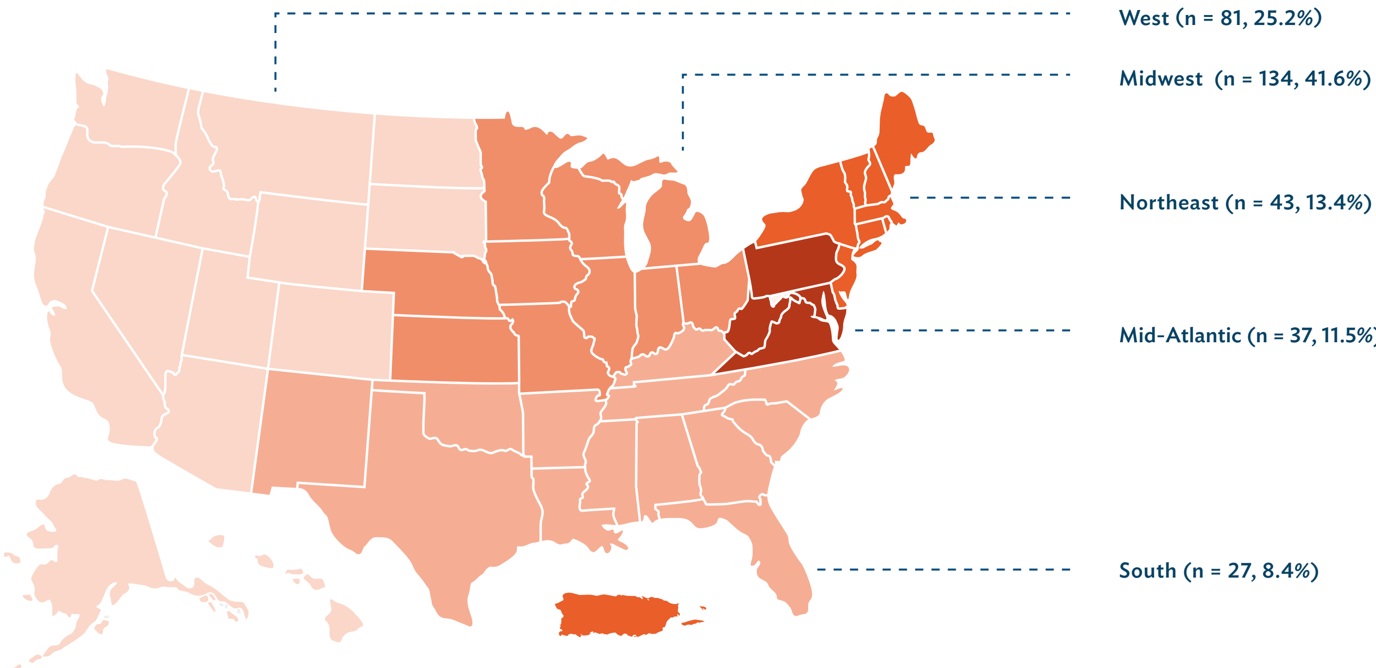
Figure 23. Location of Reporting Members Designated as Located in Rural Areas.



In this section, the rural-based organizations were aggregated into the five combined HRSA regions (as described in the preceding section) and analyzed further. Figure 24 details the number and percentage of rural-based organizations in each of these combined regions. Note that although the Midwest comprises roughly one-quarter of all provider member organizations (Figure 15), this region has 134 rural-based member organizations.

[2] Rural area is defined here as being located in an "eligible zip code" per the Federal Office of Rural Health Policy. Retrieved from: https://www.hrsa.gov/rural-health/about-us/what-is-rural/data-files

Figure 24. Location of Reporting Rural-based Member Organizations by Combined HRSA Region.



Key takeaways of the rural-based member organizations by combined HRSA region include:

- **Employees**. The median number of employees reported by geographic region was consistent across all three years (Figure 25). Member organizations in the Northeast featured the highest median number of employees while the West had the lowest median number of employees.
- **Total Revenue**. With the exception of the Midwest, the median total revenue increased across each year (Figure 26). Member organizations in the Northeast reported markedly higher median total revenues than the other regions, followed by the Mid-Atlantic and South.
- **Net Income**. The median net income fluctuated across all geographic regions (Figure 27). Note that rural-based member organizations in the South reported a median net income loss in 2020.
- **Current Ratio**. The median current ratio among rural-based member organizations based in the South, Midwest and West was typically higher compared to rural-based member organizations in the Northeast and Mid-Atlantic (Figure 28). The median current ratio was higher in 2020 than in 2018 and 2019 across all geographic regions.
- **Cash on Hand**. The median number of months of cash on hand was consistently higher in 2020 compared to the preceding two years (Figure 29). Rural-based member organizations in the Midwest and West tended to have a higher number of months of cash on hand compared to member organizations in the other geographic regions.
- **Program Efficiency**. The median program efficiency of rural-based member organizations was comparable across all geographic regions each year at between 80% and 90% (Figure 30).
- **Personnel Expense Ratio**. Like program efficiency, the median personnel expense ratio was fairly comparable across all geographic regions at between 60% and 70% (Figure 31).

Figure 25. Median Number of Employees Reported by Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.

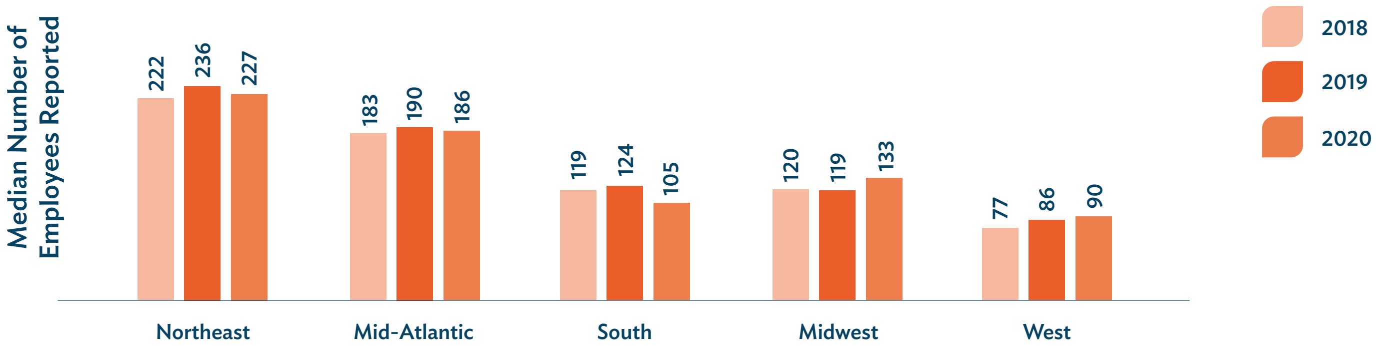


Figure 26. Median Total Revenue Reported by Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.

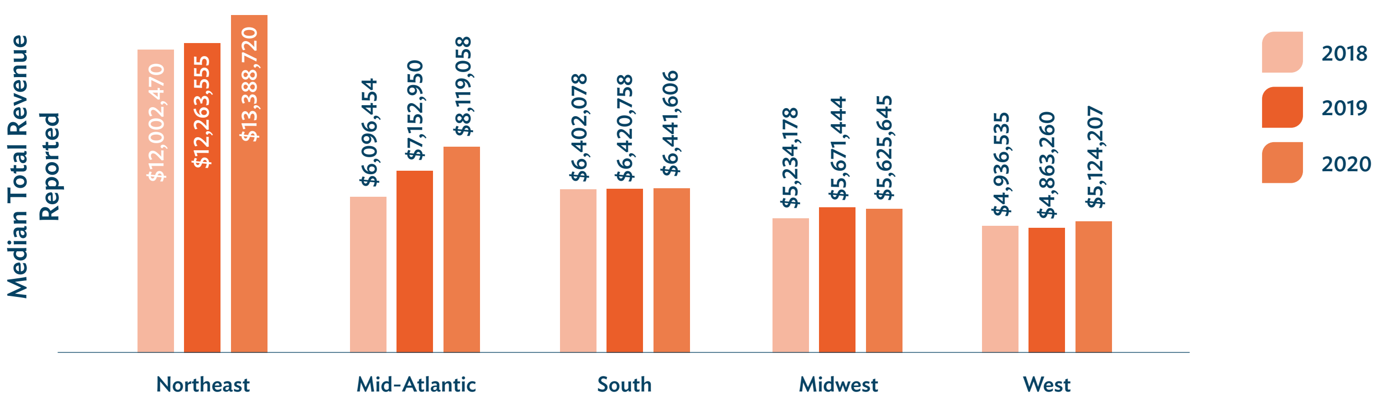


Figure 27. Median Net Income Reported by Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.

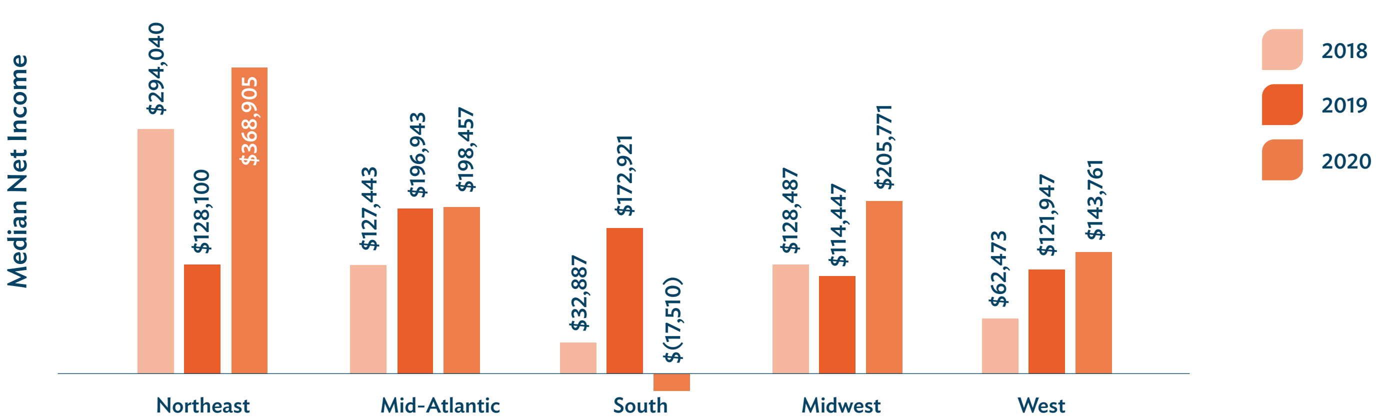


Figure 28. Median Current Ratio of Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.

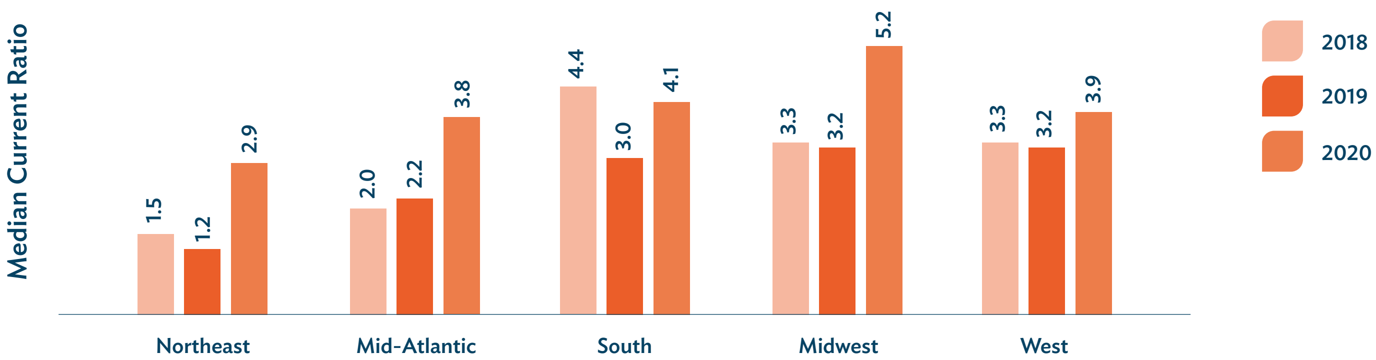


Figure 29. Median Number of Months of Cash on Hand of Member Organizations (by Combined HRSA Region), 2018-2020.

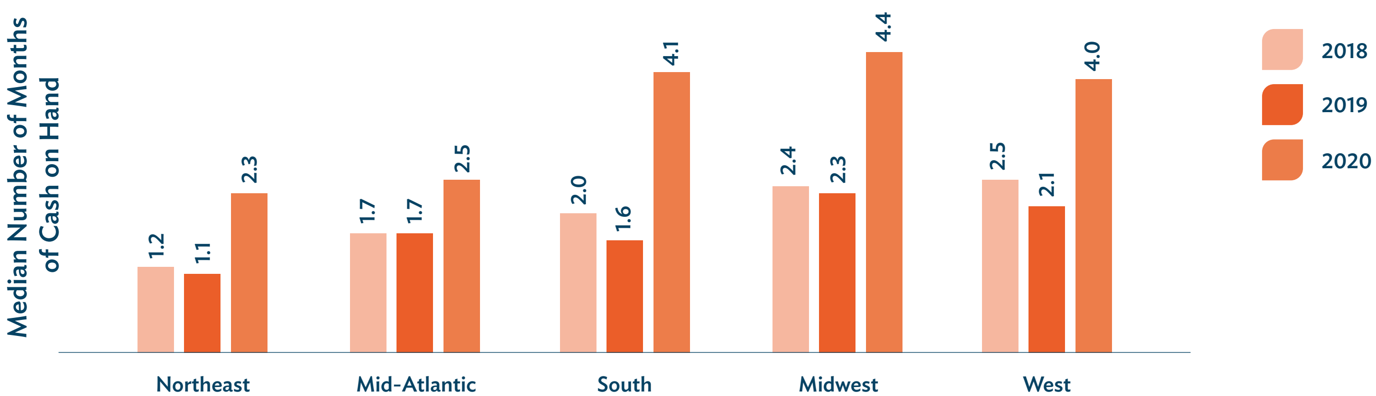


Figure 30. Median Program Efficiency of Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.

