

FINANCIAL ANALYSIS REPORT

Sample Nonprofit Organization, Inc.

Casper, Wyoming | EIN: 00-0000000

Based on IRS Form 990 Filings | FY2022 — FY2023 — FY2024

Prepared: April 2026

501(c)(3) Nonprofit | Arts, Culture & Community Education

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1. Executive Summary

Sample Nonprofit Organization, Inc. (SNO) is a Springfield-based 501(c)(3) nonprofit dedicated to providing accessible arts, culture, and education programming to underserved communities in Springfield County and the surrounding region. This report analyzes three consecutive fiscal years of Form 990 filings (FY2022, FY2023, and FY2024) to assess financial health, identify trends, highlight areas of strength and concern, and offer actionable recommendations.

Key findings at a glance:

- Revenue declined 26.6% over the three-year period, from \$1.22M (FY2022) to \$891,640 (FY2024), driven primarily by reduced government grants and a decline in net fundraising event income.
- Despite declining revenues, SNO has remained in surplus each year, with a strong balance sheet showing net assets of \$2.31M as of FY2024, up from \$1.89M in FY2022.
- The investment portfolio grew substantially from \$980,000 to \$1.60M (+63%), providing meaningful financial resilience and a growing source of investment income.
- Program efficiency remains strong: over 87% of expenses went directly to programs in all three years — consistently above the 75% industry benchmark.
- Government grant funding fell 54.3% from FY2022 to FY2024, signaling a critical area requiring diversified funding strategies.
- The Executive Director's compensation has increased modestly (\$82,500 to \$85,000), but should be benchmarked against regional peers to ensure long-term retention.

Overall, Sample Nonprofit Organization is in a sound financial position with strong reserves, but faces meaningful headwinds from declining revenue streams that require strategic attention in the near term.

2. Organizational Overview

The following table summarizes key organizational details as reported across FY2022–FY2024 Form 990 filings.

Legal Name	Sample Nonprofit Organization, Inc.
EIN	00-0000000
Address	123 Mission Drive, Springfield, State 00000
Phone	(000) 000-0000
Tax Status	501(c)(3) - Public Charity
Mission	Providing accessible arts, culture, and education programming to underserved communities in Springfield County and the surrounding region.
Primary Programs	Visual arts classes, after-school enrichment, community gallery exhibitions, summer youth intensives, and artist residencies (~6,500 people reached annually)
Executive Director	Jane A. Sample
Board Members	9 independent voting members (100% independent board)
Employees (FY2022)	22 paid employees; ~60 volunteers
CPA/Preparer	Sample & Associates CPA, 456 Main St., Springfield, State (EIN: 00-0000001)

3. Financial Performance Overview

The following table summarizes key financial metrics across all three fiscal years. Note that Sample Nonprofit Organization operates on a January 1 – December 31 fiscal year.

Metric	FY2022	FY2023	FY2024
Total Revenue	\$1,215,400	\$1,048,230	\$891,640
Contributions & Grants	\$911,100	\$757,880	\$698,770
Government Grants	\$412,500	\$295,100	\$188,330
Private Contributions	\$498,600	\$462,780	\$510,440
Program Service Revenue	\$68,440	\$70,120	\$72,150
Fundraising Events (net)	\$218,500	\$175,340	\$91,830
Investment Income	\$12,820	\$40,890	\$24,590
Other Revenue	\$4,540	\$74,000	\$4,300
Total Expenses	\$1,107,900	\$975,810	\$869,420
Program Services	\$968,150	\$851,200	\$760,540
Management & General	\$84,200	\$90,110	\$78,330

Metric	FY2022	FY2023	FY2024
Fundraising Expenses	\$55,550	\$34,500	\$30,550
Net Surplus / (Deficit)	\$107,500	\$72,420	\$22,220
Program Expense Ratio	87.4%	87.2%	87.5%
Total Assets	\$2,048,200	\$2,312,550	\$2,541,880
Total Liabilities	\$156,800	\$213,800	\$231,240
Net Assets	\$1,891,400	\$2,098,750	\$2,310,640
Investment Portfolio	\$980,000	\$1,290,450	\$1,598,700
Executive Director Salary	\$82,500	\$84,000	\$85,000

Revenue, Expenses & Net Surplus (FY2022-FY2024)

