
Week 9 review · Mon Oct 19 & Wed Oct 21, 2026

What do nonprofits actually do? Subsectors, part one

SPEA-V221 Nonprofit and Voluntary Sector · Ji Ma · O'Neill School, Indiana University

Week 9 at a glance

Mon Oct 19 · Three fields and the hospital bargain

Health, education, and human services; the hospital case and your own organization; then the NTEE introduction and search demo.

Wed Oct 21 · Finding peers by code

TA-led Beacon case and peer search; then a B2 clinic on your checked claims and the team's funding sketch.

- **Readings.** Horwitz, “Charitable Nonprofits and the Business of Health Care,” **pp. 436–444**; CRFB, “The Federal Tax Benefits for Nonprofit Hospitals”; the NCCS NTEE explainer, skimmed. Recommended: Mosley, “Social Service Nonprofits,” pp. 251–261.
- **Due. B2, the funding lab, Sun Oct 25**, ten points, per member.
- **Built this week.** Monday's sheet 2 feeds your final report's first section; Wednesday's sheet 2 names peers whose practices your plan can cite and adapt.

NTEE National Taxonomy of Exempt Entities · CRFB Committee for a Responsible Federal Budget · NCCS National Center for Charitable Statistics

v221.jima.me/week/w09 · the B2 spec

Week 9, Session 1 · the first subsector tour

Three fields and the hospital bargain

Ji Ma · O'Neill School, Indiana University

Monday, October 19, 2026

How big is each field?

Counts and revenue in 2016, from Mosley's Table 10.1

276,757

social service nonprofits;
mean revenue \$1.97 million,
median \$190,178

210,559

education nonprofits; mean
\$4.13 million, median
\$96,246

45,130

health care nonprofits;
mean \$39.0 million, median
\$497,421

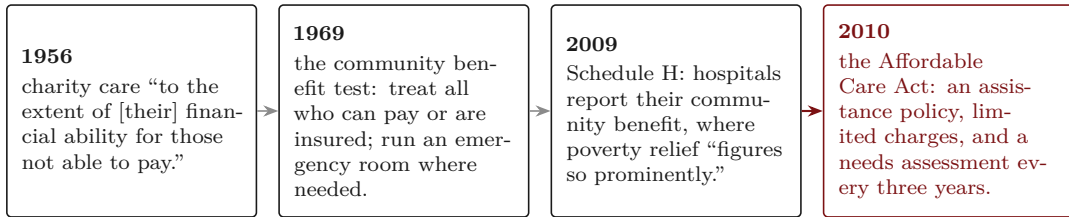
- Mosley: “over five times as many social service nonprofits” as health-care nonprofits, but their average size is “about a twentieth” (p. 254).
- Education’s mean is about forty times its median: a few large filers pull it up. IU (Week 2) and the public school corporation, a unit of government, file no 990, so neither is in these counts.

Compare your organization with its field’s median, not its mean.

Mosley, Table 10.1, p. 255, and p. 254; revenue figures rounded · ProPublica, read 2026-10-01: no filing for the school corporation or for IU, EIN 35-6001673 · Week 3, the averages trap · EIN Employer Identification Number

What a nonprofit hospital owes, by decade

Stricter benefit rules than other charities face



- IU Health Bloomington reported 96 percent of its FY2024 revenue as program service revenue, payment for care (line 2g), and 1 percent as gifts and grants (line 1h).

Since 1969 the test is community benefit, read broadly.

Horwitz, pp. 439–441, citing Rev. Rul. 56-185 and 69-545 and I.R.C. § 501(r); the years 2009 and 2010 as CRFB dates them · ProPublica, EIN 35-1720796, FY2024, read 2026-10-02 CRFB Committee for a Responsible Federal Budget · EIN Employer Identification Number · IU Indiana University

Watch: what the public gives nonprofit hospitals

Ge Bai, Johns Hopkins, on MedPage Today · 2024 · the first 4 minutes 20 seconds

Play the video

- Watch for what the tax exemption is worth to hospitals and what Bai says they owe in return.
- Keep one figure or claim for the discussion. Her figures are estimates for 2021; CRFB cites \$28.1 billion for 2020, by another method. From about 3:00 she gives policy views, not findings.
- After watching, discuss with your neighbours and note your answers on sheet 1.