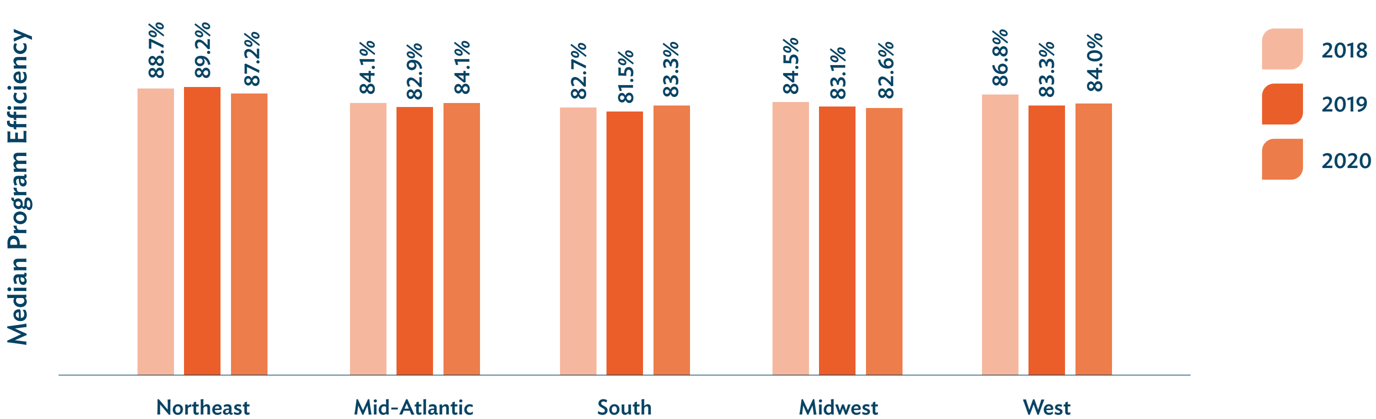
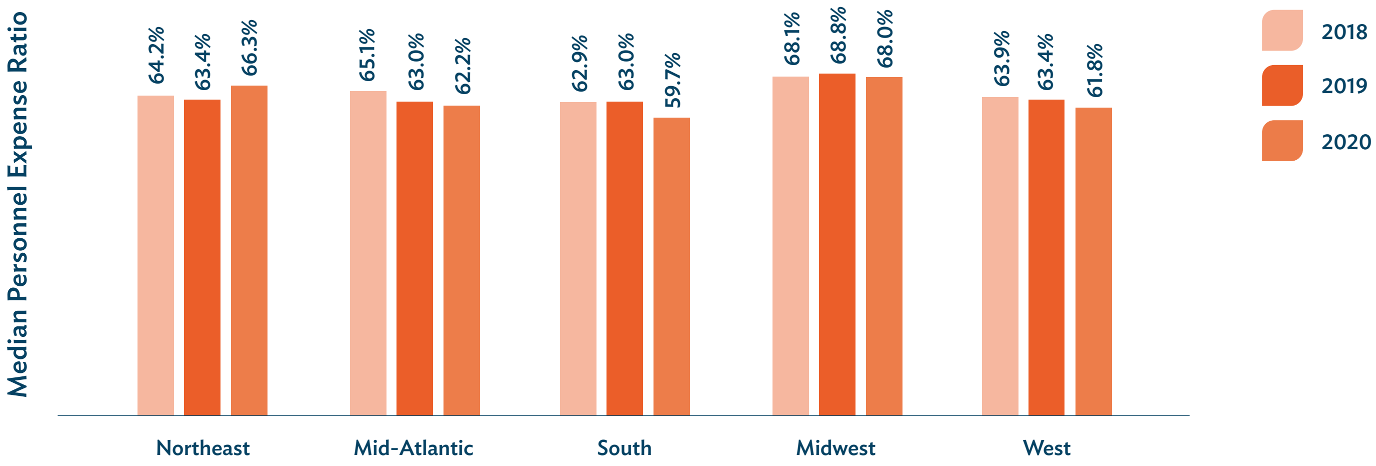


Figure 31. Median Personnel Expense Ratio of Rural-based Member Organizations (by Combined HRSA Region), 2018-2020.



MEMBER ORGANIZATIONS: CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINICS.

An increasing portion of National Council membership classify and operate as Certified Community Behavioral Health Clinics (CCBHCs). During the start of the 990 data time period analyzed in this report, only a portion of CCBHCs were in operation compared to today. An analysis is provided in this report. The National Council is committed to more detailed analyses as more current data becomes available and as more CCBHCs move beyond being simply designated as a CCBHC to being fully operational.

About CCBHCs.

CCBHCs are nonprofit organizations—either certified by their states as part of a Medicaid CCBHC initiative or recipients of a federal grant—that receive flexible funding to expand the scope of mental health and substance use services in their community. They ensure timely access to high-quality, comprehensive services, with an emphasis on providing 24-hour crisis care, evidence-based practices, care coordination with local primary care and hospital partners and integration with physical health care.

CCBHCs Matched in Analysis.

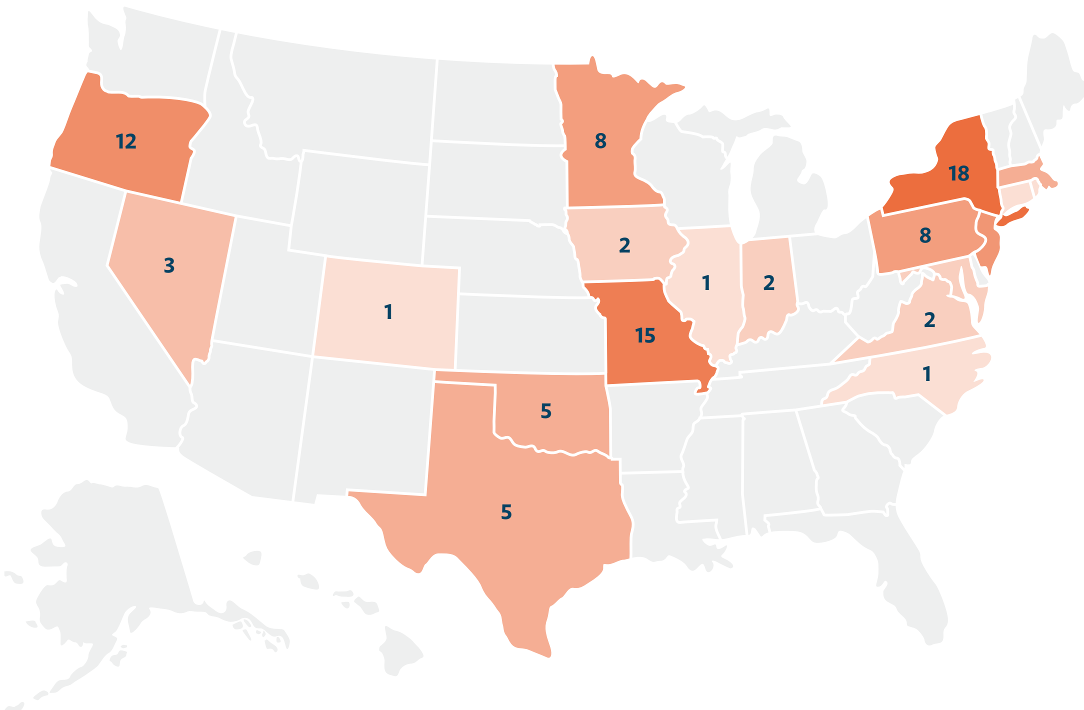
Of the 101 National Council member organizations that were either operating as CCBHCs in 2018 or received grants to begin doing so, 42 (41.6%) were matched and had 990 data available for analysis in 2018, 2019 and 2020. The 42 CCBHCs were investigated in this report.

CCBHCs by Geographic Location.

Figures 32 and 33 display the number of National Council CCBHCs nationwide and CCBHCs matched in this analysis, respectively, in 2018. In 2018, the State of New York featured the largest number of CCHBCs (n = 18, 17.8%) followed by Missouri (n = 15, 14.9%), Oregon (n = 12, 11.9%), and New Jersey (n = 9, 8.9%).

The location of the CCBHCs assessed in this analysis tended to mirror the distribution of CCBHCs at that time. Among the CCBHCs matched, Missouri had the largest representation (n = 8, 19.0%) followed by Oregon (n = 6, 14.3%), Massachusetts (n = 5, 11.9%) and Pennsylvania (n = 5, 11.9%).

Figure 32. Location of the National Council CCBHC Members, 2018.



CT: 1

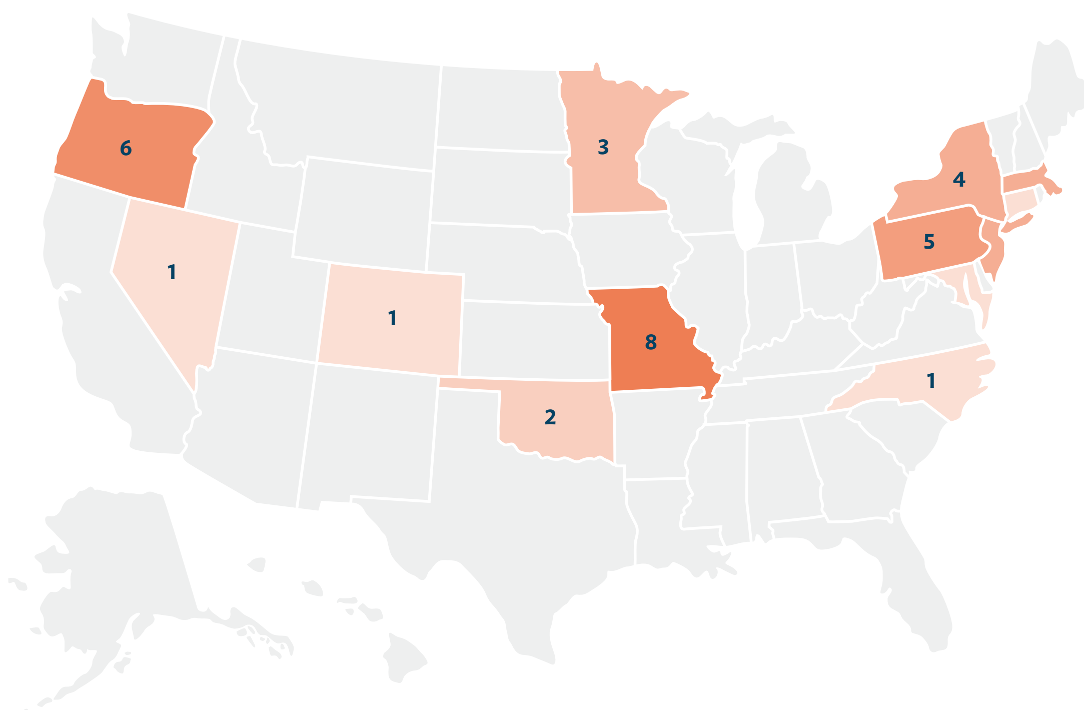
MA: 5

MD: 2

NJ: 9

RI: 1

Figure 33. Location of Reporting National Council CCBHC Members, 2018.



CT: 1

MA: 5

MD: 1

NJ: 4

Segmentation of CCBHCs by Revenue Cohort.

Table 2 depicts how the CCBHCs are segmented based on total revenue. Note that Cohorts A and B, which correspond to total revenues of less than $2.5 million and $2.5 million to $9.9 million have been combined in this section given the relatively small number of CCBHCs that met this revenue criterion. Caution should be exercised when interpreting the results of this combined cohort as well as Cohort C due to their relatively small counts.

Table 2. Segmentation of CCBHCs by Revenue Cohort, 2018-2020.

Cohort	Total Revenue	Number and Percentage of CCBHCs Meeting Criteria		
		2018	*2019*	*2020*
Cohorts A and B [Combined]	Less than **$9.9 Million**	8 (19.0%)	8 (19.0%)	8 (19.0%)
Cohort C	Between **$10.0 Million** and **$24.9 Million**	11 (26.2%)	10 (23.8%)	8 (19.0%)
Cohort D	**$25.0 Million** and Above	23 (54.8%)	24 (57.1%)	26 (61.9%)

As evidenced by this table, more than half of CCBHCs assessed had total revenues of $25.0 million and above, which designates them in the highest revenue cohort (Cohort D). This contrasts with the member organizations overall. Only one-quarter of member organizations met this criterion (see Table 1).

Selected Characteristics of CCBHCs.

Given their relatively small size, caution should be exercised when interpreting the results for the combined Cohorts A and B as well as Cohort C. When segmented by revenue cohorts (Table 2), noteworthy characteristics of the CCBHCs include the following:

- **Voting Members**. The CCBHCs ranged in the number of voting members in their governing bodies with CCBHC member organizations in the largest revenue cohort (Cohort D) having about 14 voting members and CCBHC member organizations in the smallest revenue cohort (Cohorts A and B) reportedly having about seven members (Figure 34).
- **Employees**. CCBHCs in Cohort D generally reported having triple the number of employees than those in Cohort C, which in turn, had approximately triple the number of employees than member organizations in Cohorts A and B (Figure 35).
- **Total Revenue**. The median total revenue reported by the CCBHCs increased each year within Cohorts C and D (Figure 36).
- **Net Income**. Unlike median total revenue, the median net income reported by the CCBHC member organizations varied across each year within each revenue cohort (Figure 37).
- **Current Ratio**. The median current ratio was higher among CCBHCs in Cohorts A and B compared to CCBHCs in higher revenue cohorts (Figure 38).

- **Cash on Hand**. The cash on hand results tended to mirror the current ratio results with CCBHCs in Cohorts A and B having a higher number of months of cash on hand compared to the other revenue cohorts (Figure 39).
- **Program Efficiency**. Across all cohorts, the median program efficiency of CCBHCs was comparable each year above 80% (Figure 40).
- **Personnel Expense Ratio**. The median personnel expense ratio was between 50% and 70% across all cohorts (Figure 41).

Figure 34. CCBHCs by Median Number of Voting Members in Governing Body, 2018-2020.

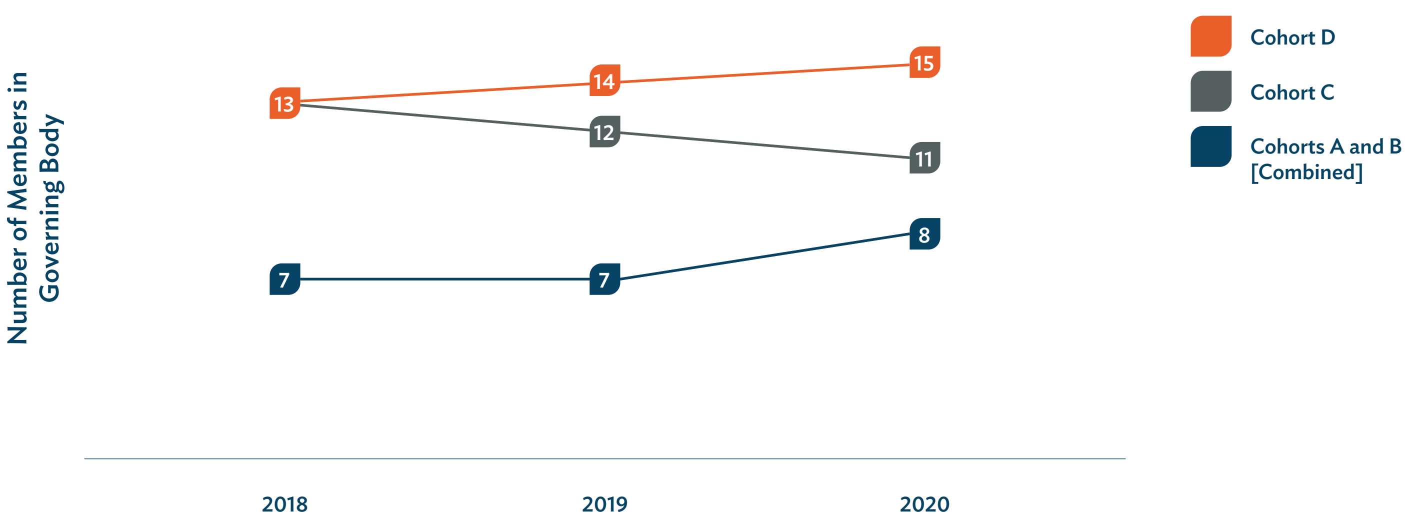


Figure 35. CCBHCs by Median Number of Employees Reported, 2018-2020.