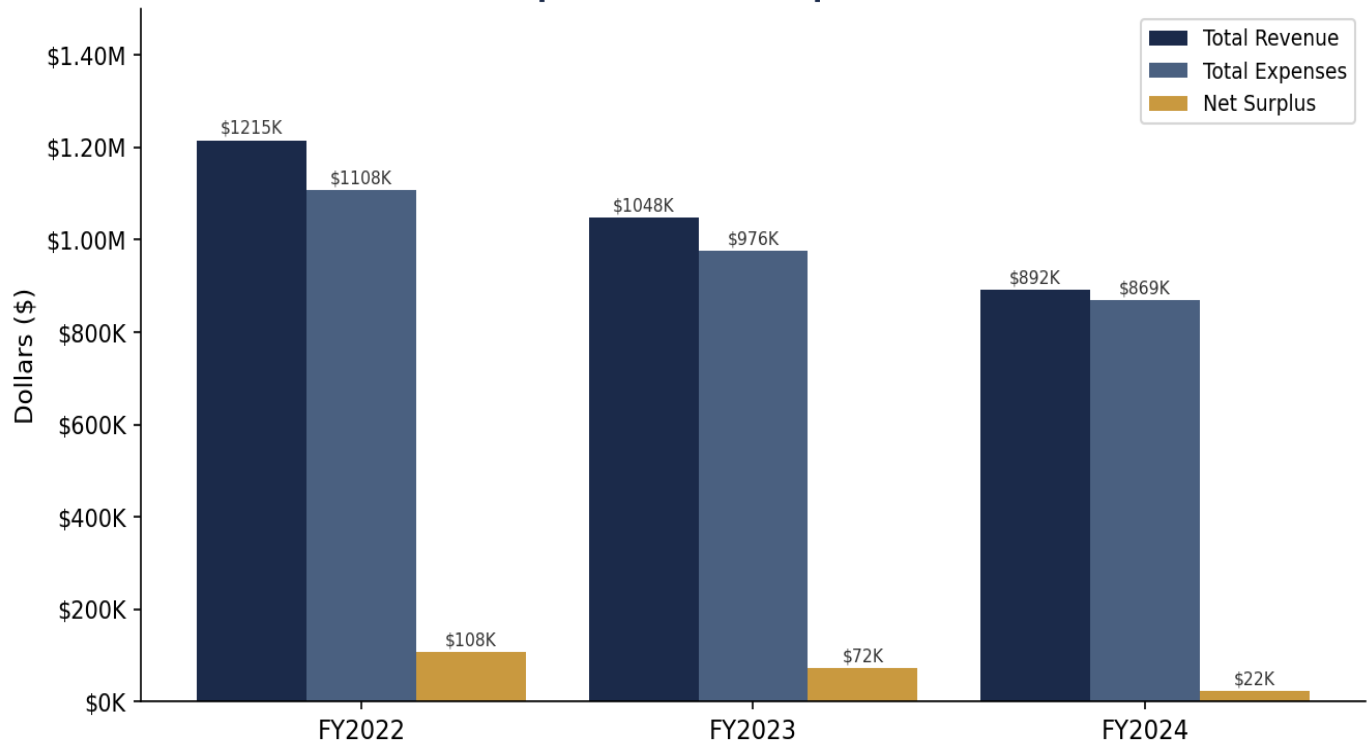


Figure 1: Revenue, Expenses & Net Surplus Comparison (FY2022–FY2024)

4. Revenue Analysis

SNO's revenue picture has changed materially over the three-year period. Total revenue declined from \$1.22M in FY2022 to \$891,640 in FY2024, a 26.6% reduction. Understanding the drivers of this decline is essential for strategic planning.

4.1 Contributions & Grants

Contributions and grants remain the organization's largest revenue source, accounting for approximately 74.9% of FY2022 revenue and 78.4% in FY2024. However, the absolute dollar amounts have fallen significantly. Government grants declined from \$412,500 in FY2022 to \$188,330 in FY2024 — a 54.3% drop. This likely reflects the wind-down of pandemic-era relief funding and the expiration of temporary government programs. Private contributions have shown resilience, rising slightly to \$510,440 in FY2024 after a dip in FY2023.