MedPage Today, **Nonprofit Hospitals Took in Over \$37 Billion in Tax Benefits in 2021**, published 2024-10-03; checked 2026-10-02. Figures: Plummer, Socal, and Bai, JAMA, 2024, abstract; CRFB, 2024, “The Tax Exemption and Community Benefits.”

CRFB Committee for a Responsible Federal Budget

Discuss: does the hospital keep its side of the bargain?

Eight minutes with your neighbours. Keep sheet 1 for your report.

1. **Who pays.** A nonprofit hospital raises most of its revenue from payments for care. What does the public add through the tax exemption, and what does the hospital owe in return?
2. **The evidence.** What would you count as the hospital giving back, and what would that count miss?
3. **Your organization.** What does your Rail A organization give back, free or below cost, and where would you find the evidence? If the hospital's bargain does not fit your organization, explain why.

the video · Horwitz, p. 413 (“raising revenues from payments for services”), pp. 437–441 · the CRFB paper
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Is the bargain kept? It depends on the count

Our reading of the sources. Compare it with your sheet 1.

2.3% vs 4.3%

charity care (2018 data) and the exemption's
estimated value (2011–2018 average), as shares
of hospital expenses

\$130 billion

community benefit in 2020, by the American
Hospital Association's count; CRFB calls it four
times the exemption

- That count includes Medicaid and Medicare shortfalls. CRFB rejects counting the Medicaid shortfall, 40 to 45 percent of reported benefit spending: nonprofits' Medicaid costs do not differ from for-profits'.

*Count only charity care and the bargain looks broken; use the hospitals' count
and it looks kept.*

CRFB, 2024, the sections on community benefit performance and the Medicaid shortfall, notes 13, 14, 22, and 23, read 2026-10-01 · Horwitz, p. 437: adequacy “depends a great deal on how they are defined” CRFB

What any count misses

Horwitz's answer to the critics

- Conditioning exemption on free care “risk[s] unintended consequences, such as a hospital changing its service mix to make up lost revenues.”
- Nonprofit hospitals were less likely than for-profits to offer invasive cardiac procedures, some since shown to have “little or no benefit over placebo treatment for many patients.” Valuing the overtreatment that did not happen “is like hearing the dog that didn’t bark.”
- “There was no golden age when health providers acted entirely outside commercial markets”; health charities “have always had to be self-sustaining, which has meant charging for services.”

Schedule H counts reported benefits, not the unnecessary treatment a hospital forgoes.

Horwitz, pp. 438 and 443

Bring your own

BRING YOUR OWN

Where you grew up, who runs hospitals, schools, and shelters: the state, charities, or businesses? Name one field that sits in a different sector there than here, and say who pays for it.

- In the United States, 58 percent of community hospitals are private nonprofits that hold the exemption. Where hospitals are public, there is no exemption to bargain over.
- Mosley's scope note: welfare states "engage and support third sector organizations in different ways," and her chapter "largely focuses on the United States."

CRFB, 2024, "The Tax Exemption and Community Benefits": 2,987 of 5,129 community hospitals · Mosley p. 254 · Horwitz pp. 439–441

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Who pays for human services

Mostly government; fees stay small

about 65%

government grants and
contracts

about 18%

foundations and
individual donors

about 6%

insurance payments and
fees for service

about 10%

other: investment and
business income

- Why fees stay small: “Charging fees is either impossible (e.g., services for the homeless), or would compromise who is able to take part in the program.”
- In Bloomington, FY2024: South Central Community Action Program reported 99 percent of its revenue on line 1h; Middle Way House, 77 percent on line 1h and 20 percent as program service revenue (line 2g).

Hospitals are paid mostly for care; human services, mostly by government.