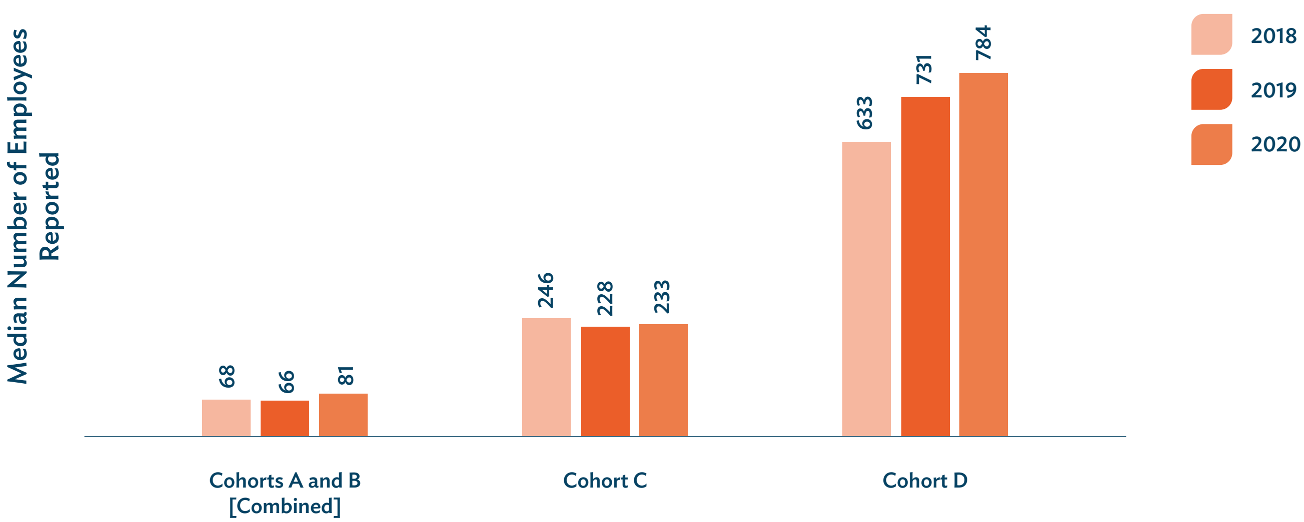


Figure 36. CCBHCs by Total Median Revenue, 2018-2020.

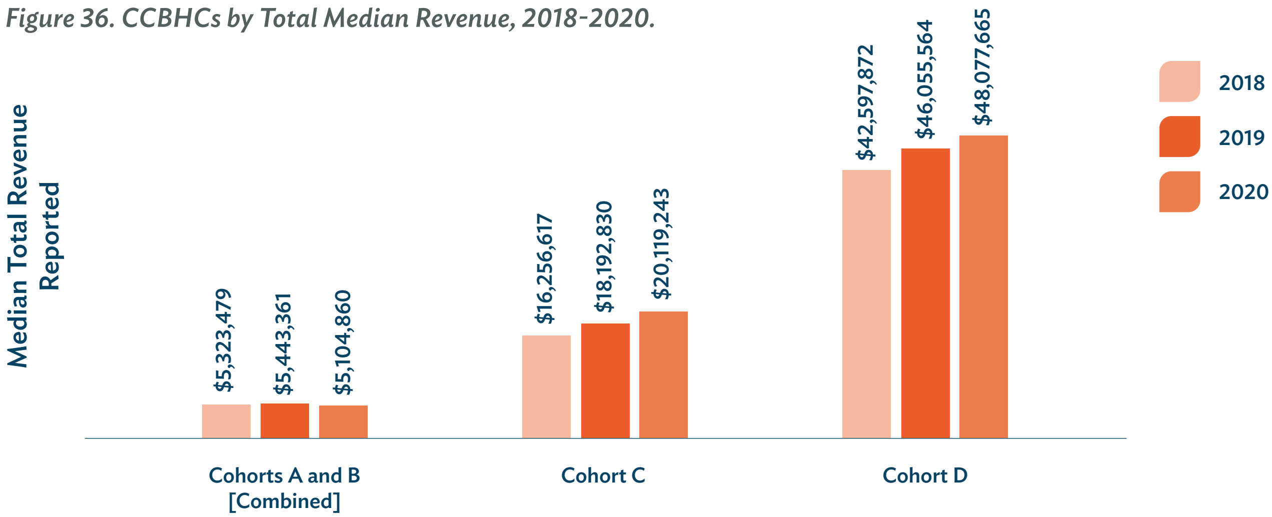


Figure 37. CCBHCs by Median Net Income, 2018-2020.

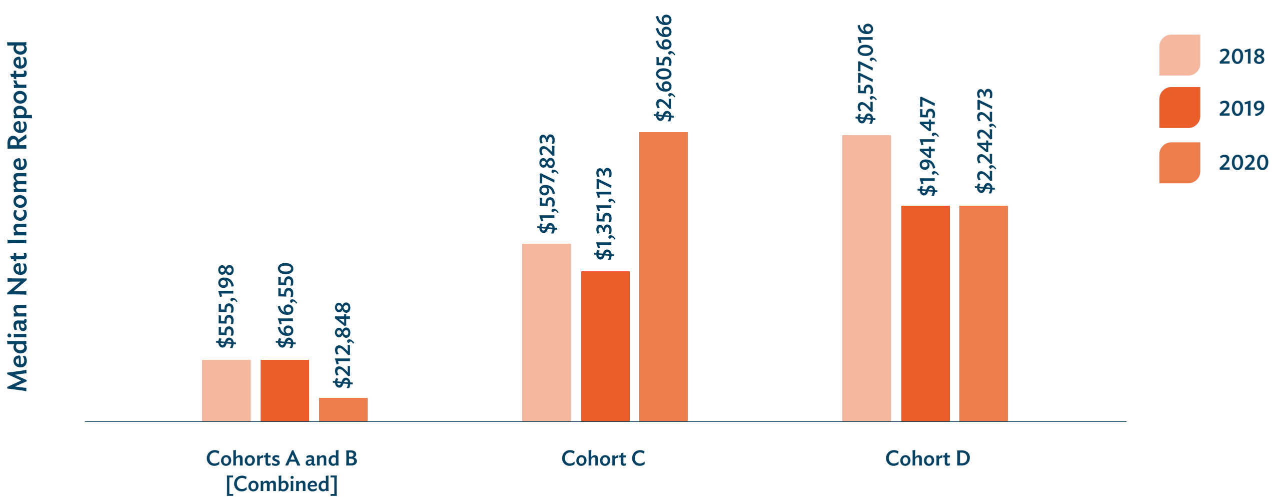


Figure 38. CCBHCs by Median Current Ratio, 2018-2020.

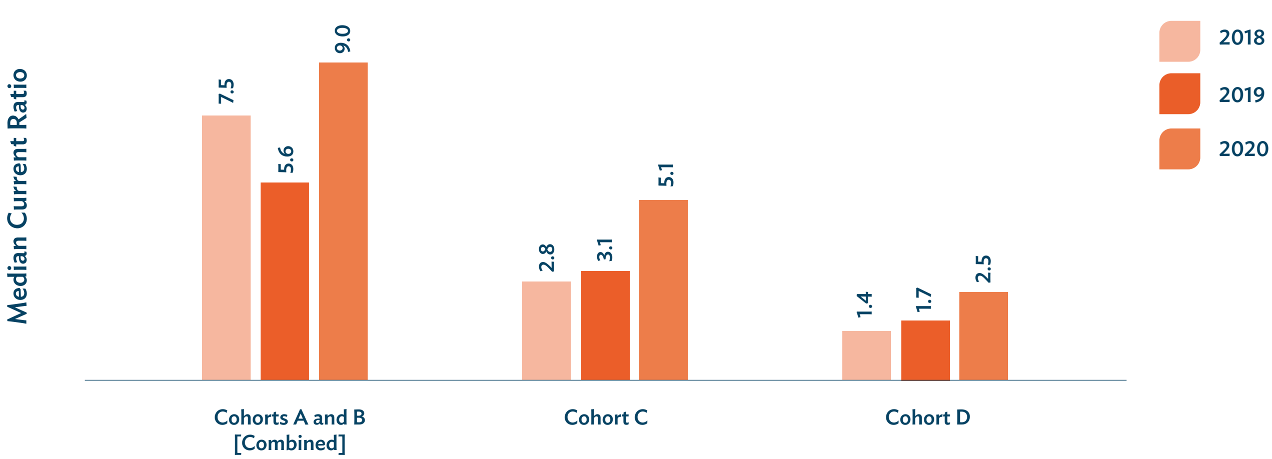


Figure 39. CCBHCs by Median Number of Months of Cash on Hand, 2018-2020.

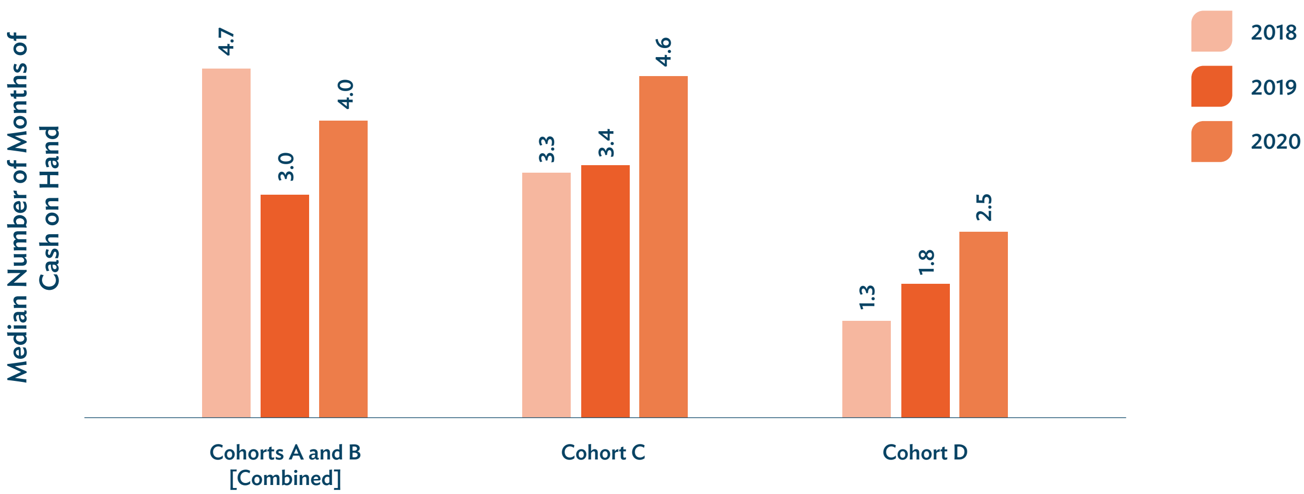


Figure 40. CCBHCs by Median Program Efficiency, 2018-2020.

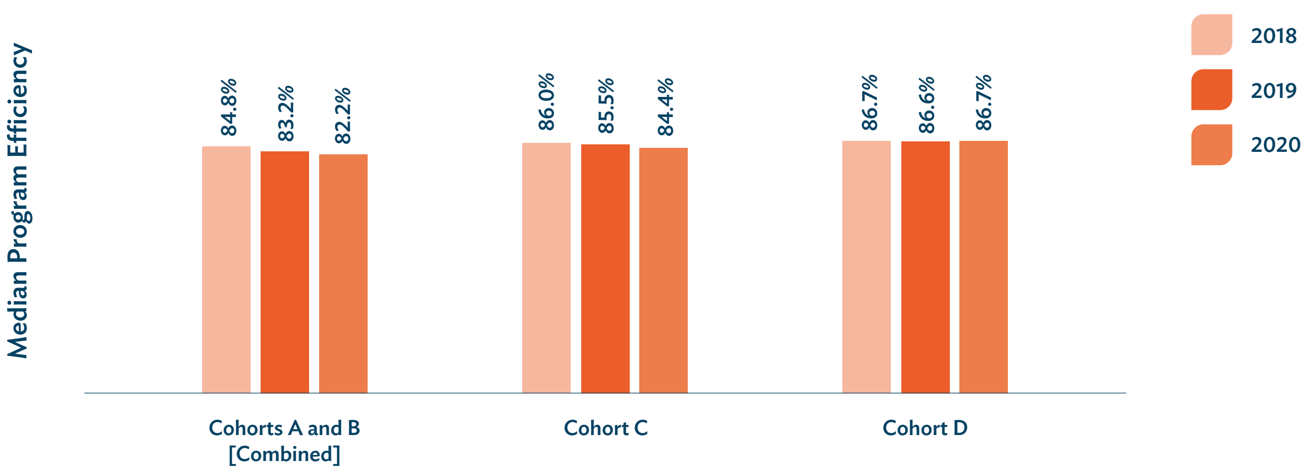
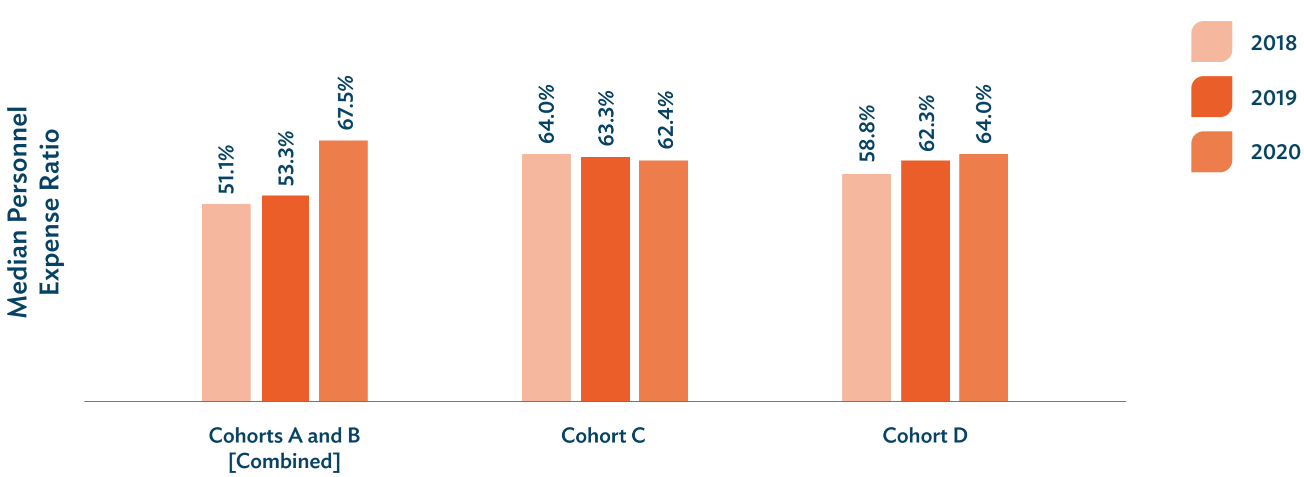


Figure 41. CCBHCs by Median Personnel Expense Ratio, 2018-2020.



SPOTLIGHT: MARKET DATA ALIGNED TO TOP NTEE CODES.

This section centers on the descriptive and financial indicators of mental health and substance use treatment organizations nationwide that are analogous to treatment member organizations of the National Council. These comparable organizations were chosen based on their National Taxonomy of Exempt Entities (NTEE) code as classified by the National Center for Charitable Statistics (NCCS).[3] The comparable organizations must have one of the following seven NTEE codes: F20, F21, F22, F30, F31, F32 or F33. A description and definition of each of these codes is given in Table 3.

Table 3. Chosen NTEE Codes, Description and Definition.[8]

NTEE Code	Description	Definition
F20	Substance Abuse Dependency, Prevention and Treatment	Organizations that provide preventive, diagnostic and inpatient, outpatient and residential treatment services as well as transitional support for people who have a physical and/or psychological dependency on alcohol and/or drugs.
F21	Substance Abuse Prevention	Organizations that provide substance abuse education programs for people who are at risk for substance abuse to prevent their involvement with drugs and/or alcohol.
F22	Substance Abuse Treatment	Organizations that provide inpatient, outpatient or residential treatment services for individuals who have a physical and/or psychological dependency on alcohol and/or drugs.
F30	Mental Health Treatment	Organizations that provide preventive, diagnostic and treatment services in a variety of community and hospital-based settings to help people to achieve and maintain a state of emotional wellbeing.
F31	Psychiatric Hospitals	Organizations that provide diagnostic and inpatient treatment services for individuals who have acute or chronic mental or emotional disturbances, who require hospitalization.
F32	Community Mental Health Centers	Neighborhood-based organizations that offer counseling, medication and other mental health services for people who have acute or chronic mental or emotional disturbances.
F33	Residential Mental Health Treatment	Organizations that provide a therapeutic living environment in community-based facilities for individuals with emotional and/or behavioral problems who require a structured treatment program.

