

The Operating Index

A NATIVE CONSTRAINT PUBLICATION

EXAMPLE HEALTH

EIN: 00-0000000, Health Care (NTEE E)

For the years ended June 30, 2021 through 2025

A fictitious organization. Every figure is invented.

The Operating Index

This report sets an organization's reported finances against its field across five years. The financial statements are ranked against the sector. The measures drawn from them are ranked against a cohort of similar organizations. The report states position and movement. It draws no conclusion.

PROVENANCE

A filed figure comes from the organization's public Form 990. Peer figures come from the IRS record, the e-file releases and the annual extract together, and refresh as the IRS releases. A figure not drawn from a filing is marked. A filing that does not reconcile is held, not issued.

FINANCIAL STATEMENTS

Two statements are shown for five years, the years ended June 30, 2021 through 2025: the statement of financial position and the statement of activities. Figures are in U.S. dollars. The years ended June 30, 2021 through 2024 come from the filed Form 990. The year ended June 30, 2025 is from finalized financial statements and marked. A year ahead of filing ranks against the most recent filed field. Each line is ranked against the sector, every Health Care organization (NTEE E) that filed for that year.

MEASURES

The measures are computed from the statements. Each is ranked against a cohort of 148 organizations: those in the same sector and closest in revenue. A ratio is comparable only among organizations of similar scale. A year whose field is still filling is ranked against the most recent resolved field. No single level is right for every organization.

COMMENTARY

The commentary is assembled by a fixed rule, not generated. The same data produces the same reading, and nothing is invented or rephrased beyond what the figures support. It walks the statements in order and closes on the measures. A measure is called rising or falling only when the movement is consistent across the years. An erratic figure is reported as volatile, not forced into a trend. A reading at a five-year high or low, or in the top or bottom tenth of its cohort, raises a question, set in italic below the line. The question rises from the organization's own figures and states no finding.

NO ASSURANCE PROVIDED

This report is not an audit, review, or compilation, and no opinion or assurance is provided. The figures are reported by the organization and are not verified. Reconciliation is a condition of issue, not a verification.

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July 3, 2026

EXAMPLE HEALTH
STATEMENT OF FINANCIAL POSITION

As of June 30, 2021 through 2025

	2021	2022	2023	2024	2025*
ASSETS					
Cash & Equivalents	2,920,820 72nd	3,762,640 77th	4,160,740 79th	4,536,300 80th	4,910,000 81st
Investments	1,142,300 64th	1,013,990 60th	1,008,300 60th	1,083,690 61st	1,028,005 59th
Receivables	600,000 52nd	550,000 50th	580,000 51st	600,000 52nd	620,000 53rd
Property & Equipment	2,925,740 66th	2,631,300 63rd	2,700,300 64th	2,664,000 63rd	2,690,000 63rd
Other Assets	200,000 47th	200,000 47th	200,000 47th	200,000 47th	200,000 47th
Total Assets	7,788,860 73rd	8,157,930 74th	8,649,340 74th	9,083,990 75th	9,448,005 75th
LIABILITIES					
Payables & Accrued	498,640 62nd	516,330 63rd	524,330 63rd	576,985 64th	620,000 65th
Deferred Revenue	250,000 58th	290,000 60th	320,000 62nd	350,000 64th	380,000 65th
Secured Debt	250,000 55th	240,000 54th	230,000 52nd	270,000 56th	260,000 55th
Notes & Loans	50,000 40th	60,000 41st	70,000 42nd	80,000 44th	90,000 45th
Other Liabilities	50,000 50th	50,000 50th	60,000 51st	60,000 51st	70,000 52nd
Total Liabilities	1,098,640 65th	1,156,330 66th	1,204,330 66th	1,336,985 67th	1,420,000 68th
NET ASSETS					
Without Donor Restrictions	5,690,220 74th	5,951,600 74th	6,295,010 75th	6,472,005 75th	6,728,005 75th
With Donor Restrictions	1,000,000 60th	1,050,000 61st	1,150,000 63rd	1,275,000 65th	1,300,000 65th
Total Net Assets	6,690,220 74th	7,001,600 74th	7,445,010 75th	7,747,005 75th	8,028,005 75th

* 2025 is provided by management, ranked against the 2024 field.