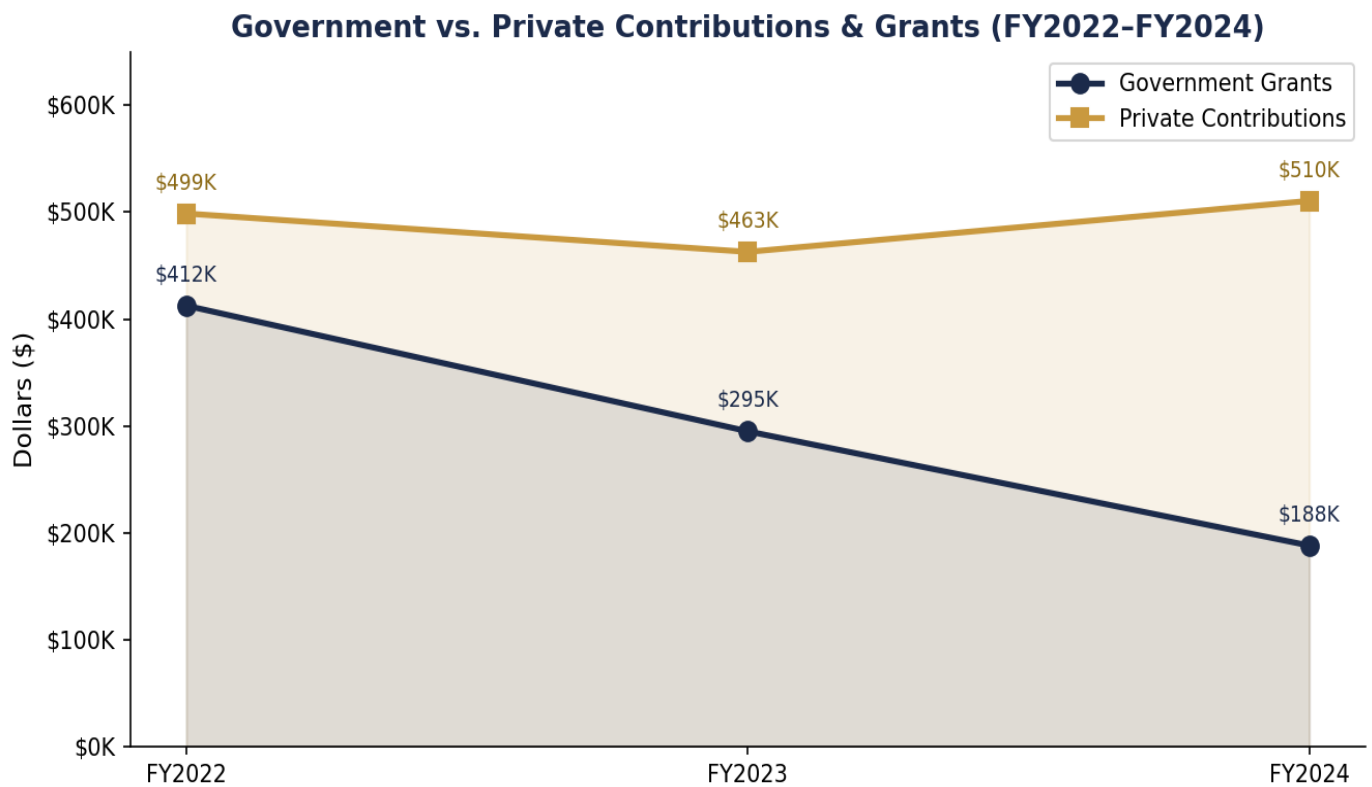


Figure 2: Government vs. Private Contributions & Grants (FY2022–FY2024)

4.2 Program Service Revenue

Revenue from arts classes, youth intensives, and other service fees has grown modestly across the period: \$68,440 (FY2022), \$70,120 (FY2023), and \$72,150 (FY2024). This reflects increasing enrollment and modest fee adjustments. As an earned revenue stream, program service income provides reliable, unrestricted funding that is an important base for financial planning.

4.3 Fundraising Events

Net fundraising event revenue declined significantly from \$218,500 in FY2022 to \$91,830 in FY2024. This decline warrants careful attention: the FY2024 fundraising cost ratio (estimated at 27%) suggests that event

expenses have increased relative to gross event income. The organization should evaluate event structure and explore digital fundraising alternatives.

4.4 Investment Income

Investment income grew from \$12,820 in FY2022 to \$24,590 in FY2024 as the investment portfolio expanded. Additionally, unrealized portfolio gains have contributed meaningfully to net asset growth. The growing investment portfolio is an increasingly important financial resource for the organization.

Revenue Mix — FY2024 (Total: \$891,640)