[3] National Taxonomy of Exempt Entities (NTEE) Codes. Retrieved from: https://nccs.urban.org/project/national-taxonomy-exempt-entities-ntee-codes

These seven NTEE codes comprise 50.6% of the 1,021 National Council provider member organizations examined. In addition to being classified as one of these seven codes, the comparable organizations must have had an IRS 990 Form completed and available via the IRS for the three years assessed. Overall, 2,605 mental health and substance use treatment organizations met the criteria for inclusion in this analysis. Like the National Council member organizations, these comparable organizations were segmented into the four revenue cohorts.

The following are demographic and financial characteristics of these mental health and substance use treatment organizations as well as how they generally compare to National Council member organizations included in this report. Note that these comparisons are meant to illustrate how National Council member organizations contextually fit into the realm of mental health and substance use treatment organizations overall and is not meant to be a critique of either these chosen comparable organizations or of the National Council member organizations examined.

- **Employees**. As shown in Figure 42, the median number of employees in Cohort A was about 15, which was half that reported by National Council members (see Figure 8). Among the other revenue cohorts, the median number of employees was slightly higher for National Council member organizations relative to these comparable organizations.
- **Total Revenue**. Like median number of employees, the median total revenue was lower across all revenue cohorts for these mental health and substance use treatment organizations (Figure 43) compared to National Council member organizations (see Figure 9).
- **Net Income**. With the exception of Cohort A, in which these comparable organizations reported a consistently lower median net income across all three years, the median net income fluctuated across these organizations (Figure 44) as it did among National Council member organizations (see Figure 10).
- **Current Ratio**. The median current ratio was generally higher among these mental health and substance use treatment organizations (Figure 45) compared to the National Council member organizations assessed (see Figure 11).
- **Cash on Hand**. Unlike the median current ratio, the median number of months of cash on hand was typically slightly lower among these mental health and substance use treatment organizations (Figure 46) compared to the National Council members assessed (see Figure 12).
- **Personnel Expense Ratio**. The median personnel expense ratio was similar across these mental health and substance use treatment organizations (Figure 47) and National Council member organizations (see Figure 14) at between 60% and 70%.

Figure 42. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Number of Employees, 2018-2020.

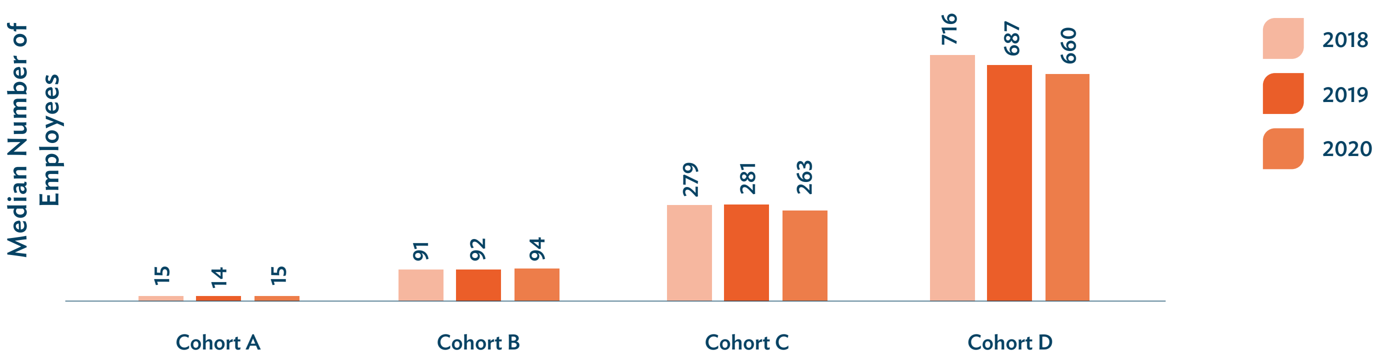


Figure 43. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Total Revenue.

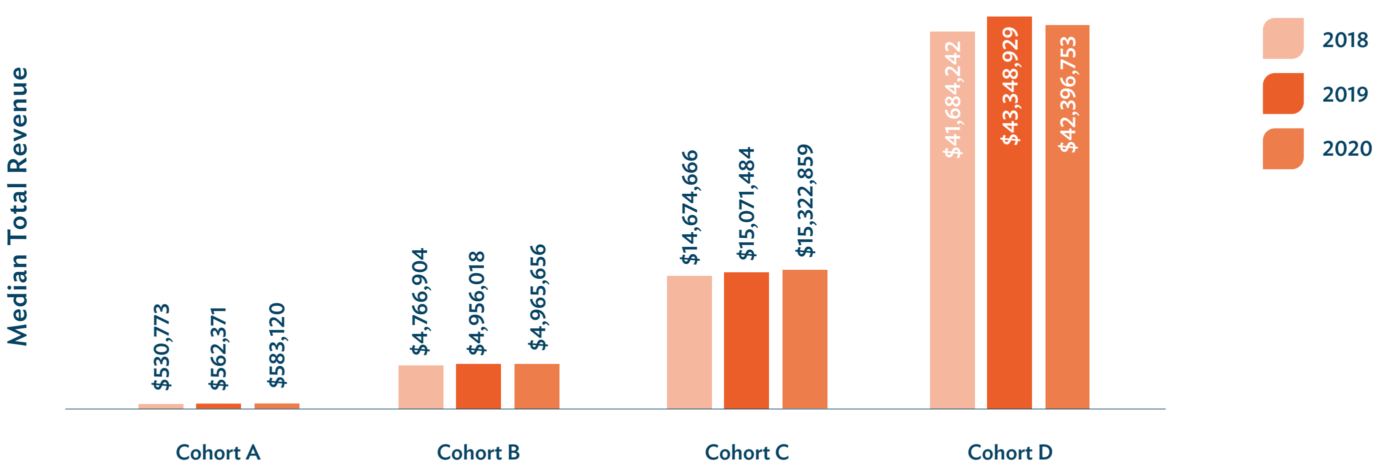


Figure 44. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Net Income.

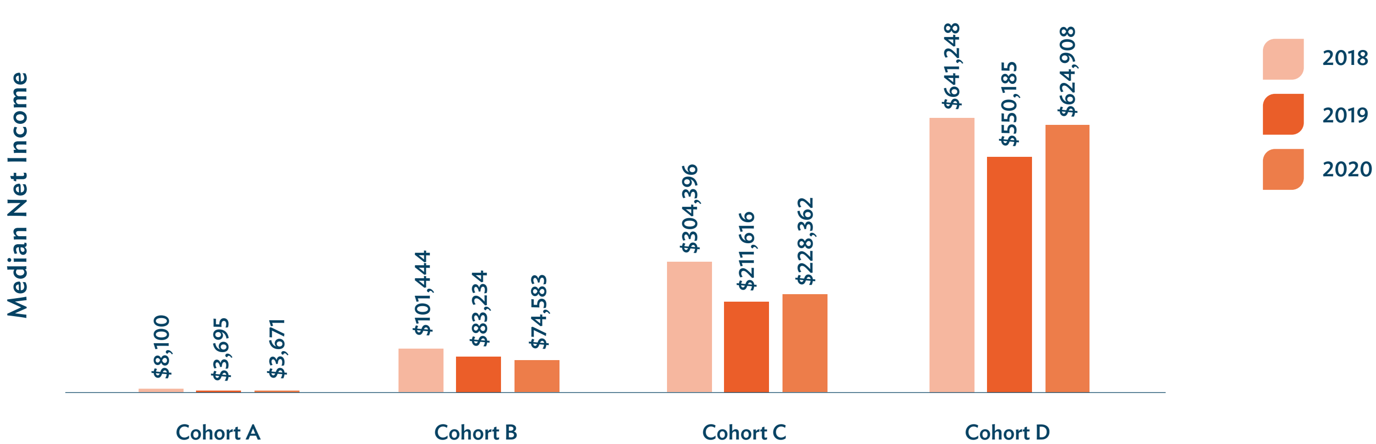


Figure 45. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Current Ratio.

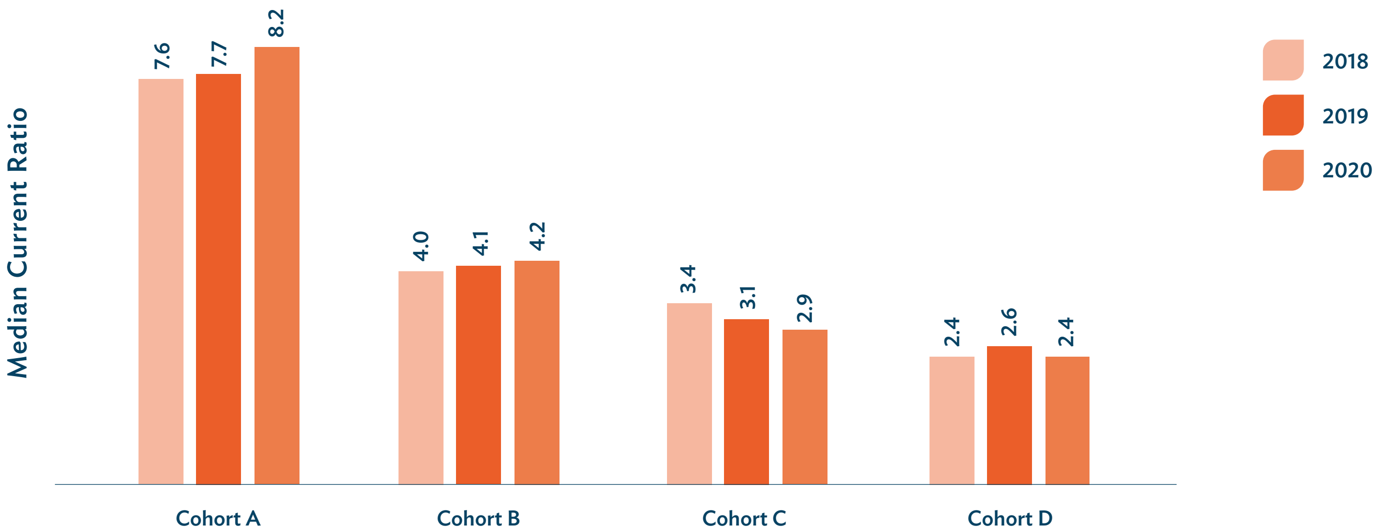


Figure 46. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Number of Months of Cash on Hand.

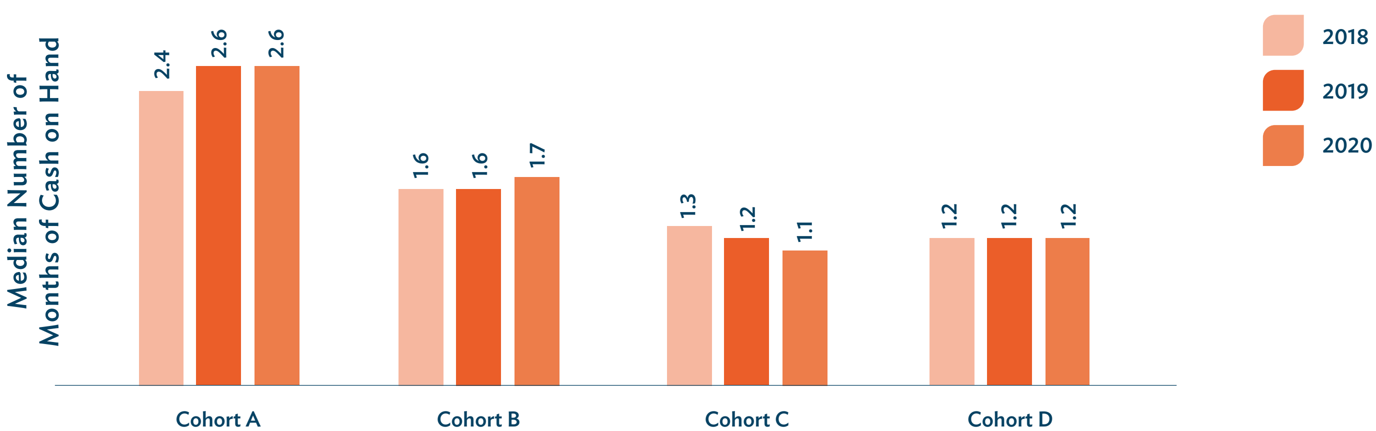
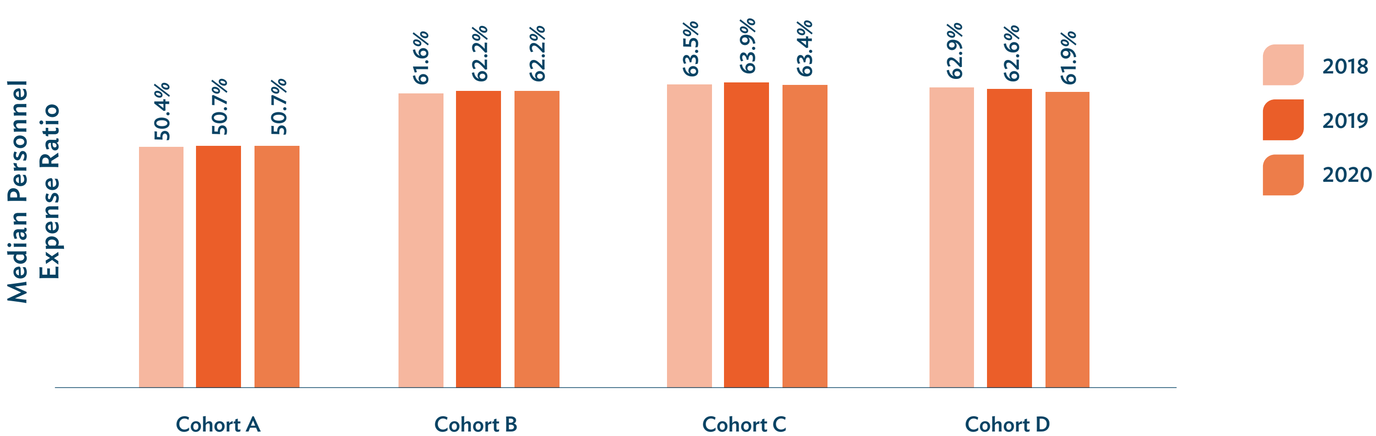


Figure 47. Mental Health and Substance Use Treatment Organizations by Revenue Cohort and Median Personnel Expense Ratio.



PART III.

Additional Descriptive and Financial Measures of Members

Please note that 2020 findings are likely impacted by the COVID-19 pandemic and related financial assistance that cannot be parsed from data analyzed in this report.

ADDITIONAL MEASURES OF MEMBER ORGANIZATIONS SEGMENTED BY REVENUE COHORTS.

Four cohorts were developed based on total revenue to assist member organizations in making comparisons amongst their peers.