Mosley, p. 256, citing Morris and Roberts 2018 · ProPublica, EINs 35-6050163 and 23-7300355, FY2024, read 2026-10-02 · IRS, Form 990 instructions, Part VIII, line 2: Medicare and Medicaid payments are program service revenue

EIN Employer Identification Number · IRS Internal Revenue Service

Your organization in its field

The same questions, on your Rail A organization. Keep sheet 2 for A4.

IN CLASS

1. **Open the filing:** your organization's 990, its ProPublica page (its Category suggests a field; what the organization does decides it), and your A3 table.
2. **Size and who pays.** Its revenue against its field's median; the largest revenue line, its share, and the page. Like its field? If your field is not one of today's three, say so.
3. **What it gives back.** One thing it provides free or below cost, and where you found it.
4. **What a count misses.** One benefit a count of what it gives back would not record. Visited? Start from your photo of Week 6's sheet 2 (its social-capital observation). Visit still ahead? It has to happen before A4 is due on Sun Nov 15; today, write what you will look for.
5. **Swap after eighteen minutes** with a neighbour. Check the same three things, sign, return.

Keep both worksheets: sheet 2 feeds the first section of your final report.

v221.jima.me/assignments/site-visits#a4, job 1: the organization and its role in its subsector

What your sheets showed

Call out yours first.

- **Whose organization is funded unlike its field?** Say the line and the share that show it.
- **Whose bargain question did not fit**, and why?
- **What did your checker's organization show you** about a field other than yours?

A field names the work; the filing shows who pays for it.

Mosley, p. 254: the NTEE, “imperfect” but dominant · your sheet 2 NTEE National Taxonomy of Exempt Entities

What the code is

One code per organization, usually set when it applies for exemption

- The taxonomy “was developed by NCCS and is used by the IRS to classify nonprofit organizations according to their missions and program activities.”
- New nonprofits “either receive an assigned or choose their own single NTEE category” when they apply. Changing it later takes a written request to the IRS.
- Codes are “descriptive rather than prescriptive.” NCCS estimates that “approximately 25% of organizations in the data have incomplete or inaccurate NTEE category assignments.”

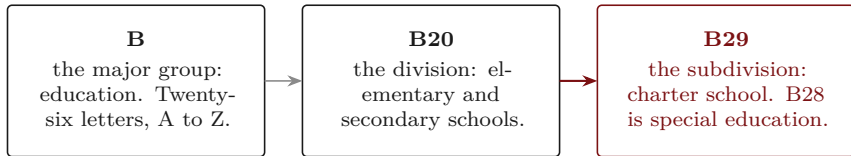
Use the code to find candidates. Read what each one does before you call it a peer.

NTEE National Taxonomy of Exempt Entities · NCCS National Center for Charitable Statistics · IRS Internal Revenue Service

NCCS, the NTEE explainer, the page dated Aug. 11, 2026 (archived copy on the week page), pp. 1, 3–4, and 8: “Overview,” “Modifying NTEE Codes,” “Where Do NTEE Codes Come From?,” “Are NTEE Codes Accurate?”

How a code is built

A letter for the field; two digits for more detail



- NCCS groups the letters into twelve sectors: A arts; B education; C, D environment and animals; E to H health; I to P human services; Q international; R to W public and societal benefit; X religion; Y mutual benefit; Z unknown; and universities and hospitals, split out of B and E.
- Digits 01 to 19 mark a kind of organization, not a kind of work: 01 advocacy, 02 management help, 03 professional society, 05 research, 11 and 12 fundraising, 19 other support.

NCCS, the NTEE explainer, pp. 5–6: “Industry Group Definitions,” “Major Group and Divisions,” “Organizational Type”

NCCS National Center for Charitable Statistics · NTEE National Taxonomy of Exempt Entities

Search, then open each result

Search three ways

Nonprofits tab: state, a Category (one letter, listed by name), a keyword. Filings tab: words your peers would use. The Volunteer Network, by cause.

Open each result

what it does (its site or Part III), the category ProPublica gives it, its form (990, EZ, or none), and the year.