EXAMPLE HEALTH
STATEMENT OF ACTIVITIES

For the years ended June 30, 2021 through 2025

	2021	2022	2023	2024	2025*
REVENUE					
Contributions & Grants	6,033,118 77th	5,884,260 76th	6,142,880 77th	6,204,448 78th	6,420,000 78th
Program Revenue	781,540 52nd	933,870 57th	1,003,210 59th	1,204,660 62nd	1,340,000 64th
Investment Income	18,400 58th	26,910 63rd	31,040 65th	44,332 68th	52,000 70th
Other Revenue	7,650 42nd	11,200 46th	12,500 47th	13,200 48th	9,000 44th
Total Revenue	6,840,708 71st	6,856,240 72nd	7,189,630 73rd	7,466,640 74th	7,821,000 75th
EXPENSES					
Compensation & Benefits	4,221,030 73rd	4,388,770 74th	4,512,330 74th	4,769,210 75th	5,030,000 76th
Professional & Contract Services	920,000 55th	980,000 57th	1,020,000 58th	1,100,000 60th	1,160,000 61st
Office & Technology	300,000 58th	320,000 59th	330,000 59th	360,000 60th	380,000 61st
Occupancy & Depreciation	615,000 52nd	640,000 53rd	660,000 53rd	690,000 54th	720,000 55th
Other Expenses	206,220 44th	216,090 45th	223,890 45th	245,435 46th	250,000 47th
Total Expenses	6,262,250 71st	6,544,860 72nd	6,746,220 72nd	7,164,645 73rd	7,540,000 74th
Change in Net Assets	578,458 78th	311,380 63rd	443,410 71st	301,995 65th	281,000 63rd

* 2025 is provided by management, ranked against the 2024 field.

EXAMPLE HEALTH
MEASURES

For the years ended June 30, 2021 through 2025

	2021	2022	2023	2024	2025*
Cash on Hand	5.6 60th	6.9 65th	7.4 70th	7.6 73rd	7.8 75th
Cash and equivalents divided by monthly expense: months of runway in cash alone.					
Operating Reserves	5.3 66th	6.1 70th	6.4 72nd	6.4 72nd	6.4 71st
Net assets without donor restrictions, less the equity held in property and equipment, divided by monthly expense: months of reserve.					
Surplus Margin	8.5% 60th	4.5% 44th	6.2% 50th	4.0% 47th	3.6% 45th
Surplus divided by total revenue: the share of each dollar kept.					
Personnel Share	62% 39th	64% 36th	63% 38th	64% 37th	64% 37th
Compensation and benefits divided by total expense: the share of each dollar spent that goes to people.					
Revenue Concentration	88% 68th	86% 63rd	85% 61st	83% 59th	82% 58th
The largest revenue stream divided by total revenue: how much the organization leans on one kind of funding.					

* 2025 is provided by management, ranked against the 2024 field.

EXAMPLE HEALTH COMMENTARY

For the years ended June 30, 2021 through 2025

Total assets grew from \$7.8M to \$9.4M, and the asset base became more liquid: cash rose from 37% to 52% of assets while property and equipment fell from 38% to 28%. Deferred revenue rose from \$250K to \$380K. Notes and loans rose from \$50,000 to \$90,000.

Revenue grew 14% over the period and expenses grew 20%. Revenue was nearly flat in 2022, then grew steadily. Expenses rose in each year after 2021. Program revenue grew 71%, while contributions rose 6%. Office and technology grew 27% against compensation's 19%.

Each year's surplus accumulated into net assets. The balance rolled forward without a gap, from \$6.7M at the close of 2021 to \$8.0M at the close of 2025.

Cash on Hand rose in each year after 2021, from 5.6 to 7.8 months, though the annual gains narrowed after 2022. Its cohort rank rose from the 60th to the 75th percentile.

What is the cash held for, and is holding it rather than moving it into program or reserves a deliberate choice?

Operating reserves rose from 5.3 to 6.4 months, most of the gain in 2022, and have held near 6.4 months since 2023. Their cohort rank rose from the 66th to the 72nd percentile, then eased.

The surplus margin fell from 8.5% to 3.6%, as expenses grew 20% over the period against revenue's 14%, most of the drop in 2022. It has varied year to year and now sits at its five-year low. Its cohort rank fell from the 60th to the 45th percentile.

Is the compression structural or one-time, and what returns the margin toward the earlier years?

Personnel share held near 63% of expense and stayed below the cohort, near the 37th percentile, throughout.

Revenue concentration eased in each year after 2021, from 88% to 82%, as revenue grew. Its cohort rank fell from the 68th to the 58th percentile. 82% of revenue still comes from a single category.

If the largest category fell, what would carry the gap, and is the concentration built into the model or a position the organization means to change?