For the remainder of this report, the National Council recommends that member organizations reference the cohort that most readily aligns to their organization's total revenue. This will assist members to compare structure and financial health metrics. Caution should be exercised when making direct comparisons between individual member organizations and their respective cohort as financial structures of member organizations may vary. It is also critical to acknowledge that the impact of COVID-19 has and will impact the financial performance of member organizations; accordingly, member organizations should understand that the 2018 and 2019 figures represent a time period with different environmental pressures than what is reported in 2020.

Table 4. Segmentation of Member Organizations by Revenue Cohort, 2018-2020.

Cohort	Total Revenue	Number and Percentage of Member Organizations Meeting Criteria		
		2018	*2019*	*2020*
Cohort A	Less than **$2.5 Million**	183 (17.9%)	169 (16.6%)	168 (16.5%)
Cohort B	Between **$2.5 Million** and **$9.9 Million**	343 (33.6%)	344 (33.7%)	327 (32.0%)
Cohort C	Between **$10.0 Million** and **$24.9 Million**	268 (26.2%)	258 (25.3%)	266 (26.1%)
Cohort D	**$25.0 Million** and Above	227 (22.2%)	250 (24.5%)	260 (25.5%)

SUMMARY OF SELECTED INCOME-RELATED MEASURES.

Net Income Margin.

Table 5 outlines the median net income margin (i.e., net income/total revenue) for each cohort. This table shows that net margins were relatively consistent in 2018 and 2019 with a slight increase reported in 2020.

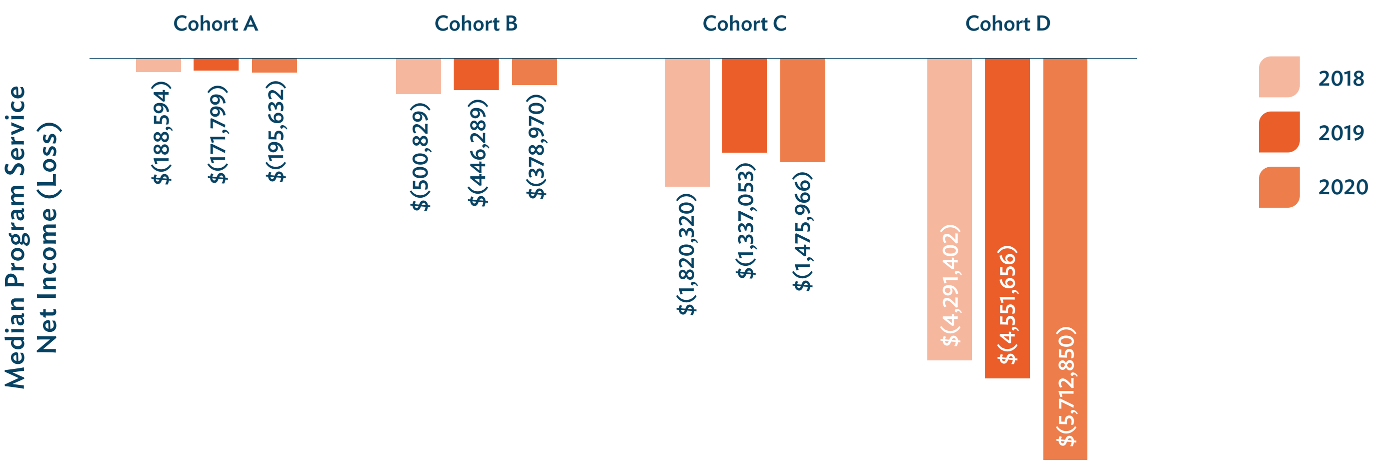
Table 5. Median Net Income Margins of Member Organizations by Cohort, 2018-2020.

	2018	2019	2020
Cohort A	1.6%	3.0%	2.5%
Cohort B	2.1%	1.9%	2.8%
Cohort C	1.3%	1.7%	2.2%
Cohort D	1.7%	1.6%	1.8%

Program Service Net Income.

Program service net income comprises program income aligned to member organization mental health and substance treatment services. As evidenced in Figure 48, member organizations across all cohorts illustrated a loss in program service net income. This contrasts with net income percent increases and is likely due to increases in other revenue forms, including contributions, grants and investment income.

Figure 48. Median Program Service Net Income (Loss), 2018-2020.



Net Margin of Program Service Income.

Table 6 shows the median net margin of program service income (i.e., net program service income/program service revenue) across all four cohorts. Note that the median net margin of program service income was 0.0% in each year for Cohort A. Although Cohort D reported the largest absolute loss in program service net income (Figure 48), Cohort C reported the highest percentage loss in net margin of program service income each year. For example, in 2020, the median member organization in Cohort C reported a loss of $0.12 for every $1.00 reported as program service revenue.

Table 6. Median Net Margin of Program Service Income of Member Organizations by Revenue Cohort, 2018-2020

	2018	2019	2020
Cohort A	0.0%	0.0%	0.0%
Cohort B	-3.8%	-3.1%	-3.8%
Cohort C	-11.2%	-10.4%	-12.4%
Cohort D	-7.9%	-7.3%	-9.3%

SUMMARY OF SELECTED REVENUE MEASURES.

Tables 7A-D list the median percentage contribution of selected revenue sources for each cohort. Member organizations with the smallest total revenue (Cohort A) derive a comparable percentage of their total revenue from both program services revenue and contributions. In contrast, member organizations with the largest total revenues (Cohorts B, C and D) have a larger portion of program service revenue comparatively to contributions. Across all cohorts, fundraising represents the smallest percentage of total revenue. In this section, it is essential to note that member organizations report revenue in different ways and each have varied sources of revenue depending on their financial infrastructure. Note that fundraising is a component of contributions.

Table 7A. Median Percentage of Revenue Source, Cohort A.

Revenue Source	2018	2019	2020
Program Service Revenue	49.0%	43.9%	34.5%
Contributions	45.0%	40.5%	35.0%
Fundraising	0.4%	0.4%	0.2%

Table 7B. Median Percentage of Revenue Source, Cohort B.

Revenue Source	2018	2019	2020
Program Service Revenue	61.7%	57.0%	54.4%
Contributions	36.2%	41.1%	43.8%
Fundraising	0.6%	0.5%	0.3%

Table 7C. Median Percentage of Revenue Source, Cohort C.

Revenue Source	2018	2019	2020
Program Service Revenue	62.1%	61.8%	60.5%
Contributions	35.8%	35.7%	37.1%
Fundraising	0.4%	0.4%	0.2%

[4] Total Revenue is the sum of four components: (1) Contributions, (2) Program Service Revenue, (3) Other Revenue and (4) Miscellaneous Revenue. Other Revenue and Miscellaneous Revenue comprised a small percentage of revenue sources across all cohorts and therefore, were not included in this analysis.

Table 7D. Median Percentage of Revenue Source, Cohort D.

Revenue Source	2018	2019	2020
Program Service Revenue	71.2%	71.8%	70.6%
Contributions	26.0%	25.5%	26.4%
Fundraising	0.2%	0.2%	0.1%

Program Services by Revenue Category.

Across all three years investigated, the most commonly reported program services by revenue category included 1) individual and family services, 2) outpatient care centers and 3) other residential care facilities. Table 8 lists the most commonly reported program services by revenue category of member organizations.[5] Of all the 113 reported program services filed, the list comprises 88.7% of all program service revenue codes. NAICS Code 900099 refers to activities that are, according to the discretion of the member organization, not easily characterized by other NAICS codes.

Table 8. Most Common Program Services by Revenue of Member Organizations, 2018-2020.

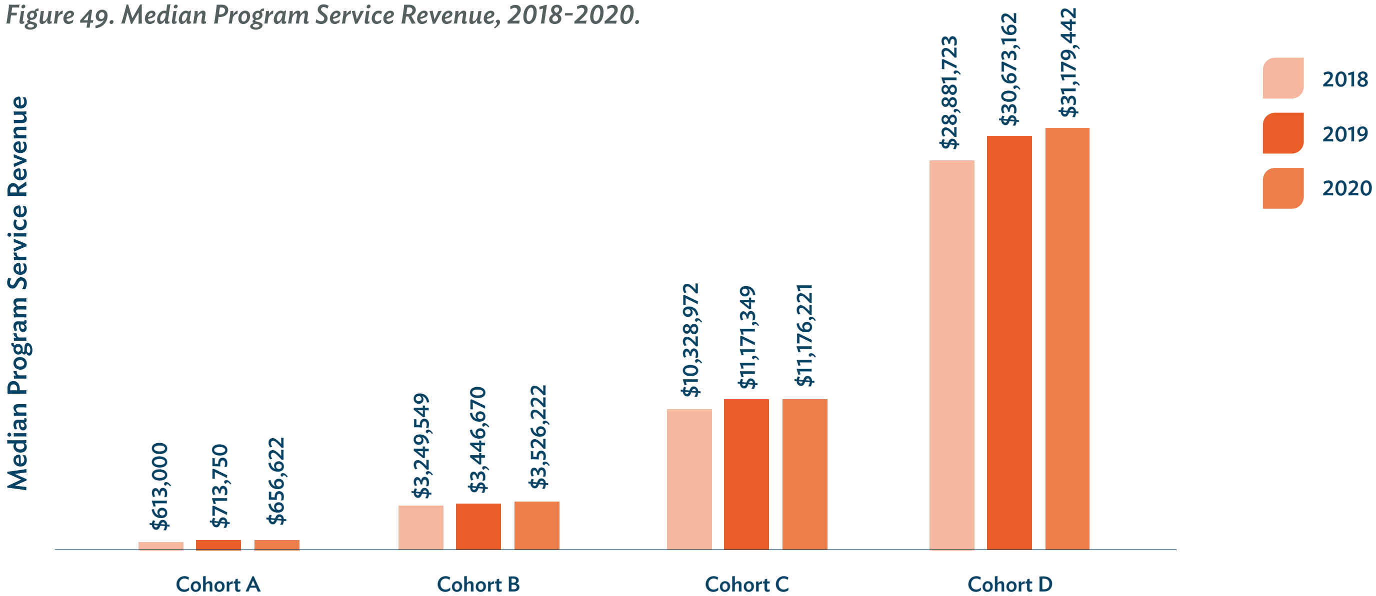
Description (NAICS Code)	Number of Member Organizations: n (%)		
	2018	2019	2020
Individual and Family Services (624100)	880 (30.6%)	909 (31.2%)	922 (31.4%)
Outpatient Care Centers (621400)	349 (12.1%)	342 (11.7%)	341 (11.6%)
Other Residential Care Facilities (Homes for Disabled, Child Foster Homes) (623990)	272 (9.5%)	284 (9.7%)	284 (9.7%)
Community Food, Housing, Emergency, Relief Services (624200)	91 (3.2%)	92 (3.2%)	91 (3.1%)
Vocational Rehabilitation Services (624310)	82 (2.9%)	81 (2.8%)	76 (2.6%)
Lessors of Real Estate (531110)	52 (1.8%)	54 (1.9%)	56 (1.9%)
Offices of Other Health Practitioners (621300)	53 (1.8%)	48 (1.6%)	48 (1.6%)
Nursing and Residential Care Facilities (623000)	51 (1.8%)	47 (1.6%)	48 (1.6%)
Outpatient Mental Health and Substance Abuse Centers (621420)	49 (1.7%)	49 (1.7%)	47 (1.6%)
All Other Ambulatory Health Care Services (621990)	35 (1.2%)	34 (1.2%)	37 (1.3%)
Educational Support Services (611710)	32 (1.1%)	33 (1.1%)	34 (1.2%)
Other, Not Indicated (900099)	532 (18.5%)	535 (18.4%)	553 (18.9%)

[5] Program services are defined by North American Industry Classification System (NAICS) codes. These codes are used to classify business establishments by type of economic activity. The numbering system makes use of a five or six-digit code, of which the first two digits designate the largest business sector, the third digit designates the subsector, the fourth digit designates the industry group, the fifth digit designates the NAICS industries and the sixth digit designates the national industries.

Program Service Revenue.

Figure 49 shows the direct relationship between median program service revenue and increasing total revenue across each cohort.

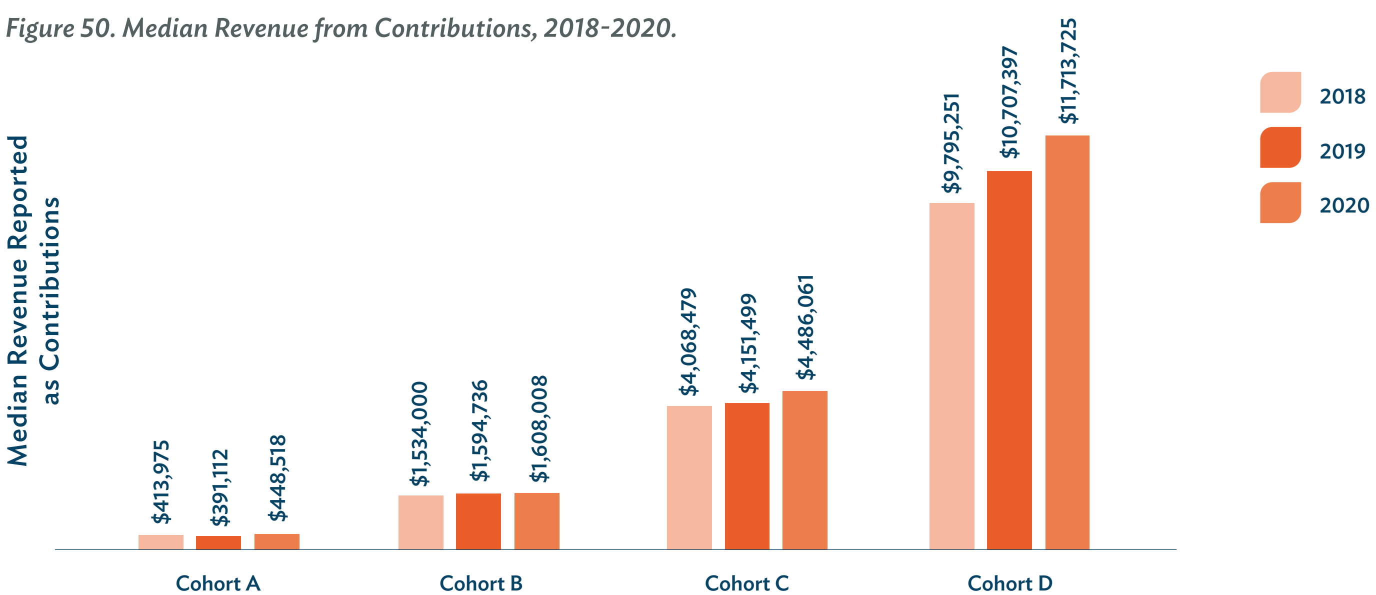
Figure 49. Median Program Service Revenue, 2018-2020.



Contributions.

In the IRS Form 990, "contributions" refers to both cash and noncash amounts received as voluntary contributions, gifts, grants or other similar amounts from the general public, governmental units, foundations and other exempt organizations. Figure 50 illustrates the median contributions revenue across the four revenue cohorts. Note that COVID-19-related supports including provider relief funding and paycheck protection program funding, for which there is lack of detail in the Form 990, may have affected reported contributions in 2020 (and potentially in 2021).

