

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2008 AND 2007

CPAs / ADVISORS



ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

TABLE OF CONTENTS JUNE 30, 2008 AND 2007

	Page
Report of Independent Auditors	1
 Financial Statements	
Statements of Financial Position	2
Statements of Activities.....	3
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6
 Supplementary Information	
Statements of Functional Expenses	15



Blue & Co., LLC / 12800 N. Meridian Street, Suite 400 / Carmel, IN 46032
main 317.848.8920 fax 317.573.2458 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Association for Research on Nonprofit
Organizations and Voluntary Action
Indianapolis, Indiana

We have audited the accompanying statements of financial position of Association for Research on Nonprofit Organizations and Voluntary Action ("ARNOVA") as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of ARNOVA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARNOVA as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included on pages 15 and 16 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic June 30, 2008 and 2007 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Blue & Co., LLC

September 12, 2008

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENTS OF FINANCIAL POSITION JUNE 30, 2008 AND 2007

ASSETS		
	2008	Restated 2007
Cash and cash equivalents	\$ 135,852	\$ 209,589
Cash held by others	11,635	12,467
Investments	858,590	850,175
Grants receivable	261,960	95,000
Other receivables, net	33,842	32,968
Prepaid expenses	16,083	10,831
Property and equipment, net	<u>32,322</u>	<u>10,403</u>
	<u>\$ 1,350,284</u>	<u>\$ 1,221,433</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 22,922	\$ 22,014
Accrued payroll and benefits	12,795	14,241
Deferred member dues	<u>53,465</u>	<u>51,713</u>
Total liabilities	<u>89,182</u>	<u>87,968</u>
Net assets		
Unrestricted		
Undesignated	568,678	502,197
Board designated	<u>317,992</u>	<u>317,992</u>
	886,670	820,189
Temporarily restricted	355,257	294,101
Permanently restricted	<u>19,175</u>	<u>19,175</u>
Total net assets	<u>1,261,102</u>	<u>1,133,465</u>
	<u>\$ 1,350,284</u>	<u>\$ 1,221,433</u>

See accompanying notes to financial statements.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2008 (With Comparative Total for the Year Ended June 30, 2007 (Restated))

	2008				Restated 2007
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Support and revenue					
Grants	\$ -0-	\$ 264,460	\$ -0-	\$ 264,460	\$ 180,000
Membership dues	108,752	-0-	-0-	108,752	114,093
Conference revenue and sponsorships	132,992	19,000	-0-	151,992	153,830
Publications	57,416	15,000	-0-	72,416	77,045
Contributions	14,464	52,530	-0-	66,994	87,300
Interest income on cash and cash equivalents	2,835	694	-0-	3,529	2,652
Other	7,226	-0-	-0-	7,226	10,154
Net assets released from restrictions	290,528	(290,528)	-0-	-0-	-0-
Total support and revenue	614,213	61,156	-0-	675,369	625,074
Expenses					
Program					
Conference	189,668	-0-	-0-	189,668	177,329
Publications	98,988	-0-	-0-	98,988	118,472
Membership services	89,675	-0-	-0-	89,675	75,095
Scholarships and awards	25,238	-0-	-0-	25,238	28,200
Other programs	27,380	-0-	-0-	27,380	21,194
	430,949	-0-	-0-	430,949	420,290
Management and general	137,719	-0-	-0-	137,719	134,239
Fundraising	11,355	-0-	-0-	11,355	14,098
Total expenses	580,023	-0-	-0-	580,023	568,627
Increase in net assets from operations	34,190	61,156	-0-	95,346	56,447
Other income					
Investment return, net	32,291	-0-	-0-	32,291	39,499
Change in net assets	66,481	61,156	-0-	127,637	95,946
Net assets, beginning of period	820,189	294,101	19,175	1,133,465	1,037,519
Net assets, end of period	\$ 886,670	\$ 355,257	\$ 19,175	\$ 1,261,102	\$ 1,133,465