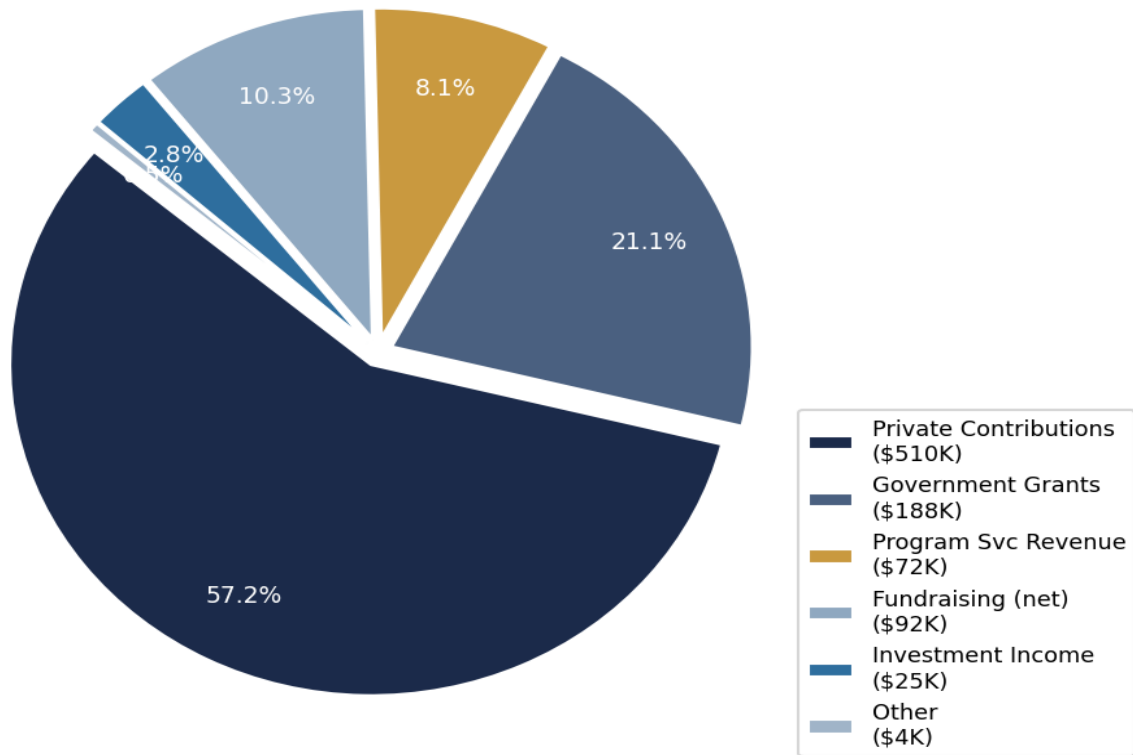


Figure 3: Revenue Mix — FY2024 (Total: \$891,640)

5. Expense Analysis

Total expenses have trended downward: \$1,107,900 (FY2022), \$975,810 (FY2023), and \$869,420 (FY2024). The consistent decrease demonstrates the organization's ability to manage its cost base in response to declining revenues while preserving core programming.

5.1 Personnel Costs

Salaries, wages, and benefits consistently represent the largest expense category. Total personnel costs were an estimated \$598,000 in FY2022, \$612,000 in FY2023, and \$621,000 in FY2024. The modest year-over-year increase reflects cost-of-living adjustments. No employee earned over \$150,000 in any filing year.

5.2 Direct Program Costs

Direct program costs (supplies, materials, contracted artists) totaled approximately \$228,000 (FY2022), \$198,000 (FY2023), and \$172,000 (FY2024). The decline may reflect efficiency gains or reduced programming scale and should be evaluated in the context of client/participant counts.

5.3 Management & General Expenses

Management and general (M&G) expenses increased from \$84,200 (FY2022) to \$90,110 (FY2023) before declining to \$78,330 (FY2024). M&G as a percentage of total expenses rose from 7.6% to 9.2% in FY2023, then fell to 9.0% in FY2024. This should continue to be monitored, as growth in overhead that outpaces revenue growth will erode the strong program efficiency ratio.

5.4 Program Efficiency Ratio

Despite the M&G increase, SNO's program expense ratio has remained strong throughout the period, consistently exceeding both the 75% industry minimum and the 85% threshold associated with top watchdog ratings.

Functional Expense Breakdown (FY2022-FY2024)