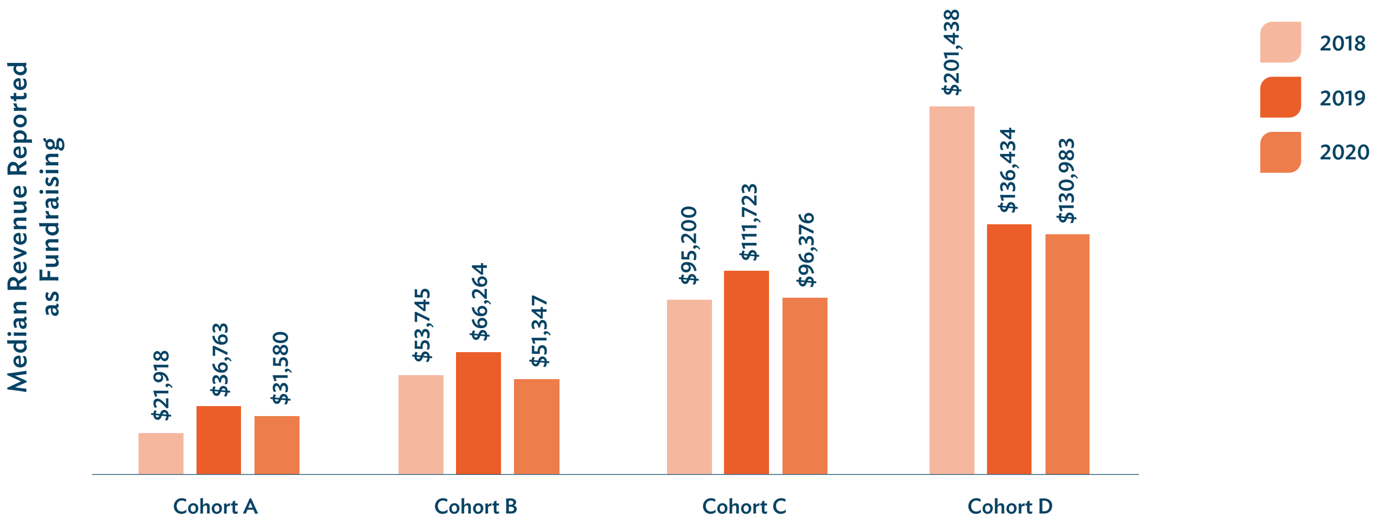
Figure 50. Median Revenue from Contributions, 2018-2020.



Fundraising.

Overall, 225 member organizations (22.0% of member organizations) reported revenue from fundraising in all three years. The median revenue reported from fundraising was fairly small in comparison to program service revenue (Figure 49) and contributions (Figure 50) with the largest revenue cohort (Cohort D) having a median revenue value from fundraising almost ten times larger than the smallest revenue cohort (Cohort A) in 2018 (Figure 51). Finally, the decreases in fundraising in 2020 might be due to the COVID-19 pandemic.

Figure 51. Median Revenue Reported as Fundraising, 2018-2020.



Member organizations generated funds conducting a variety of fundraising events (Table 9).

Table 9. Fundraising Events Reported by Member Organizations, 2018-2020.

Member organization raised funds through...	2018	2019	2020
... mail solicitations.	30	27	26
... email solicitations.	29	30	26
... phone solicitations.	14	13	14
... in-person solicitations.	25	25	23
... solicitation of non-government grants.	30	28	29
... solicitation of government grants.	27	26	23
... special fundraising events.	41	32	30

SUMMARY OF SELECTED EXPENSE MEASURES.

Across all member organizations, compensation and fringe benefits represent the highest percentage of reported total expenses. Tables 10A-D list the distribution of compensation and fringe expenses for each cohort (the median within each cohort is presented). Note that roughly half of the compensation and fringe expenses is made up of salaries and wages. It is also important to note that not all agencies report expenses similarly.

Table 10A. Median Percentage of Compensation and Fringe Expense Source,[6] Cohort A.

	2018	2019	2020
Other Salaries and Wages[7]	50.9%	43.4%	41.3%
Other Employee Benefits[8]	6.4%	5.5%	8.5%
Compensation of Current Officers, Directors, Trustees and Key Employees	6.3%	5.8%	4.8%
Pension Plan Contributions	1.4%	0.5%	0.7%
Compensation to Disqualified Persons[9]	1.0%	0.9%	1.2%
Conferences, Conventions and Meetings	1.0%	0.9%	0.5%

Table 10B. Median Percentage of Compensation and Fringe Expense Source, Cohort B.

	2018	2019	2020
Other Salaries and Wages	52.0%	49.5%	47.4%
Other Employee Benefits	7.4%	7.0%	6.6%
Compensation of Current Officers, Directors, Trustees and Key Employees	3.8%	3.3%	3.5%
Pension Plan Contributions	1.0%	0.8%	0.8%
Compensation to Disqualified Persons	0.7%	0.9%	0.9%
Conferences, Conventions and Meetings	0.4%	0.3%	0.2%

[6] Each of these categories can be further segmented into Program Service Expenses. This segmentation was not performed in this analysis.

[7] This is the total amount of employee salaries, wages, fees, bonuses, severance payments and similar amounts paid or provided from the filing organization, common paymasters and payroll/reporting agents in return for services rendered to the filing member organization. Compensation of Current Officers, Directors, Trustees, Key Employees and Disqualified Persons is not included here.

[8] This refers to contributions by the filing organization, common paymasters and payroll/reporting agents to the filing organization's employee benefit programs (such as insurance, health and welfare programs that are not an incidental part of a pension plan) and the cost of other employee benefits.

[9] A "disqualified person" is defined as any person who was in a position to exercise substantial influence over the affairs of an applicable tax-exempt organization at any time during the five-year period ending on the date of the transaction. This contrasts with Current Officers, Directors, Trustees and Key Employees of the member organization. In addition, Compensation to Disqualified Persons was not assessed further as the median values across all cohorts was $0.

Table 10C. Median Percentage of Compensation and Fringe Expense Source, Cohort C.

	2018	2019	2020
Other Salaries and Wages	51.3%	51.1%	52.1%
Other Employee Benefits	8.1%	8.0%	8.0%
Compensation of Current Officers, Directors, Trustees and Key Employees	3.0%	2.9%	3.0%
Pension Plan Contributions	1.2%	1.1%	1.1%
Compensation to Disqualified Persons	1.5%	0.9%	0.5%
Conferences, Conventions and Meetings	0.2%	0.2%	0.2%

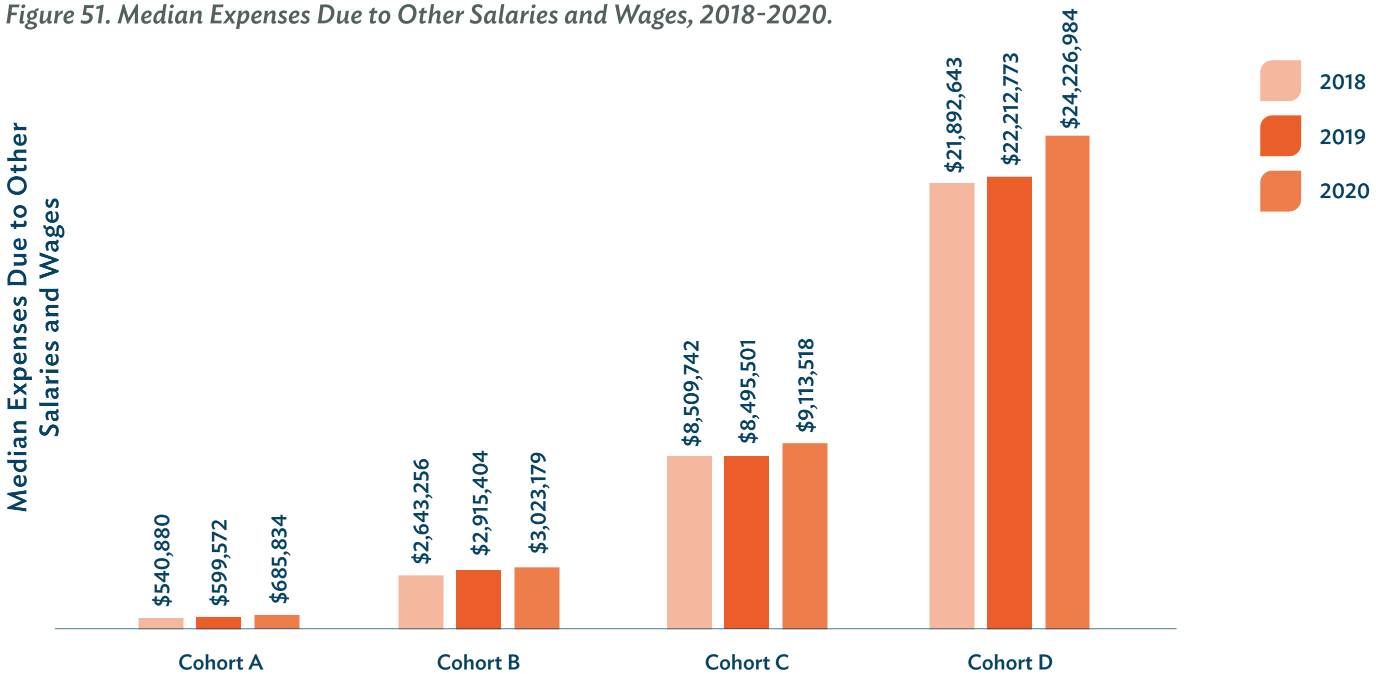
Table 10D. Median Percentage of Compensation and Fringe Expense Source, Cohort D.

	2018	2019	2020
Other Salaries and Wages	43.5%	43.6%	43.4%
Other Employee Benefits	6.7	6.5%	6.4%
Compensation of Current Officers, Directors, Trustees and Key Employees	1.6%	1.5%	1.5%
Pension Plan Contributions	1.3%	1.3%	1.3%
Compensation to Disqualified Persons	0.4%	0.3%	0.6%
Conferences, Conventions and Meetings	0.2%	0.2%	0.2%

Other Salaries and Wages.

In all three years, the median value of other salaries and wages reported by member organizations ranged considerably. Among the smallest revenue cohort, the median reported for this expense category was approximately $600,000, while the largest revenue cohort (Cohort D) reported a median of about $22,500,000, a value that is more than 35 times larger (Figure 51).

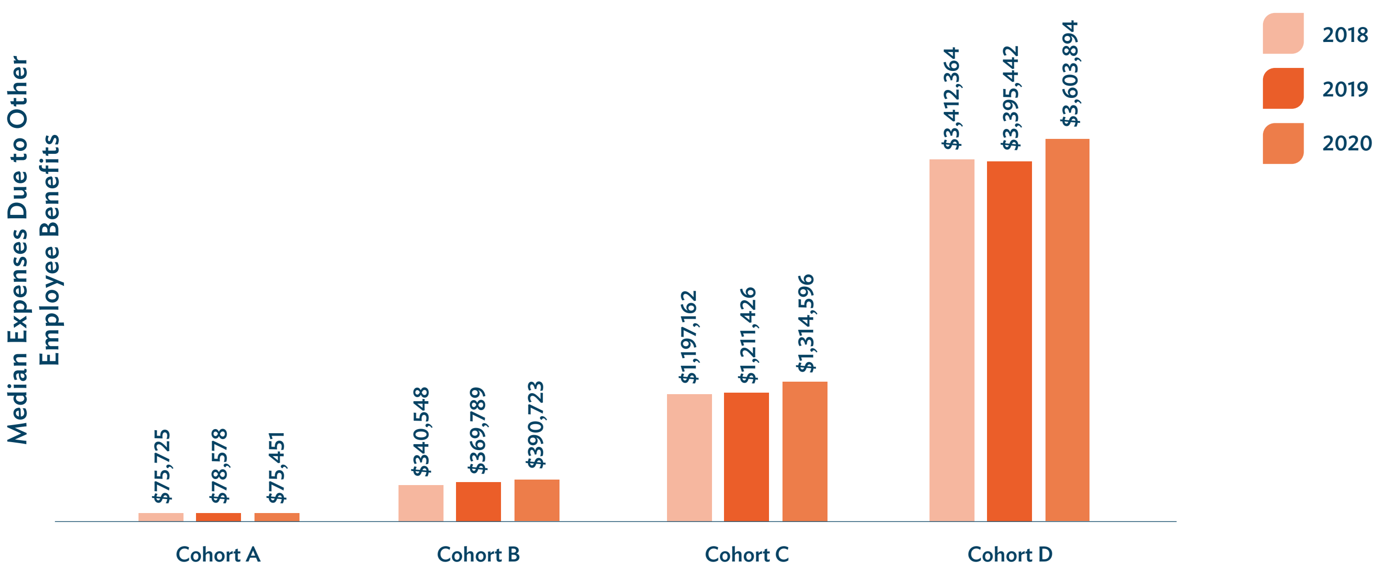
Figure 51. Median Expenses Due to Other Salaries and Wages, 2018-2020.



Other Employee Benefits.

Figure 52 shows the direct relationship between median expenses due to Other employee benefits and the total revenue reported by member organizations.

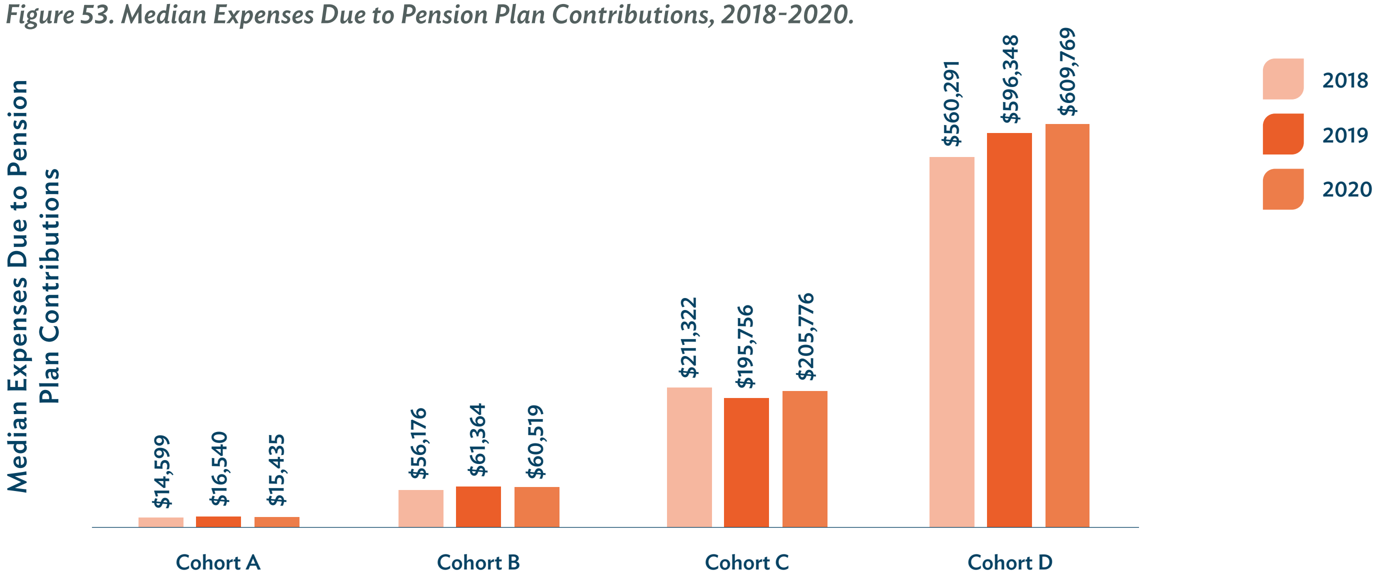
Figure 52. Median Expenses Due to Other Employee Benefits, 2018-2020.



Pension Plan Contributions.

In 2020, the median value of pension plan contributions was above $600,000 among larger revenue member organizations (Cohort D), a value that is roughly 40 times the median value of pension plan contributions among smaller member revenue agencies (Cohort A) as shown in Figure 53.