See accompanying notes to financial statements.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2007 (RESTATED)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue				
Grants	\$ -0-	\$ 180,000	\$ -0-	\$ 180,000
Membership dues	114,093	-0-	-0-	114,093
Conference revenue and sponsorships	130,555	23,275	-0-	153,830
Publications	62,045	15,000	-0-	77,045
Contributions	14,200	73,100	-0-	87,300
Interest income on cash and cash equivalents	1,800	852	-0-	2,652
Other	10,154	-0-	-0-	10,154
Net assets released from restrictions	<u>293,790</u>	<u>(293,790)</u>	<u>-0-</u>	<u>-0-</u>
Total support and revenue	626,637	(1,563)	-0-	625,074
Expenses				
Program				
Conference	177,329	-0-	-0-	177,329
Publications	118,472	-0-	-0-	118,472
Membership services	75,095	-0-	-0-	75,095
Scholarships and awards	28,200	-0-	-0-	28,200
Other programs	<u>21,194</u>	<u>-0-</u>	<u>-0-</u>	<u>21,194</u>
	420,290	-0-	-0-	420,290
Management and general	134,239	-0-	-0-	134,239
Fundraising	<u>14,098</u>	<u>-0-</u>	<u>-0-</u>	<u>14,098</u>
Total expenses	<u>568,627</u>	<u>-0-</u>	<u>-0-</u>	<u>568,627</u>
Increase (decrease) in net assets from operations	58,010	(1,563)	-0-	56,447
Other income				
Investment return, net	<u>39,499</u>	<u>-0-</u>	<u>-0-</u>	<u>39,499</u>
Change in net assets	97,509	(1,563)	-0-	95,946
Net assets, beginning of period	<u>722,680</u>	<u>295,664</u>	<u>19,175</u>	<u>1,037,519</u>
Net assets, end of period	<u>\$ 820,189</u>	<u>\$ 294,101</u>	<u>\$ 19,175</u>	<u>\$ 1,133,465</u>

See accompanying notes to financial statements.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
Operating activities		
Cash received from publications, conference, and membership dues	\$ 264,447	\$ 257,013
Cash received from contributions and grants	125,744	207,300
Interest and dividends received	29,381	42,135
Royalties received	60,189	76,995
Miscellaneous receipts	5,837	10,154
Cash paid to employees and suppliers	(534,702)	(495,160)
Change in cash held by third party	832	4,382
Net cash flows from operating activities	(48,272)	102,819
Investing activities		
Capital expenditures	(23,489)	(10,387)
Proceeds from sale of investments	475,076	276,799
Purchase of investments	(477,052)	(288,402)
Net cash flows from investing activities	(25,465)	(21,990)
Net change in cash and cash equivalents	(73,737)	80,829
Cash and cash equivalents, beginning of period	209,589	128,760
Cash and cash equivalents, end of period	\$ 135,852	\$ 209,589
Reconciliation of change in net assets to net cash flows from operating activities		
Change in net assets	\$ 127,637	\$ 95,946
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	9,617	5,257
Realized and unrealized gain on investments	(52)	(16)
Change in accrued interest included in investments	(6,387)	-0-
Changes in assets and liabilities		
Cash held by others	832	4,382
Grants receivable	(166,960)	-0-
Other receivables	(874)	(50)
Prepaid expenses	(5,252)	29
Accounts payable	(7,139)	(1,884)
Accrued payroll and benefits	(1,446)	10,065
Deferred member dues	1,752	(10,910)
Net cash flows from operating activities	\$ (48,272)	\$ 102,819
Supplemental disclosure of cash flow information		
Equipment purchases included in accounts payable	\$ 8,047	\$ -0-
Accrued interest included in investments	\$ 7,695	\$ 1,308

See accompanying notes to financial statements.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

1. NATURE OF ACTIVITIES

The Association for Research on Nonprofit Organizations and Voluntary Action ("ARNOVA") is a non-profit corporation established to foster the creation, application, and dissemination of research about voluntary action, nonprofit organizations and philanthropy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Net assets, support, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the residual net assets of ARNOVA are classified and reported as follows:

Unrestricted net assets

Undesignated	Net assets that are not subject to donor-imposed stipulations.
Board designated	Net assets not subject to donor-imposed stipulations that have been set aside by the Board of Directors of ARNOVA for future purposes.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by action of ARNOVA and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of ARNOVA.

ARNOVA uses fund accounting to record and report its activities. Included in the unrestricted net asset classification are the activities of the Operating and the Reserve funds. All other funds are included in the temporarily restricted or permanently restricted net asset classifications.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

Description of Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements.