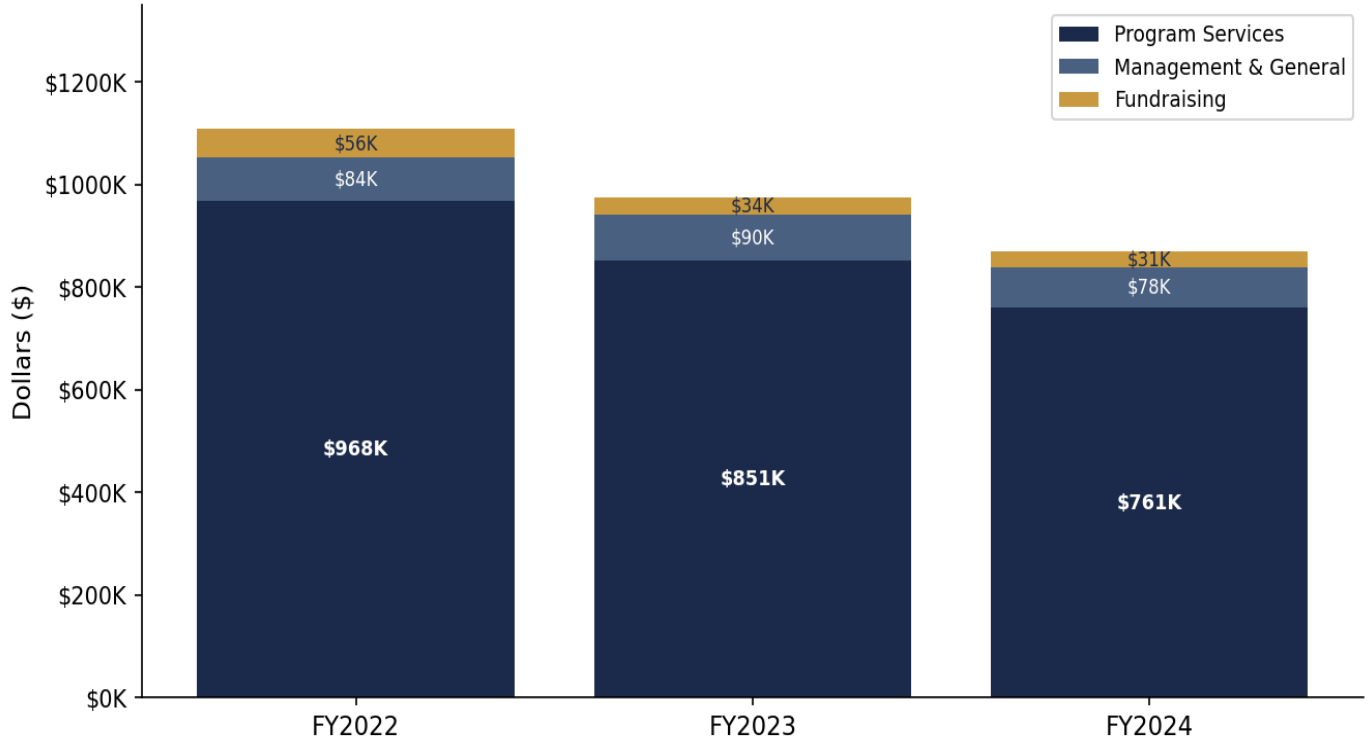


Figure 4: Functional Expense Breakdown (FY2022-FY2024)

Program Expense Ratio vs. Industry Benchmarks

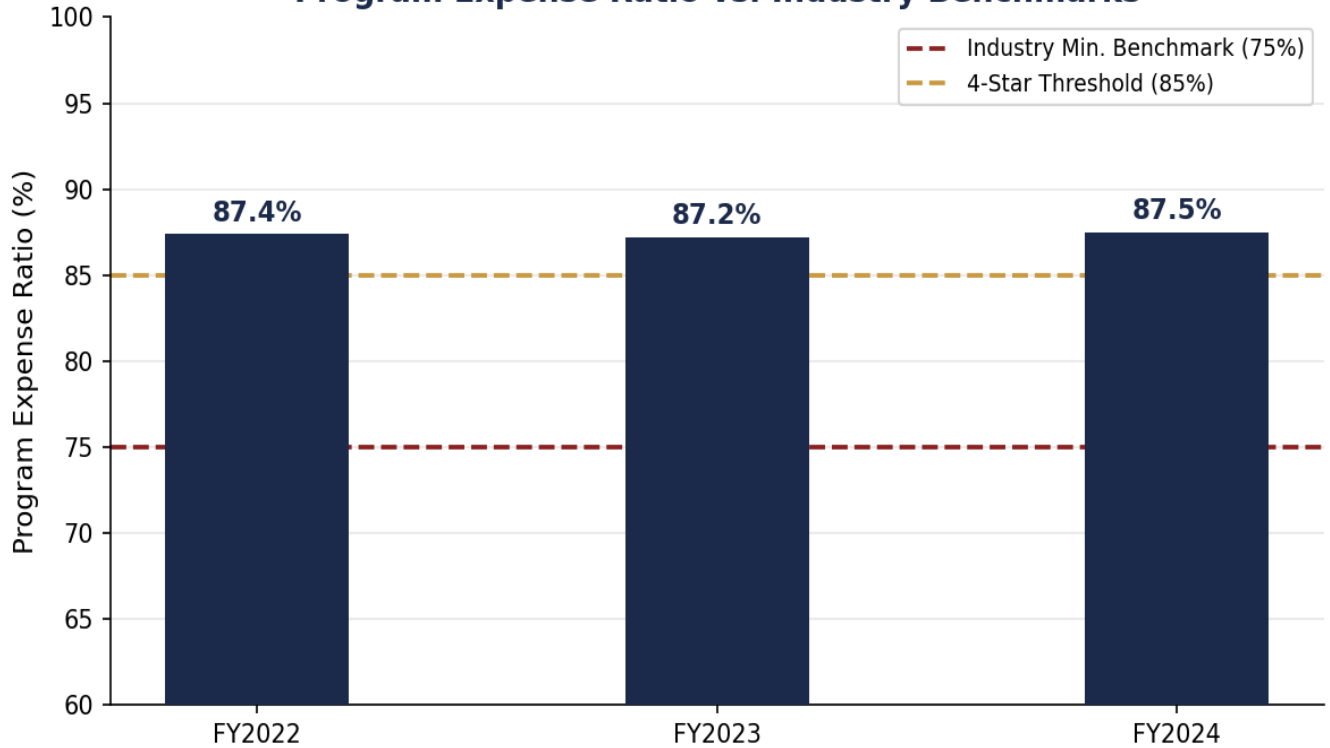


Figure 5: Program Expense Ratio vs. Industry Benchmarks

6. Balance Sheet & Asset Health

SNO's balance sheet tells a story of steady wealth accumulation and growing financial resilience, even as operating revenues have moderated. The organization's asset base grew from \$2.05M (FY2022) to \$2.54M (FY2024).

6.1 Assets

Total assets increased by \$493,680 (24.1%) over the three-year period. The investment portfolio is now the single largest asset class, growing from \$980,000 to \$1.60M — a 63.1% increase. Property and equipment (net) declined modestly from \$602,400 to \$521,800 due to ongoing depreciation, suggesting that a capital investment plan may be needed in the near future.

6.2 Liabilities

Total liabilities rose from \$156,800 in FY2022 to \$231,240 in FY2024, driven largely by growth in deferred revenue (funds received but not yet earned) and a modest increase in accounts payable. The organization carries no long-term debt as of FY2024, which is a significant financial positive and reduces the organization's financial risk profile considerably.