Which to keep

A peer does your kind of work. A B2 comparable also files a full 990 or 990-EZ under its own EIN, not a parent's.

Compare revenue, not result counts: counts change with your keyword and stop at 10,000.

projects.propublica.org/nonprofits, Nonprofits and Filings tabs, checked 2026-10-01 · Week 8, what counts as a comparable · [the Resources page](#)

EIN Employer Identification Number

Your exit slip

Individual, ungraded; hand it in before you leave. Keep your worksheets.

- Your name.
- One thing your organization gives back, with its source; one benefit a count would miss.

A4, job 1

Before you go

- **B2 is due Sun Oct 25:** your eight rows or more, and the team's sketch.
- **Wednesday: the TA-led NTEE hunt and B2 clinic.** Bring a laptop, your concept and keyword, your downloaded comparable filing, and a working B2 draft with eight claims numbered.
- **Mon Oct 26: the program studio and four visit debriefs.** Visit done? Volunteer today; confirm with the TA on Wednesday. Read Suárez, pp. 491–503, and Candid on arts revenue before Monday.
- **Wed Oct 28: tour two and the board studio.** Arts, advocacy, religion, then governance.

NTEE National Taxonomy of Exempt Entities

the B2 spec · Week 10

Week 9, Session 2 · TA-led NTEE hunt and B2 clinic

Find peers and check your evidence

Ji Ma · O'Neill School, Indiana University

Wednesday, October 21, 2026

Read: Beacon, in its own words and in its IRS record

Bloomington; the largest nonprofit housing provider in Monroe County, by its own account

Its own site

“Beacon is a solutions-driven, antipoverty 501(c)(3) organization, dedicated to aiding and empowering people experiencing extreme poverty, especially hunger and homelessness.” Its six programs: Day Center, Hunger Relief, Emergency Shelter, Street Outreach, Family Housing, Supportive Housing.

Its IRS record, on ProPublica

EIN 74-3056968. Category: “Educational Institutions and Related Activities / Educational Services and Schools - Other (NTEE).” That category’s code is B90.

Read the left card, then the right. Then discuss with your team; brief notes on sheet 1.

beaconinc.org, About Beacon and Our Work · ProPublica organization page and API, EIN 74-3056968 · all read 2026-10-01 · the explainer, pp. 2–3: the official code is in the IRS Business Master File EIN Employer Identification Number · IRS Internal Revenue Service · NTEE National Taxonomy of Exempt Entities

Discuss: how would you find Beacon?

Eight minutes with your team. Keep sheet 1; compare with the written worked case.

1. **The work.** What does Beacon do, and for whom? Which letter fits that work?
2. **The code.** Beacon's IRS code is B90, Educational Services and Schools - Other. Which ProPublica searches would find Beacon, and which would miss it?
3. **Your startup.** Which letter would you choose for your concept, and which search might miss your closest peers? If no code fits, explain why.

beaconinc.org, About Beacon · ProPublica, Beacon Inc, EIN 74-3056968, read 2026-10-01

EIN Employer

Identification Number · IRS Internal Revenue Service

Beacon: four places to look

Our written reading of four searches, run 2026-10-01. Compare with sheet 1.

Where you look	What you search for	Is Beacon listed?
ProPublica, Nonprofits tab, Indiana	Category L, housing and shelter, or P, human services	no: its letter is B
ProPublica, Nonprofits tab, Indiana	a name containing “homeless” or “shelter”	no: its name does not say what it does
ProPublica, Filings tab, Indiana	the words “homeless bloomington” in filings	yes: its Form 990s use them
City of Bloomington Volunteer Network	the cause “Housing & Shelter”	yes: two Beacon programs

Search more than one way. Then read what each result does.

ProPublica Nonprofit Explorer and bloomingtonvolunteernetwork.org, Beacon Inc, EIN 74-3056968, read 2026-10-01; results and rankings change. Our reading. Why Beacon carries B90 is not on the record. EIN

Employer Identification Number

One code, or several labels?