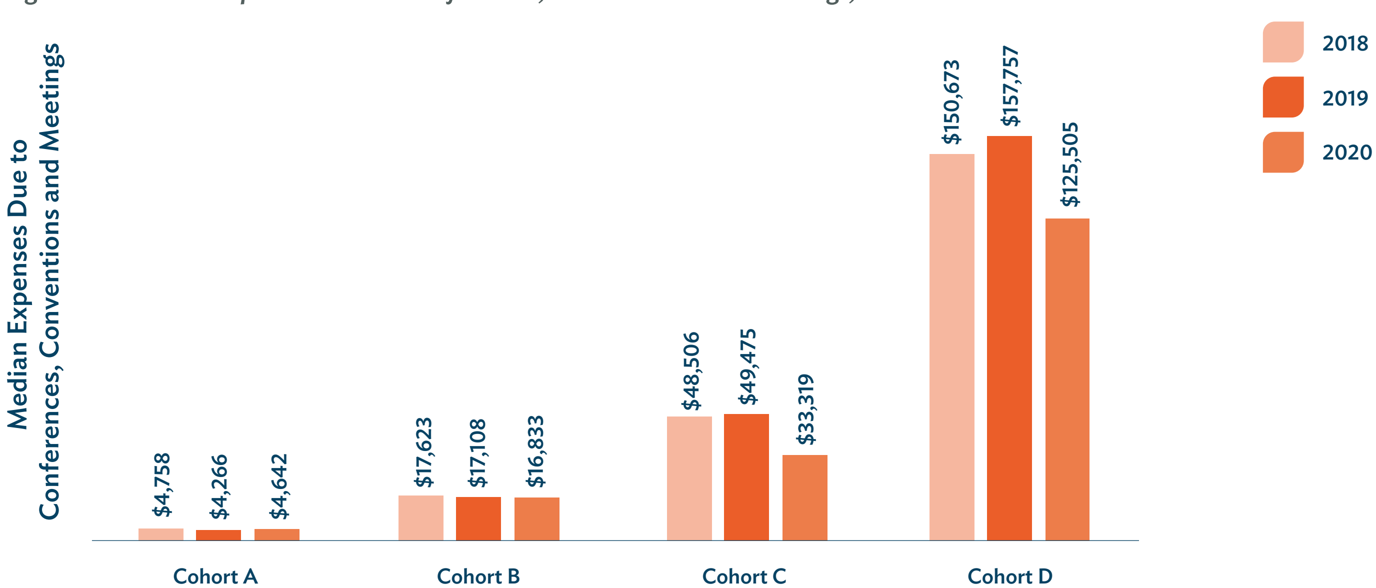
Figure 53. Median Expenses Due to Pension Plan Contributions, 2018-2020.



Conferences, Conventions and Meetings.

Figure 54 shows that the median expenses related to conferences, conventions and meetings in 2018 ranged from a little under $5,000 among Cohort A member organizations to about $150,000 among Cohort D member organizations. The median expenses were generally lower in 2020 compared to previous years, which may be due to the effects of the COVID-19 pandemic on the ability to travel.

Figure 54. Median Expenses Due to Conferences, Conventions and Meetings, 2018-2020.



SUMMARY OF SELECTED STAFFING-RELATED MEASURES.

Work Outsourced to Contractors.

National Council member organizations outsourced a variety of work to contractors across all three years. The three most reported areas include 1) health care or clinical services (physicians, nurses), 2) mental and behavioral health-related services and 3) architect, building and construction services. Table 11 presents the most reported contractor roles hired by member organizations. Note that these are contractor roles provided in the IRS Form 990, which does not represent an exhaustive list; thus, work outsourced to contractors not reported in the Form 990s and work conducted in-house is not included in this list.

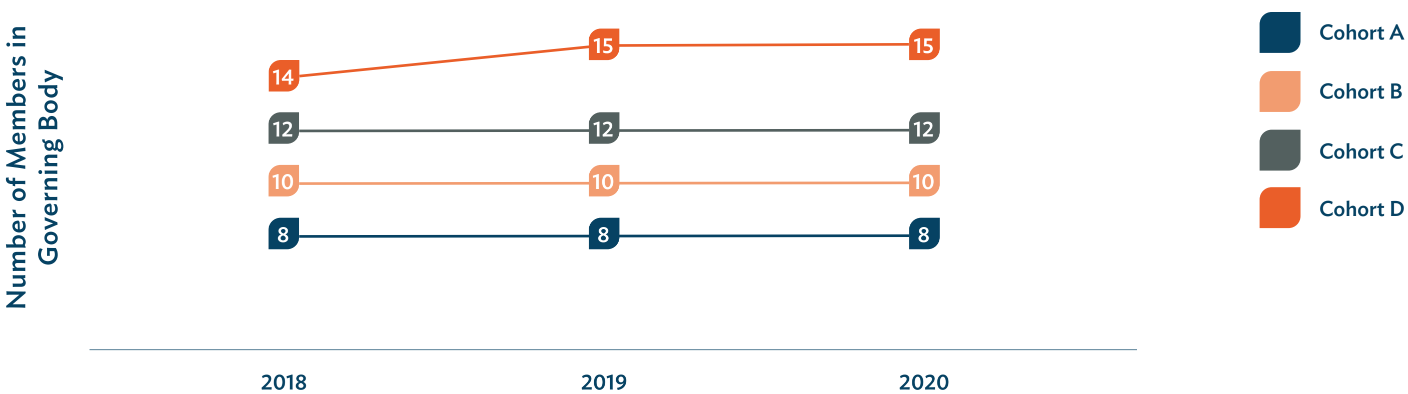
Table 11. Most Common Roles of Contractors Hired by Member Organizations, 2018-2020.

Role of Contractor	Number of Member organizations: n (%)		
	2018	2019	2020
Health Care or Clinical Services (Physicians, Nurses)	354 (18.2%)	345 (17.0%)	332 (16.0%)
Mental and Behavioral Health-related Services	243 (12.5%)	279 (13.7%)	264 (12.8%)
Architect, Building and Construction Services	176 (9.1%)	189 (9.3%)	185 (8.9%)
Information Technology	143 (7.4%)	154 (7.6%)	177 (8.6%)
General Consultant, Contractor, Professional Services	137 (7.1%)	143 (7.0%)	157 (7.6%)
Cleaning, Janitorial and Maintenance Services	131 (6.7%)	128 (6.3%)	131 (6.3%)
Employee Staffing	85 (4.4%)	93 (4.6%)	105 (5.1%)
Leasing and Property Management	70 (3.6%)	59 (2.9%)	78 (3.8%)
Accounting and Auditing Services	58 (3.0%)	60 (3.0%)	66 (3.2%)
Food and Catering-related Services	50 (2.6%)	60 (3.0%)	63 (3.0%)
Computer and Software Services	50 (2.6%)	58 (2.9%)	51 (2.5%)
Attorney and Legal Services	47 (2.4%)	45 (2.2%)	48 (2.3%)
Security	32 (1.6%)	46 (2.3%)	39 (1.9%)
Bill Processing and Payroll Services	33 (1.7%)	36 (1.8%)	36 (1.7%)
Child Care and Day Care	24 (1.2%)	30 (1.5%)	24 (1.2%)
Other	310 (16.0%)	307 (15.1%)	313 (15.1%)

Members in Governing Body.

The median number of members reported within governing bodies ranged from eight for Cohort A to about 14 for Cohort D across all three years (Figure 55).

Figure 55. Median Number of Members in Governing Body Reported by Cohort, 2018-2020.



SUMMARY OF SELECTED BALANCE SHEET-RELATED MEASURES.

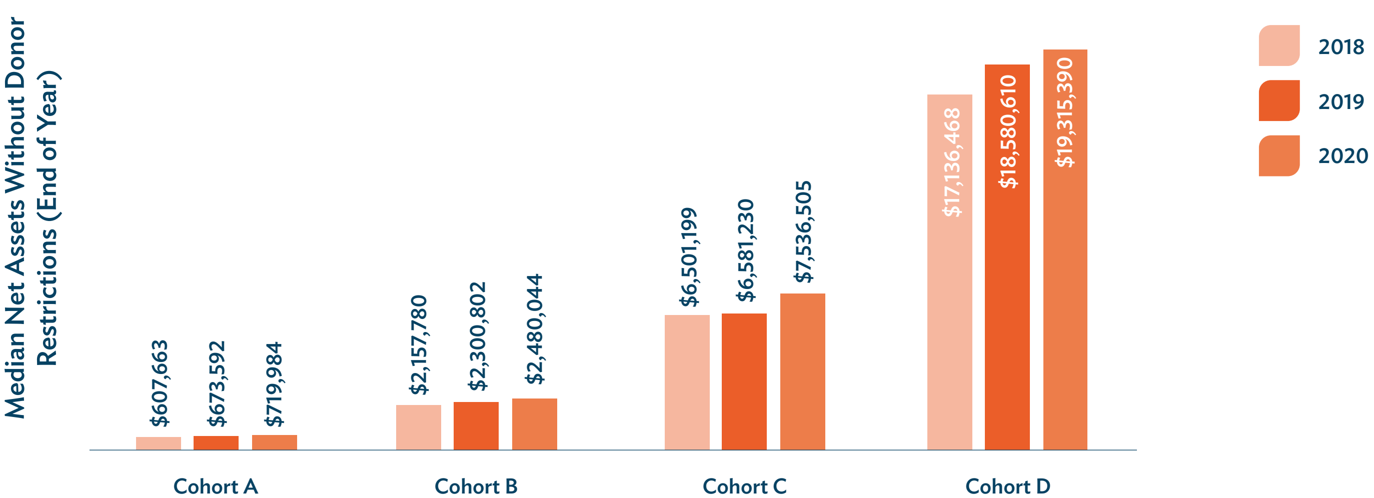
Accounting Method.

In 2020, the overwhelming majority of member organizations reported using an accrual method of accounting (n = 1,008; 98.7%) compared to a cash method (n = 13; 1.3%). This percentage difference was consistent across 2018 and 2019 as well.

Assets.

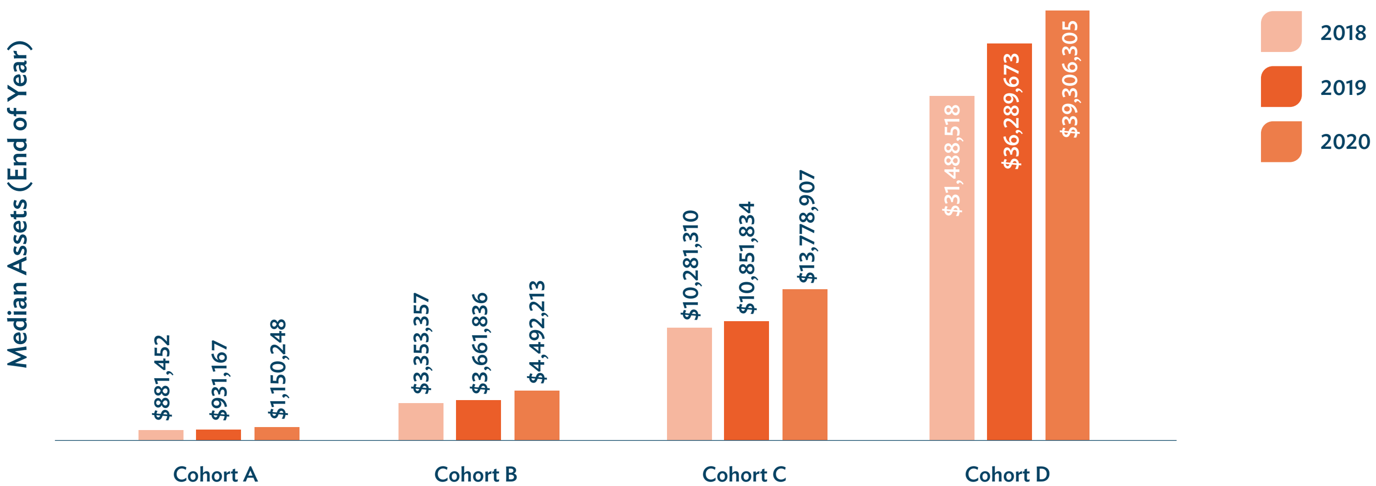
Net assets without donor restrictions (unrestricted assets) increased each year and within each of the four cohorts (Figure 56).

Figure 56. Median Net Assets Without Donor Restrictions (Unrestricted Assets), End of Year 2018-2020.



As illustrated in Figure 57, the median total assets increased across all cohorts in each year as well (Cohort A: +30.5%, Cohort B: +34.0%, Cohort C: +34.0% and Cohort D: +24.8%).

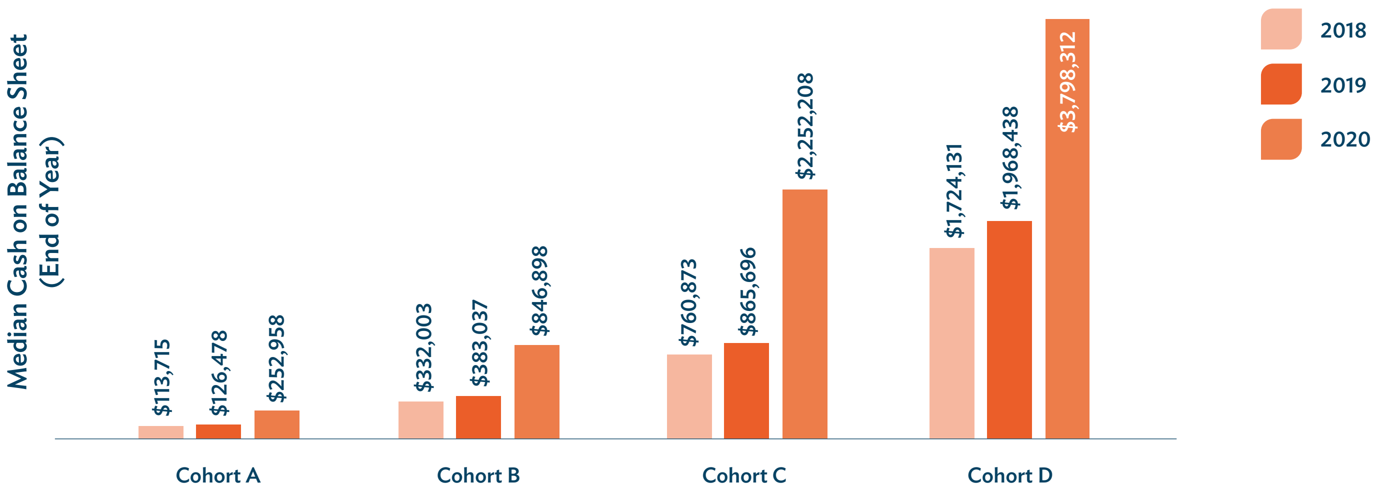
Figure 57. Median Total Assets, End of Year 2018–2020.



Cash and Savings.