Conference – salaries, benefits and direct costs related to the ARNOVA annual conference.

Publications – salaries, benefits and direct costs related to the publication of the ARNOVA News, Nonprofit & Voluntary Sector Quarterly, annual report, website and ARNOVA Abstracts.

Membership services – salaries, benefits and direct costs related to providing benefits to members.

Scholarships and awards – scholarships to attend the conference and book, dissertation and lifetime achievement awards.

Other – salaries, benefits and direct costs related to providing other miscellaneous programs.

Management and General – Includes the functions necessary to provide coordination and articulation of ARNOVA's program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of ARNOVA.

Fundraising – Provides the structure necessary to encourage and secure private financial support from individuals, foundations and corporations.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

For the purposes of the Statement of Cash Flows, ARNOVA considers cash equivalents to include all investments with original maturities of ninety days or less, but excludes cash held by others and cash equivalents held by various fund managers included in investments.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

Investments and Investment Return

ARNOVA carries its investments at fair market value for financial reporting purposes. Changes in unrealized appreciation or depreciation of investments are reflected in the Statement of Activities in the period in which such changes occur. Investment return is recognized as unrestricted unless specified under donor-imposed restrictions.

Property and Equipment and Depreciation

Property and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives (3-7 years) of the related assets. Repairs, maintenance and minor replacements are expensed.

Property and equipment consist of the following at June 30:

	<u>2008</u>	<u>2007</u>
Leasehold improvements	\$ 2,345	\$ 2,345
Furniture and equipment	4,749	4,749
Computer equipment	36,108	29,152
Software	<u>90,045</u>	<u>65,466</u>
	133,247	101,712
Accumulated depreciation	<u>(100,925)</u>	<u>(91,309)</u>
	<u>\$ 32,322</u>	<u>\$ 10,403</u>

Support and Revenue Recognition

Grants, Conference Sponsorships, and Contributions include unconditional promises to give and, if restricted by the donor, are recognized as temporarily restricted support in the period the grant, sponsorship, or contribution is received or the promise is made. Contributions that are not restricted by the donor are reported as an increase in unrestricted net assets.

Membership dues are recognized as revenue in the year to which they relate.

Conference revenue is recognized as revenue at the completion of the event. Donations received at conferences are recognized as support in the period the cash is received.

All other support and revenue is reported when earned.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

Contributed Services

Contributed services are recognized as contributions in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ARNOVA.

Volunteers provided a substantial number of other services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

Functional Allocation of Expenses

The costs of providing the programs and services of ARNOVA have been summarized on a functional basis in the Statement of Activities. Directly identifiable expenses are charged to programs or supporting services. Salaries and benefits related to more than one function are charged to programs and supporting services on the basis of periodic time studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of ARNOVA.

Income Taxes

ARNOVA is organized as a not-for-profit corporation and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

3. INVESTMENTS

Investments are comprised of the following at June 30:

	<u>2008</u>	<u>2007</u>
Money market fund	\$ 371,224	\$ 720,011
Certificates of deposit	462,414	106,383
Fixed income mutual fund	24,312	23,165
Equities	640	616
	<u>\$ 858,590</u>	<u>\$ 850,175</u>

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

The following schedule summarizes the investment return for each of the years ended June 30:

	2008	2007
Interest and dividend income	\$ 32,239	\$ 39,483
Realized gains (losses)	-0-	-0-
Unrealized losses	52	16
	<u>\$ 32,291</u>	<u>\$ 39,499</u>

4. GRANTS RECEIVABLE

Grants receivable consist of the following at June 30:

	2008	2007
Lilly Endowment	\$ 250,460	\$ -0-
The Ford Foundation	-0-	75,000
Charles Stewart Mott Foundation	10,000	20,000
Council on Foundations	1,500	-0-
	<u>\$ 261,960</u>	<u>\$ 95,000</u>

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

5. NET ASSETS

Board Designated

Board designated net asset activity is depicted below along with the balance of net assets which have been set aside for the following board-imposed purposes:

