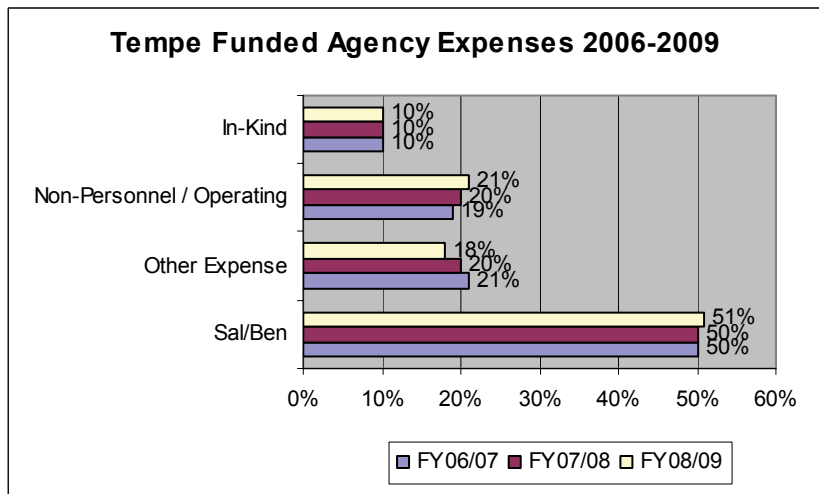


SPECIAL REPORT HOW NONPROFITS SPEND YOUR MONEY

Most of us have an investment in our local nonprofits, either through our direct donations or indirectly through the United Way, foundations and government funding. Much of our concern rightly relates to the job they are doing in helping those most in need. If you find yourself curious on how nonprofits spend their money, the e-cimpact online application system for the City of Tempe provides information that helps to answer your questions.

Overview - The chart to the right illustrates how 35 nonprofit agencies funded by the City of Tempe budgeted to spend their money in four major categories during the past three years; 2006-07 through 2008-09. The total of those budgets amounted to \$259 million in 2008-09.



The chart demonstrates that the proportions in these four categories remained fairly stable over the three year period: about 51% for Salaries / Benefits, 21% for Operating Expense, 18% for Other Expenses and about 10% for In-Kind.

Comparison - The table below shows how the 35 Tempe funded agencies compare with some 500 nonprofit human service agencies in Arizona, from a study of agency 990 tax returns by Arizona State University (ASU) in 2002.

Arizona 501(c)(3) Agency Expenses 2002			
From 990's – 528 “Human Service” organizations in ARIZONA			
\$864 Million in Expenses			
ASU Center for Nonprofit Leadership & Management			
Salaries	Operating / Other	Fundraising Expense	Other Expenses
42%	56%	1%	9%

Nonprofit Diversity - Nonprofits come in all shapes and sizes, as demonstrated in the table below for the 35 City of Tempe funded agencies.

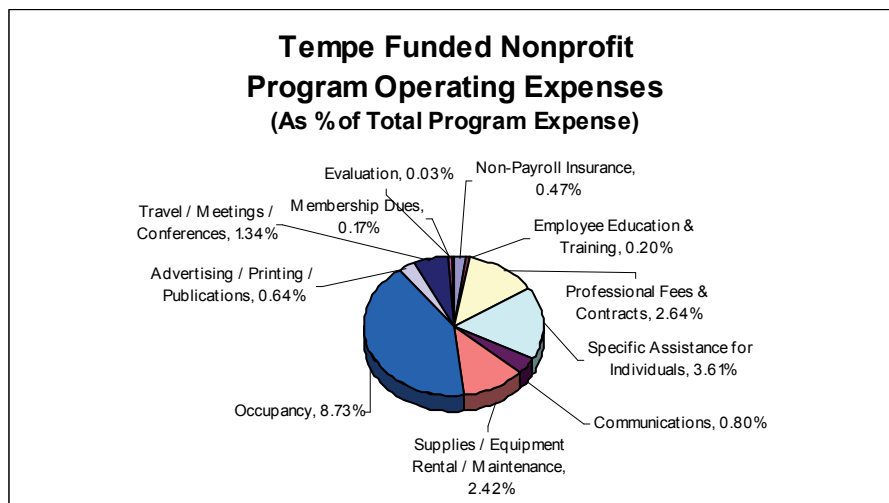
City of Tempe Funded Agencies 2008-09	
Low Agency Budget	\$136,300
High Agency Budget	\$39,326,460
Median Agency Budget	\$4,334,456
Average Agency Budget	\$7,781,040

Where the Money Comes From - The table below shows sources of revenues for the Tempe funded agencies in 2008-09 in four broad categories.

City of Tempe Funded Agency Revenues 2008-09 (35 Agencies)			
Total Govt. Funding	Total Fundraising	Program Fees / Reimb.	Total Other Funding
56%	12%	5%	26%

A Closer Look - As charted in the previous graphs, Salaries / Benefits, In-kind and Other Expenses make up about 80% of the total expenses of our Tempe funded agencies. The chart on the below shows a closer look at the other 20% - *Operating Expenses*.