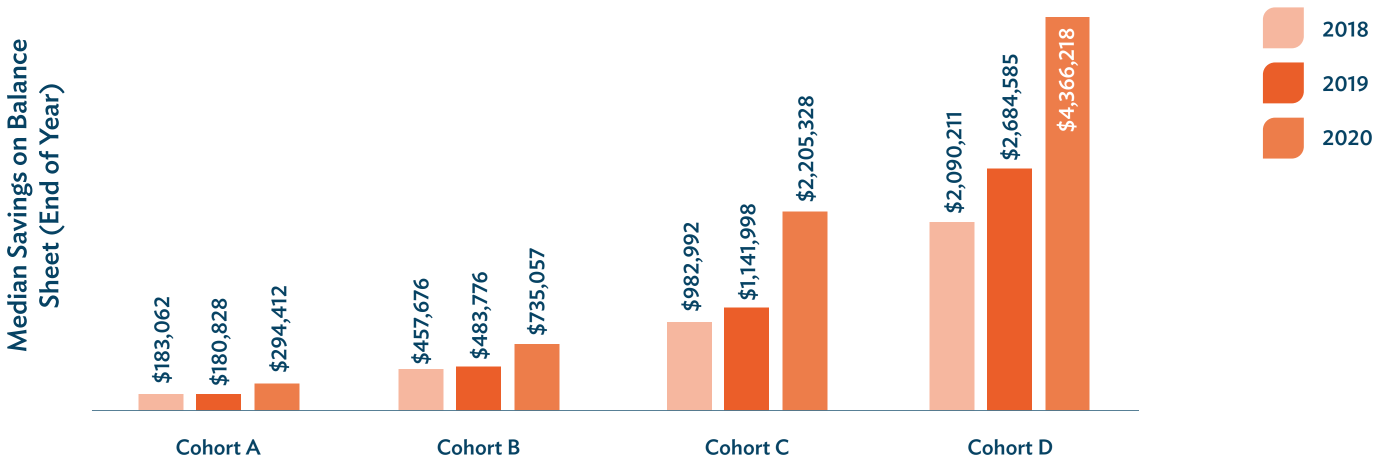
Across all four cohorts, the median reported cash of member organizations increased from 2018 to 2019, then roughly doubled from 2019 to 2020 (Figure 58). The markedly high increase in the reported cash at the end of 2020 is likely attributed to assistance, such as grant funding and tax relief, provided to businesses by state governments and particularly, the federal government during the COVID-19 pandemic.

Figure 58. Median Cash on Balance Sheet, End of Year 2018-2020.



Except for a decrease (-1.2%) in the median reported savings of Cohort A member organizations between 2018 and 2019, the median savings of member organizations increased between 2018 and 2019 as well as between 2019 and 2020 in all cohorts (Figure 59). Between 2018 and 2020, the median savings increased as follows: Cohort A: +60.8%, Cohort B: +60.6%, Cohort C: +124.3% and Cohort D: +108.9%).

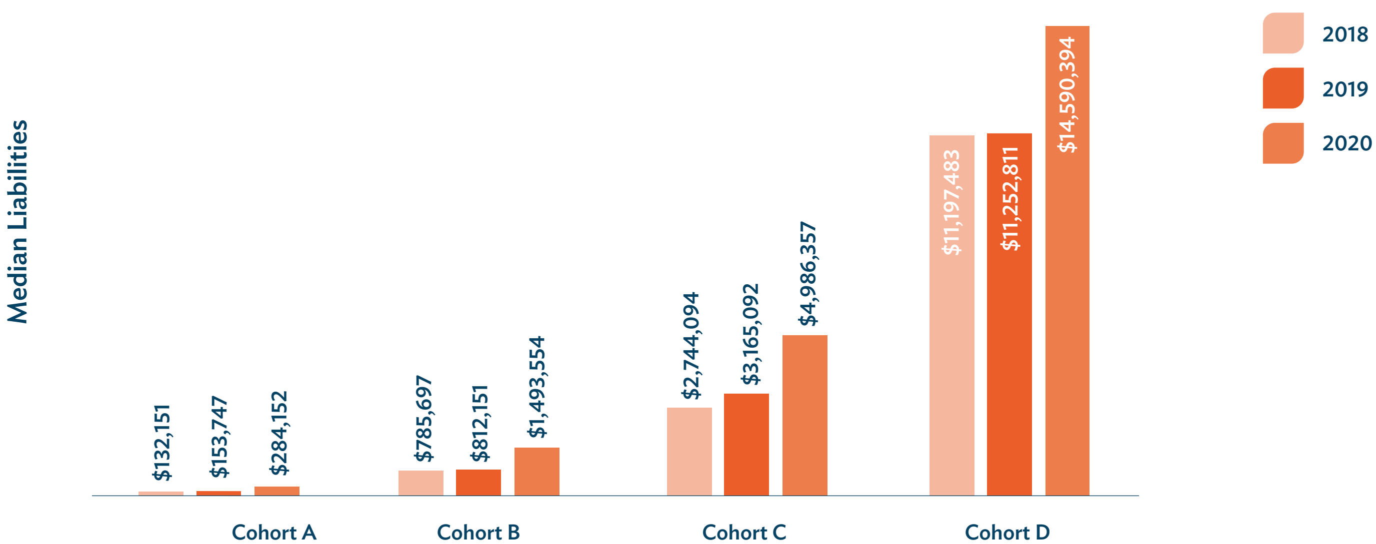
Figure 59. Median Savings on Balance Sheet, End of Year 2018-2020.



Liabilities.

As given in Figure 60, between 2018 and 2020, member organizations in Cohorts A, B and C experienced considerable increases in their median liabilities (Cohort A: +115.0%, Cohort B: +90.1% and Cohort C: +81.7%) while member organizations within Cohort D reported a more modest increase (+30.3%).

Figure 60. Median Liabilities on Balance Sheet, End of Year 2018-2020.



Summary of Financial Measures

The following is a summary of the descriptive and financial measures outlined in this report (by revenue cohort) and associated key findings.

	Cohort A (Less than $2.5 Million)	**Cohort B (Between $2.5 Million and $9.9 Million)**	**Cohort C (Between $10.0 Million and $24.9 Million)**	**Cohort D ($25.0 Million and Above)**
Finding 1: National Council member profiles vary across revenue cohorts and reported total revenue correlates with increases in median employee size and governing officers.				
Number of Member organizations Meeting Criteria (2020)	168	327	266	260
Median Number of Employees (2020)	31	113	319	750
Median Number of Governing Officers (2020)	8	10	12	15
Finding 2: National Council members illustrate consistency in income-related measures with nearly similar net margins in each cohort and across all three years. The smallest and largest revenue cohorts illustrate a vast discrepancy in median net income and median net margin of income. In addition, with the exception of Cohort A, there is a loss for every $1.00 of reported program service revenue across each cohort.				
Median Net Income (2020)	$27,695	$165,330	$377,295	$883,296
Change in Median Net Income (from 2018 to 2020)	+110.0%	+47.8%	+56.2%	+17.9%
Median Net Margin of Income (2020)	2.5%	2.8%	2.2%	1.8%
Change in Median Net Income Net Margin (from 2018 to 2020)	+56.3%	+33.3%	+69.2%	+5.9%
Median Net Margin of Program Service Income (2020)	0.0%	-3.8%	-12.4%	-9.3%
Finding 3: Overall, across 2018 to 2020, all revenue cohorts reported increases in median net assets without donor restrictions, median assets, median cash, median savings and median liabilities.				
Median Net Assets w/o Donor Restrictions (2020)	$719,984	$2,480,044	$7,536,505	$19,315,390
Change in Median Net Assets w/o Donor Restrictions (from 2018 to 2020)	+18.5%	+14.9%	+15.9%	+12.7%
Median Assets (2020)	$1,150,248	$4,492,213	$13,778,907	$39,306,305
Change in Median Assets (from 2018 to 2020)	+30.5%	+34.0%	+34.0%	+24.8%
Median Cash (2020)	$252,958	$846,898	$2,252,208	$3,798,312
Change in Median Cash (from 2018 to 2020)	+122.4%	+155.1%	+196.0%	+120.3%
Median Savings (2020)	$294,412	$735,057	$2,205,328	$4,366,218
Change in Median Savings (from 2018 to 2020)	+60.8%	+60.6%	+124.3%	+108.9%
Median Liabilities (2020)	$284,152	$1,493,554	$4,986,357	$14,590,394
Change in Median Liabilities (from 2018 to 2020)	+115.0%	+90.1%	+81.7%	+30.3%

Appendix A: References

[i] Borrowed extensively from Morris, G., Roberts, D., MacIntosh, J. and Bordone, A. (2018). The Financial health of the United States nonprofit sector. Oliver Wyman.

[ii] Nonprofit Ratios: How to Use Them and What They Measure for Your Organization. Retrieved from: https://warrenaverett.com/insights/nonprofit-ratios/

[iii] Quality Enhancement for Nonprofit Organizations. Retrieved from: http://www.ncgrantmakers.org/NCGrantMakers/media/Test-Folder/Form-990-Cheat-Sheet.pdf

[iv] HRSA Office of Intergovernmental and External Affairs. Retrieved from: https://www.hrsa.gov/about/organization/offices/hrsa-iea.

Appendix B: Form 990

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

A For the 2021 calendar year, or tax year beginning , 2021, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite

City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number

E Telephone number

G Gross receipts $

F Name and address of principal officer:

H(a) Is this a group return for subordinates? ☐ **Yes** ☐ **No**

H(b) Are all subordinates included? ☐ **Yes** ☐ **No**

If "No," attach a list. See instructions.

I Tax-exempt status: ☐ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J **Website:** ▶

H(c) Group exemption number ▶

K Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation:

M State of legal domicile:

Part I Summary

				Prior Year	Current Year
Activities & Governance	1	Briefly describe the organization's mission or most significant activities:			
	2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	3		
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4		
	5	Total number of individuals employed in calendar year 2021 (Part V, line 2a)	5		
	6	Total number of volunteers (estimate if necessary)	6		
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a		
	b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b		
Revenue	8	Contributions and grants (Part VIII, line 1h)			
	9	Program service revenue (Part VIII, line 2g)			
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)			
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)			
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)			
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)			
	14	Benefits paid to or for members (Part IX, column (A), line 4)			
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)			
	16a	Professional fundraising fees (Part IX, column (A), line 11e)			
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶			
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)			
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)			
	19	Revenue less expenses. Subtract line 18 from line 12			
Net Assets or Fund Balances				**Beginning of Current Year**	**End of Year**
	20	Total assets (Part X, line 16)			
	21	Total liabilities (Part X, line 26)			
	22	Net assets or fund balances. Subtract line 21 from line 20			

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer | Date

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

May the IRS discuss this return with the preparer shown above? See instructions ☐ **Yes** ☐ **No**

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11282Y Form **990** (2021)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . ☐

1 Briefly describe the organization's mission:

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ **Yes** ☐ **No**

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ **Yes** ☐ **No**

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ including grants of $) (Revenue $)

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe on Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses ▶

Form **990** (2021)

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		
2	Is the organization required to complete *Schedule B, Schedule of Contributors*? See instructions	2		
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? *If "Yes," complete Schedule D, Part V*	10		
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a		
b	Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		
c	Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		
d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I.* See instructions	17		
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		

Form **990** (2021)

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23		
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part II*	26		
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? *If "Yes," complete Schedule L, Part IV*	28a		
b	A family member of any individual described in line 28a? *If "Yes," complete Schedule L, Part IV*	28b		
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? *If "Yes," complete Schedule L, Part IV*	28c		
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? **Note:** All Form 990 filers are required to complete Schedule O	38		

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

					Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a				
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b				
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		

Form **990** (2021)

Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return **2a**			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
	Note: If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file*. See instructions.			
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation on Schedule O*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		
b	If "Yes," enter the name of the foreign country ▶			
	See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year **7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	**Section 501(c)(7) organizations.** Enter:			
a	Initiation fees and capital contributions included on Part VIII, line 12 **10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities **10b**			
11	**Section 501(c)(12) organizations.** Enter:			
a	Gross income from members or shareholders **11a**			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) **11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year **12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state?	13a		
	Note: See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans **13b**			
c	Enter the amount of reserves on hand **13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation on Schedule O*	14b		
15	Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year?	15		
	If "Yes," see the instructions and file Form 4720, Schedule N.			
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16		
	If "Yes," complete Form 4720, Schedule O.			
17	**Section 501(c)(21) organizations.** Did the trust, any disqualified person, or mine operator engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953?	17		
	If "Yes," complete Form 6069.			

Form **990** (2021)

Part VI **Governance, Management, and Disclosure.** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI . . . . ☐

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . **1a**			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.			
b	Enter the number of voting members included on line 1a, above, who are independent . **1b**			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**		
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?	**3**		
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	**5**		
6	Did the organization have members or stockholders?	**6**		
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	**8a**		
b	Each committee with authority to act on behalf of the governing body?	**8b**		
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses on Schedule O*	**9**		

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	**10a**		
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	**10b**		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	**11a**		
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**		
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**		
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe on Schedule O how this was done*	**12c**		
13	Did the organization have a written whistleblower policy?	**13**		
14	Did the organization have a written document retention and destruction policy?	**14**		
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**		
b	Other officers or key employees of the organization	**15b**		
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**		
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☐ Upon request ☐ Other *(explain on Schedule O)*

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records ▶

Form **990** (2021)

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than $100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/ 1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/ 1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

Form **990** (2021)

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/ 1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/ 1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										

1b Subtotal . . . . ▶			
c Total from continuation sheets to Part VII, Section A . . . . . ▶			
d Total (add lines 1b and 1c) . . . . ▶			

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶

		Yes	No
3 Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4		
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶

Form **990** (2021)

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512–514
Contributions, Gifts, Grants, and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a–1f	1g $				
	h	**Total.** Add lines 1a–1f ▶					
Program Service Revenue			Business Code				
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f ▶					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶					
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	6a				
	b	Less: rental expenses	6b				
	c	Rental income or (loss)	6c				
	d	Net rental income or (loss) ▶					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	7a				
	b	Less: cost or other basis and sales expenses	7b				
	c	Gain or (loss)	7c				
	d	Net gain or (loss) ▶					
	8a	Gross income from fundraising events (not including $ ______ of contributions reported on line 1c). See Part IV, line 18	8a				
	b	Less: direct expenses	8b				
	c	Net income or (loss) from fundraising events ▶					
	9a	Gross income from gaming activities. See Part IV, line 19	9a				
	b	Less: direct expenses	9b				
	c	Net income or (loss) from gaming activities ▶					
	10a	Gross sales of inventory, less returns and allowances	10a				
	b	Less: cost of goods sold	10b				
	c	Net income or (loss) from sales of inventory ▶					
Miscellaneous Revenue			Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d ▶					
	12	**Total revenue.** See instructions ▶					

Form **990** (2021)

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 .				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . .				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.) .				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings .				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization .				
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a				
b				
c				
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e				
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) . . .				

Form **990** (2021)

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net			4	
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges			9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a			
	b	Less: accumulated depreciation	10b		10c	
	11	Investments—publicly traded securities			11	
	12	Investments—other securities. See Part IV, line 11			12	
	13	Investments—program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11			15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 33)			16	
Liabilities	17	Accounts payable and accrued expenses			17	
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D			25	
	26	**Total liabilities.** Add lines 17 through 25			26	
Net Assets or Fund Balances		**Organizations that follow FASB ASC 958, check here ▶ ☐ and complete lines 27, 28, 32, and 33.**				
	27	Net assets without donor restrictions			27	
	28	Net assets with donor restrictions			28	
		Organizations that do not follow FASB ASC 958, check here ▶ ☐ and complete lines 29 through 33.				
	29	Capital stock or trust principal, or current funds			29	
	30	Paid-in or capital surplus, or land, building, or equipment fund			30	
	31	Retained earnings, endowment, accumulated income, or other funds			31	
	32	Total net assets or fund balances			32	
	33	Total liabilities and net assets/fund balances			33	

Form **990** (2021)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	
2	Total expenses (must equal Part IX, column (A), line 25)	2	
3	Revenue less expenses. Subtract line 2 from line 1	3	
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☐ Accrual ☐ Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		
	If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b		
	If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
	If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	3b		

Form **990** (2021)