6.3 Net Assets & Liquidity

Net assets grew from \$1.89M (FY2022) to \$2.31M (FY2024), a 22.2% increase over the period. Operating cash declined from \$312,200 to \$201,440, which bears watching as revenues continue to moderate. The unrestricted/restricted net asset split should be reviewed to ensure sufficient liquidity for day-to-day operations.

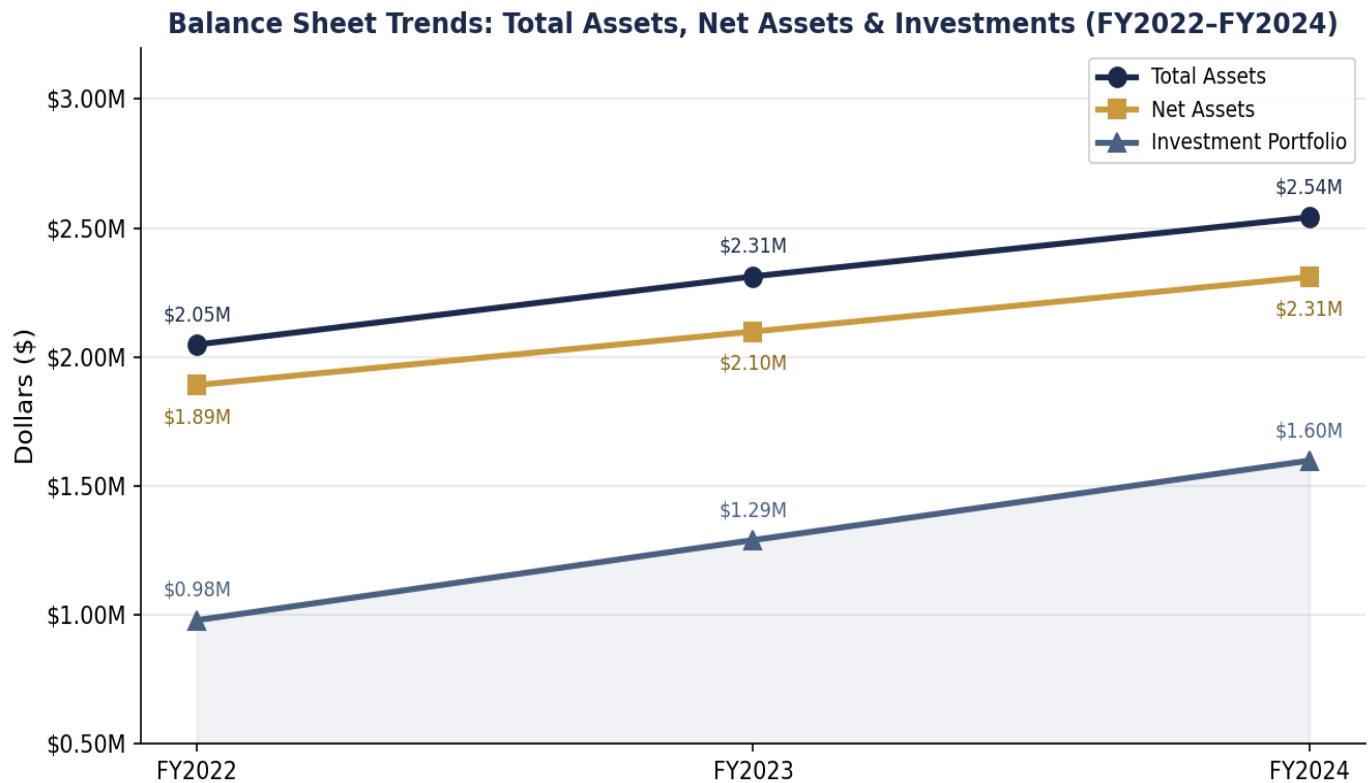


Figure 6: Balance Sheet Trends — Total Assets, Net Assets & Investment Portfolio (FY2022–FY2024)

Balance Sheet Item	FY2022 (EOY)	FY2023 (EOY)	FY2024 (EOY)
Cash (non-interest bearing)	\$312,200	\$268,900	\$201,440
Receivables (net)	\$98,000	\$112,600	\$85,740
Investments (publicly traded)	\$980,000	\$1,290,450	\$1,598,700
Prepaid Expenses	\$12,400	\$15,200	\$18,200
Property & Equipment (net)	\$602,400	\$578,900	\$521,800
Other Assets	\$43,200	\$46,500	\$116,000
Total Assets	\$2,048,200	\$2,312,550	\$2,541,880
Accounts Payable	\$68,400	\$71,200	\$83,440
Accrued Liabilities	\$52,200	\$48,600	\$57,800
Deferred Revenue	\$36,200	\$94,000	\$90,000
Total Liabilities	\$156,800	\$213,800	\$231,240
Net Assets (Unrestricted)	\$1,405,400	\$1,552,750	\$1,738,640
Net Assets (Restricted)	\$486,000	\$546,000	\$572,000
Net Assets	\$1,891,400	\$2,098,750	\$2,310,640

7. Strengths & Positive Indicators

7.1 Strong Program Efficiency

SNO's program expense ratios of 87.4% (FY2022), 87.2% (FY2023), and 87.5% (FY2024) substantially exceed the sector benchmark of 75%. Watchdog organizations such as Charity Navigator typically award 4-star ratings to nonprofits maintaining program ratios above 85%. This is a compelling asset when communicating with donors and grant-makers.