2008				
	June 30, 2007	New Designations	Released from Designations	June 30, 2008
General operating	\$ 50,000	\$ -0-	\$ -0-	\$ 50,000
Cash flow volatility	200,000	-0-	-0-	200,000
Grant advance	25,000	-0-	-0-	25,000
Scholarships	42,992	-0-	-0-	42,992
	<u>\$ 317,992</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 317,992</u>
2007				
	June 30, 2006	New Designations	Released from Designations	June 30, 2007
General operating	\$ 50,000	\$ -0-	\$ -0-	\$ 50,000
Cash flow volatility	200,000	-0-	-0-	200,000
Grant advance	25,000	-0-	-0-	25,000
Scholarships	50,000	-0-	7,008	42,992
	<u>\$ 325,000</u>	<u>\$ -0-</u>	<u>\$ 7,008</u>	<u>\$ 317,992</u>

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

Temporarily Restricted

Temporarily restricted net asset activity is depicted below along with the balance of temporarily restricted net assets that are available to be expended for the following donor-imposed purposes or periods. Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors as noted:

	2008			June 30, 2008
	June 30, 2007	Restricted	Released	
Future periods	\$ 238,765	\$ 264,460	\$ 163,311	\$ 339,914
Publications	-0-	65,000	65,000	-0-
Technology	-0-	-0-	-0-	-0-
Scholarships	13,119	3,224	1,000	15,343
Conference	-0-	19,000	19,000	-0-
Membership development and organizational growth	42,217	-0-	42,217	-0-
	<u>\$ 294,101</u>	<u>\$ 351,684</u>	<u>\$ 290,528</u>	<u>\$ 355,257</u>

	2007 (Restated)			June 30, 2007
	June 30, 2006	Restricted	Released	
Future periods	\$ 178,561	\$ 180,000	\$ 119,796	\$ 238,765
Publications	-0-	75,000	75,000	-0-
Technology	8,421	-0-	8,421	-0-
Scholarships	9,467	13,952	10,300	13,119
Conference	2,362	23,275	25,637	-0-
Membership development and organizational growth	96,853	-0-	54,636	42,217
	<u>\$ 295,664</u>	<u>\$ 292,227</u>	<u>\$ 293,790</u>	<u>\$ 294,101</u>

Permanently Restricted

Net assets of \$19,175 as of June 30, 2008 and 2007 are to be held in perpetuity. Income from investments representing permanently restricted net assets is expendable to provide scholarships and pay administrative expenses.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

6. CONCENTRATIONS

For the years ended June 30, 2008 and 2007, one foundation awarded a significant amount to ARNOVA comprising 37% and 24%, respectively, of total support and revenues.

7. AGREEMENT WITH INDIANA UNIVERSITY

ARNOVA is provided with subsidized office furniture, payroll processing and other administrative services under terms of an agreement with Indiana University.

In addition, a subsidy in the amounts of \$-0- and \$8 was awarded by Indiana University during the years ended June 30, 2008 and 2007, respectively, for office expenses. These amounts are included in contributions and program expense in the Statement of Activities.

Additionally, Indiana University provides personnel who perform editorial services for the publication Nonprofit & Voluntary Sector Quarterly. The value of these contributed services was \$50,000 and \$60,000 and is included in contributions and program expense in the Statement of Activities for the years ended June 30, 2008 and 2007, respectively.

For processing transactions related to payroll and other administrative services the agreement requires ARNOVA to pay a 2.65% administrative fee to Indiana University based on the total expenses processed by Indiana University on behalf of ARNOVA. The total amount paid to Indiana University during the years ended June 30, 2008 and 2007 was \$4,865 and \$5,067, respectively, and is included in management and general expense in the Statement of Activities.

To facilitate the processing of the above transactions, Indiana University requires ARNOVA to maintain a cash account with the University. ARNOVA has no access to the amount in the account. At June 30, 2008 and 2007, respectively, the balance in that account was \$11,635 and \$12,467 and is reported as cash held by others on the Statement of Financial Position.

Additionally, the personnel working for ARNOVA are legally employees of Indiana University. As such, they are entitled to all benefits provided to other Indiana University employees in their classification as well as being subject to all policies and procedures pertaining to other Indiana University employees. The total amount reimbursed to Indiana University for salaries and benefits during the years ended June 30, 2008 and 2007 was \$199,997 and \$151,696, respectively. These amounts are allocated among program, management and general and fundraising expenses in the Statement of Activities.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008 AND 2007

Finally, the office space utilized by ARNOVA is leased by Indiana University from a third party. ARNOVA pays the monthly rental charge for this space directly to the third party lessor. Total rent expense paid by ARNOVA was \$20,472 and \$20,148 for the years ended June 30, 2008 and 2007, respectively.