England and Wales record what a charity does, whom it helps, and how

United States

one NTEE code per organization, usually set when it applies. Beacon: B90.

England and Wales

a charity may list several entries under each heading. Shelter, the National Campaign for Homeless People, lists three “what,” six “who,” and five “how”; none of its “what” is housing.

BRING YOUR OWN

Where you grew up, does a public register classify charities? One label or several? If there is no register, say where you would look for peers instead.

NTEE National Taxonomy of Exempt Entities · NCCS National Center for Charitable Statistics · EIN Employer Identification Number

Charity Commission for England and Wales, charity 263710, “What, who, how, where,” read 2026-10-01 · Beacon Inc, EIN 74-3056968 · NCCS, the NTEE explainer, p. 8 · the Week 2 register task

The hunt

eighteen minutes searching, then a five-minute peer check; sheet 2

Find three peers

Sheet 2 is your own. It feeds B2, due Sun Oct 25.

IN CLASS

1. **Before you search**, write your team's letter, a second letter to try, a keyword, and words to search in filings.
2. **Find three Indiana peers** that do your kind of work, sorted by Best match. Open each: what it does, its category, its form, its revenue and year.
3. **If time permits, turn the state filter off.** Same letter and keyword: revenue and year for the first three doing the same work.
4. **Name your B2 comparable**, kept or new, and one practice your team could adapt.
5. **Swap with a teammate when the TA calls time.** Check the line at the foot of the sheet, sign, return.

Keep sheet 2 for B2 and Monday's program studio. Keep a usable comparable; a replacement needs its own frozen summary and eight verified rows by Sunday.

v221.jima.me/assignments/startup-plan#b2 · projects.propublica.org/nonprofits

What the hunt turned up

- **A peer you found only by keyword or filing text.** Which category does ProPublica give it?
- **Your Indiana revenues, and national peers if you searched.** What should a first-year sketch in Bloomington take from them, and what should it not?
- **A candidate you dropped:** different work, no full filing, or a parent's filing.

A few revenues describe the organizations you opened, not the field.

Week 3, the averages trap · the B2 spec

Check B2 before Sunday

Twenty-five minutes; sheet 4 and your working B2 draft.

IN CLASS

1. **Your evidence, twelve minutes.** Different comparable per teammate; legal name, EIN, filing, tax year; frozen prompt and output; eight rows or more, each with a verdict and exact location.
2. **The team sketch, eight minutes.** Each share cites a verified line and says what changes for your startup and why. Name the least-sure assumption and the funder who could stop saying yes.
3. **Peer check, five minutes.** Open a cited location. Check the claim and verdict, then the sketch's link to it. Mark unfinished work and your next revision.

A peer check helps you revise. Each member still earns credit through their own verified comparable.

Your exit slip

Individual, ungraded; hand it in before you leave. Keep your worksheets.

- Your name.
- Your comparable's legal name and EIN; one claim, its verdict and exact source location; your next revision.

B2

EIN Employer Identification Number

Before you go

- **B2 is due Sun Oct 25, 11:59 PM:** your eight rows or more, and the team's sketch. A replacement comparable needs its own frozen summary and eight rows.
- **Mon Oct 26: program studio and four visit debriefs.** Bring your NTEE worksheet and B1 chain. Read Suárez, pp. 491–503, and Candid on arts revenue; Fulton if your program is faith-based.
- **Wed Oct 28: tour two and the board studio.** Nothing is uploaded Sun Nov 1; A4 is due Nov 15.

IN CLASS

Progress check-in, thirty seconds per team: B2 rows done, comparable confirmed, your team's subsector. Tell the TA any unresolved question and confirm Monday's debrief speakers. Visit still ahead? It has to happen before A4 is due on Sun Nov 15.

Week 9 review

test yourself before tour two

Can you define these without looking?