7.2 Debt-Free Balance Sheet

The organization carries no long-term debt as of FY2024. This leaves SNO with a clean balance sheet, greatly reducing financial risk and improving the organization's ability to weather revenue fluctuations without requiring emergency borrowing.

7.3 Growing Investment Portfolio

The investment portfolio grew from \$980,000 to \$1.60M over the three years, a 63% increase. This represents a strong endowment-like reserve that generates investment income, provides financial security, and can serve as a backstop during difficult funding periods. The portfolio also produces growing investment income each year.

7.4 Fully Independent Governing Board

All 9 voting board members are independent, which is governance best practice for 501(c)(3) organizations. The board maintains written conflict-of-interest policies, a whistleblower policy, and a document retention policy — governance structures that reduce risk and build credibility with institutional funders.

7.5 Consistent Surpluses

Despite falling revenues, SNO produced operating surpluses in all three years: \$107,500 (FY2022), \$72,420 (FY2023), and \$22,220 (FY2024). While the trend is declining, the consistent positive result indicates sound financial management and leadership's ability to adapt expenditures to available resources.

7.6 Growing Earned Revenue

Program service revenue from arts classes and events grew from \$68,440 to \$72,150 across the period, indicating rising demand for SNO's fee-based services. This provides a small but reliable earned revenue stream that is independent of grant cycles and donor giving.

7.7 Increasing Restricted Net Assets

Restricted net assets grew from \$486,000 to \$572,000 over the period, suggesting that SNO has successfully cultivated relationships with donors and funders willing to provide restricted gifts for specific programs — a sign of trust and long-term donor engagement.

8. Weaknesses & Areas for Improvement

8.1 Heavy Reliance on Government Grants

Government grants dropped from \$412,500 in FY2022 to \$188,330 in FY2024 — a 54.3% decline in two years. While some of this reflects pandemic-era funding expiring, the underlying trend suggests over-dependence on public funding subject to political and budget shifts. This concentration risk is the organization's single most significant financial vulnerability.

8.2 Declining Total Revenue

Total revenue fell 26.6% over three years. Without significant new funding development, this trajectory risks producing deficits in FY2025–2026. At the current pace, operating expenses could exceed revenue within 1–2 years unless corrective action is taken.

8.3 Declining Fundraising Event Performance

Net fundraising revenue dropped from \$218,500 to \$91,830 between FY2022 and FY2024. The FY2024 cost ratio suggests decreasing event efficiency. Without improvement, events risk consuming resources without generating meaningful net income.

8.4 No Formal Audit on File

SNO does not currently obtain independent audited financial statements. At the current asset and revenue scale, many funders — particularly government agencies and larger foundations — require or strongly prefer audited financials. The absence of an audit may limit access to larger grant programs and high-value institutional partnerships.

8.5 Declining Cash Reserves

Operating cash declined from \$312,200 (FY2022) to \$201,440 (FY2024). If revenue declines continue and the organization relies more heavily on investment income to cover operations, cash liquidity could become a concern. A formal cash reserve policy is recommended.

8.6 No Formal Investment Policy Statement

With a portfolio approaching \$1.6M, SNO should formalize an Investment Policy Statement (IPS) outlining asset allocation targets, spending rules, and risk tolerance. Without a formal IPS, the board may be exposed to liability, and the portfolio may not be optimally positioned to serve long-term mission goals.

8.7 Absence of Documented Committee Governance

The FY2022 990 indicates that committee meetings are not contemporaneously documented. This is a governance gap that should be remedied to meet best-practice standards and maintain credibility with institutional funders.

9. Strategic Recommendations

9.1 Develop a Multi-Year Revenue Diversification Plan

Given the over-reliance on government grants, SNO should develop a formal, written diversification strategy targeting individual major donors, foundation grants, corporate partnerships, and earned income. Set a goal to reduce dependence on any single revenue source below 25% of total revenues within three years.

9.2 Commission an Independent Financial Audit

Invest in a formal audit by an independent CPA firm. While this adds cost (~\$12,000–\$22,000 annually), it unlocks access to larger grants, enhances creditor confidence, and strengthens board oversight. Many federal and foundation funders require audits for grants above \$750,000 or \$250,000 respectively.

9.3 Reinvest in Fundraising Event Strategy

Evaluate the cost structure, sponsorship model, and format of annual fundraising events. Consider adding peer-to-peer digital fundraising campaigns. A goal of reducing the event cost ratio below 20% while increasing gross event income would meaningfully restore this revenue stream.