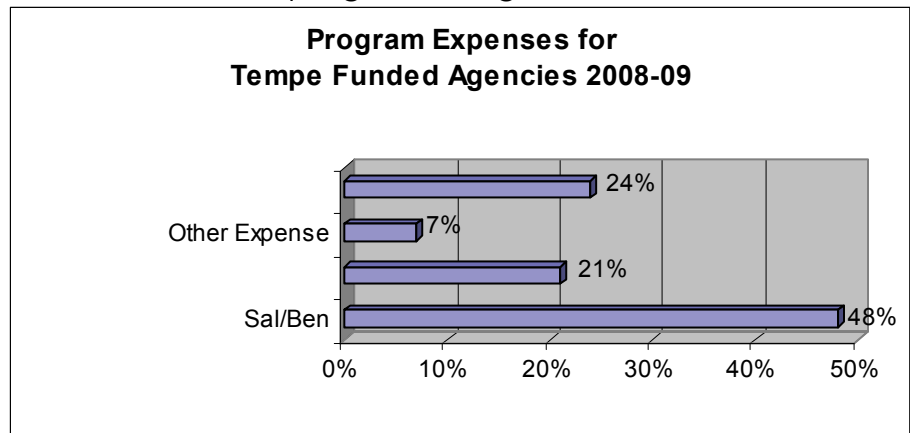
Operating Expenses for Programs The chart below explains how the approximate 20% of Operating Expenses breaks down into several detailed categories.



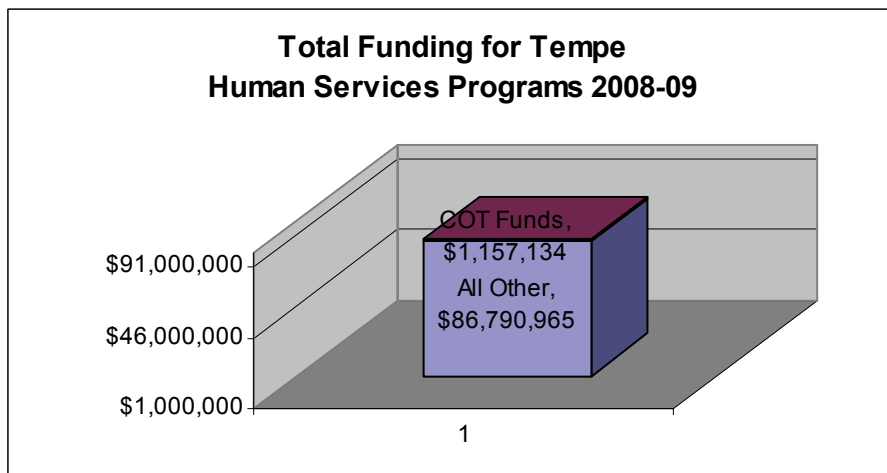
Occupancy (rent, utilities, building and grounds) is the largest category, at almost 9%. Specific Assistance for Individuals, Professional Fees and Contracts and Supplies / Equipment / Rental Maintenance are the second largest segment, at over 9%, a reflection that many nonprofits often staff up with temporary or periodic personnel in keeping with the needs of their diverse types of services.

Program Expenses - A look at the budgets of human services programs funded by Tempe shows a somewhat similar picture. The chart below highlights the percentages for programs by the same four categories as reported earlier for agency budgets.

Where the agencies were about 51% Salaries / Benefits, 21% for Operating, 18% for Other Expenses and 10% for In-Kind, the program budgets are 48% Salaries / Benefits, 21% Operating, 7% for Other Expense and 24% for In-Kind.



Leverage for City of Tempe Funds - The last chart shows the City of Tempe funds for 2008-09 of about \$1.1 million in proportion to the overall funding for the programs operating to help Tempeans in need. What is evident is the capacity the City is buying in terms of staff, experience and resources that are applied to those in need in Tempe.



BOTTOM LINE

Following is a listing of the human services agencies funded by the City of Tempe for 2008-09. **Thanks to our nonprofit partners — we appreciate all that you do for Tempe!!**

A New Leaf	Home Base Youth Services
Advocates for the Disabled	Homeward Bound
TheARC of Tempe	NewTown CDC/Community Land Trust
Area Agency on Aging	Open Horizons
Association for Supportive Child Care	Phoenix Shanti
Southwest Center for HIV/AIDS—East Valley	Tempe Salvation Army
Boys & Girls Club of the E.V.	Save the Family
Catholic Charities	Shared Living for the Elderly
Central Arizona Shelter Services (CASS)	Sojourner Center
Child Crisis Center	Tempe Community Action Agency (TCAA)
Chrysalis Shelter	Tempe Family YMCA
City of Tempe Housing Services	Communities In Schools of Tempe and Kyrene
Civitan Foundation, Inc.	The Centers for Habilitation (TCH)
Community Bridges	Tumbleweed
Community Information & Referral	UMOM
Community Legal Services	United Food Bank
East Valley Adult Resources	YWCA
EMPACT/Suicide Prevention Center	