The three fields

Term	You should be able to say
the community-benefit bargain	what changed in 1956, 1969, 2009, and 2010, and where a hospital reports it
Schedule H	what it is, which organizations file it, and what it cannot count
the Medicaid shortfall	why hospitals count it, and why CRFB does not
the human-services mix	the four shares Mosley gives, and why fees stay small
the education field	why its mean is forty times its median, and why the public school corporation files no 990

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Horwitz pp. 437–441 · CRFB · Mosley pp. 254–256

Can you define these without looking?

The code

Term	You should be able to say
NTEE	who built it, who uses it, when a code is set, and how many NCCS thinks are off
letter, division, subdivision	B, B20, B29, and what the digits 01 to 19 mean instead
the letters by field	which letters health and human services cover, and what ProPublica's Category filter shows
a peer vs a comparable	the three tests that turn one into the other
the count cap	why revenue is the metric and a result count is not

NTEE National Taxonomy of Exempt Entities · NCCS National Center for Charitable Statistics

NCCS, the NTEE explainer · Monday's NTEE frames and Wednesday's hunt

Six questions you should be able to answer

1. Since 1969 a nonprofit hospital has not been required to give free care. **What replaced the requirement, and what did the Affordable Care Act add in 2010?**
2. Charity care is 2.3 percent of nonprofit hospitals' expenses and the exemption is worth 4.3. **State the hospitals' reply, and the flaw CRFB finds in it.**
3. Education has 210,559 nonprofits, a median revenue of \$96,246, and a mean of \$4.13 million. **What does that gap tell you about the field?**
4. A human-service nonprofit's line 1h is 99 percent of revenue. **Which line tells you whether that money is private giving or government, and what does the answer change about the funding model?**
5. Beacon runs shelter, meals, and housing; its official code is B90. **Name a search that misses it, one that finds it, and what that means for your own search.**
6. A nationwide search by one letter shows "10k+" results. **Why is a count the wrong measure, and what do you read instead?**

Answers: Q1 Horwitz pp. 439–440; Q2 CRFB, the Medicaid shortfall section; Q3 Mosley Table 10.1 and Monday's first frame; Q4 the human-services frame, Week 7 on line 1e, and Child pp. 24–28; Q5 the Beacon frames and the explainer, p. 8; Q6 the search frame

Numbers worth remembering from this week

2.3% vs 4.3%

nonprofit hospitals'
charity care, and the
value of their exemption,
as shares of expenses

65 / 18 / 6 / 10

human services: government,
private giving, fees and
insurance, other, in percent

\$96,246

the median education
nonprofit's revenue; the
mean is \$4.13 million

- **276,757** social service nonprofits, **45,130** in health care: over five times as many, about a twentieth the size.
- **\$780 million**: IU Health Bloomington's FY2024 revenue, 96 percent program service revenue. **\$28.1 billion** (2020) or **\$37.4 billion** (2021): two estimates of the exemption.
- **About 25 percent** of NTEE codes are incomplete or inaccurate, by NCCS's estimate.

CRFB · Plummer, Socal, and Bai, JAMA, 2024 · Mosley pp. 255–256 · NCCS explainer, p. 8 · ProPublica, EIN 35-1720796, FY2024, read 2026-10-02 · CRFB Committee for a Responsible Federal Budget · IU Indiana University · NCCS National Center for Charitable Statistics · NTEE National Taxonomy of Exempt Entities · EIN Employer Identification Number

Carry into Week 10

- **B2 on Sun Oct 25**, ten points, credit per member: eight rows or more on a comparable that passes the three tests, and the team's sketch.
- **Monday Oct 26 is the program studio and visit debriefs:** the TA facilitates the case and your team's flagship program. Bring Wednesday's NTEE worksheet and your B1 chain. Read Suárez, "Advocacy, Civic Engagement, and Social Change," **pp. 491–503**, and Candid on arts revenue in 2024; Fulton if your program is faith-based or works with congregations.
- **Wednesday Oct 28 is tour two, then the board studio:** arts, advocacy, religion; one Bloomington board's bylaws and Form 990; then the board that would oversee Monday's program.
- **Nothing is due Sun Nov 1.** The A4 report is due Nov 15.

Find peers by their work; compare their actual funding on the filings.