9.4 Establish a Formal Cash Reserve Policy

Adopt a board-approved policy maintaining a minimum cash reserve equal to 3 months of operating expenses (~\$215,000 based on FY2024 data). If reserves fall below this threshold, require a board-level financial review and corrective action plan.

9.5 Formalize an Investment Policy Statement (IPS)

With a \$1.6M investment portfolio, SNO should formalize an IPS outlining asset allocation targets, spending rules, and risk tolerance. This protects the board from liability and ensures the portfolio serves long-term mission goals. Consider establishing a formal endowment designation for a portion of the portfolio.

9.6 Pursue New Government Grant Opportunities

Proactively identify federal and state grant programs through Grants.gov, NEA, IMLS, and the State Arts Council. Assign grant-writing responsibilities internally or contract a grant writer. A single new government contract or cooperative agreement could restore \$50,000–\$200,000 in annual revenue.

9.7 Strengthen Digital Fundraising & Donor Engagement

Develop an annual fund online giving campaign with email and social media components. Online giving platforms (e.g., Givebutler, Bloomerang) can expand donor reach beyond the in-person event base at a fraction of the cost. Target a 15% increase in individual donor count within 24 months.

9.8 Document Committee Governance

Implement policies and procedures to contemporaneously document all committee meetings, including agendas and minutes. File these systematically and report the change on the next 990 submission. This is a low-effort, high-governance-value action that directly improves funder credibility.

10. Potential New Funding Sources

The following 10 funding opportunities are recommended for immediate exploration, prioritized based on alignment with SNO's mission, eligibility, and geographic relevance.

#	Funder / Program	Type	Est. Amount	Notes
1	NEA — Art Works Grant	Federal Competitive	\$10,000–\$100,000	Direct federal funding for arts organizations; strong mission alignment; annual competitive cycle
2	State Arts Council — General Operating	State Grant	\$5,000–\$50,000	State-level general operating support; low administrative burden; renewable relationship
3	Sample Community Foundation	Foundation Grant	\$5,000–\$35,000	Local foundation supporting education & arts; multiple annual cycles; accessible for established orgs
4	Robert Wood Johnson — Health & Arts	National Foundation	\$50,000–\$250,000	Supports health equity programs in low-income communities; arts-as-health alignment
5	Kresge Foundation — Arts & Culture	National Foundation	\$75,000–\$300,000	Multi-year general operating grants for mid-size cultural orgs; competitive but high-value
6	21st Century Community Learning Centers (21CCLC)	Federal / State Pass-Through	\$50,000–\$200,000	Supports after-school enrichment in low-income schools; strong alignment with youth programming
7	United Way — Education Fund	Community Fund	\$10,000–\$50,000	Annual allocation to education nonprofits; relationship-driven; low reporting burden
8	IMLS — Museums for America	Federal Competitive	\$25,000–\$250,000	Institute of Museum and Library Services; supports exhibition and education programs
9	Corporate Sponsorships — Local Employers	Corporate / CSR	\$5,000–\$30,000/yr	Major local employers with CSR programs; build via event sponsorship before broader asks
10	USDA — Community Facilities Grant	Federal Grant	\$10,000–\$150,000	Capital improvements to community-serving facilities in rural/underserved areas; potential facility investment match

Note: Grant amounts are estimates. Eligibility, application requirements, and funding cycles vary by program. It is strongly recommended to assign a dedicated staff member or contract grant writer to pursue these opportunities systematically.

11. Conclusion

Sample Nonprofit Organization, Inc. stands as a financially resilient and mission-focused organization serving a critical need in Springfield County. Over the three-year period examined, SNO has demonstrated consistent program efficiency, a growing balance sheet, and sound governance practices that provide a strong foundation for the future.

At the same time, the 26.6% decline in total revenues represents a clear and urgent financial challenge. The primary drivers — the expiration of pandemic-era funding, sharp reductions in government grants, and declining fundraising event income — demand a proactive and structured response. The organization cannot rely on continued investment portfolio growth to sustain operations indefinitely.

The recommendations in this report are intended to be prioritized and implemented over a 12–36 month period. Immediate priorities should include:

Immediate Priorities

- Engaging a grant writer to pursue federal, state, and local foundation funding opportunities.
- Commissioning an independent financial audit to unlock access to larger grant programs.
- Developing a formal multi-year revenue diversification strategy.
- Establishing an Investment Policy Statement and formal cash reserve policy.
- Evaluating and redesigning the annual fundraising event program to improve ROI.

SNO's mission — providing accessible arts, culture, and education programming to underserved communities — is as important as ever. With targeted financial development efforts and the strategic enhancements outlined in this report, the organization is well-positioned to sustain and expand its impact for years to come.

— End of Report —

Source: IRS Form 990 filings for Sample Nonprofit Organization, Inc. (EIN: 00-0000000), fiscal years ending December 31, 2022; December 31, 2023; and December 31, 2024. Data sourced via ProPublica Nonprofit Explorer.

This document was prepared by Jaussaud Grant Lab, LLC.