8. RESTATEMENT OF FISCAL 2007 FINANCIAL STATEMENTS

The accompanying financial statements for the year ended June 30, 2007 have been restated herein to correct the recording of temporarily restricted net assets for a permanently restricted portion of donor contributions made during the year ended December 31, 1998. Temporarily restricted net assets at the beginning of the year ended June 30, 2007 have been decreased by \$19,175. The adjustment also increased permanently restricted net assets by \$19,175 during the same period. The adjustment had no effect on the previously reported changes in net assets for the year ended June 30, 2007.

SUPPLEMENTARY INFORMATION

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2008 AND 2007

Expense	Program Expenses						Supporting Services		2008 Total Expenses
	Conference	Publications	Membership Services	Scholarships and Awards	Other Programs	Total	Management and General	Fundraising	
Personnel expense									
Staff salaries	\$ 36,992	\$ 11,669	\$ 46,845	\$ -0-	\$ 17,082	\$ 112,588	\$ 32,372	\$ 5,015	\$ 149,975
Staff benefits	13,397	5,835	16,715	-0-	6,403	42,350	10,499	1,648	54,497
Temporary & contract labor/stipends	23,312	66,660	-0-	-0-	-0-	89,972	-0-	-0-	89,972
Other personnel expense	-0-	-0-	-0-	-0-	-0-	-0-	267	-0-	267
	<u>73,701</u>	<u>84,164</u>	<u>63,560</u>	<u>-0-</u>	<u>23,485</u>	<u>244,910</u>	<u>43,138</u>	<u>6,663</u>	<u>294,711</u>
Printing	8,015	4,340	383	-0-	582	13,320	620	2,650	16,590
Postage	2,248	582	2,519	-0-	244	5,593	1,003	1,359	7,955
Supplies	3,119	4,040	-0-	-0-	-0-	7,159	3,539	-0-	10,698
Conference	89,847	-0-	-0-	-0-	-0-	89,847	-0-	-0-	89,847
Travel and meetings	-0-	2,825	-0-	-0-	-0-	2,825	27,773	-0-	30,298
Scholarships and awards	-0-	-0-	-0-	21,327	-0-	21,327	-0-	-0-	21,327
Sections	4,710	-0-	500	-0-	-0-	5,210	-0-	-0-	5,210
Diversity initiative	-0-	-0-	658	-0-	-0-	4,569	-0-	-0-	4,569
Website	-0-	-0-	14,087	3,911	-0-	14,087	-0-	-0-	14,087
Rent	5,246	1,930	5,459	-0-	2,105	14,740	5,193	539	20,472
Telephone/fax/copier	2,270	1,407	2,509	-0-	964	7,150	3,185	144	10,479
Insurance	512	-0-	-0-	-0-	-0-	512	3,987	-0-	4,499
Administration, credit card and bank fees	-0-	-0-	-0-	-0-	-0-	-0-	13,672	-0-	13,672
Computers	-0-	-0-	-0-	-0-	-0-	-0-	1,112	-0-	1,112
Legal	-0-	-0-	-0-	-0-	-0-	-0-	82	-0-	82
Accounting	-0-	-0-	-0-	-0-	-0-	-0-	20,490	-0-	20,490
Depreciation	-0-	-0-	-0-	-0-	-0-	-0-	9,617	-0-	9,617
Collaboration	-0-	-0-	-0-	-0-	-0-	-0-	2,483	-0-	2,483
Election	-0-	-0-	-0-	-0-	-0-	-0-	1,825	-0-	1,825
Total Expense	<u>\$ 189,668</u>	<u>\$ 98,988</u>	<u>\$ 89,675</u>	<u>\$ 25,238</u>	<u>\$ 27,380</u>	<u>\$ 430,949</u>	<u>\$ 137,719</u>	<u>\$ 11,355</u>	<u>\$ 580,023</u>

See report of independent auditors on page 1.

ASSOCIATION FOR RESEARCH ON NONPROFIT ORGANIZATIONS AND VOLUNTARY ACTION

STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2007

	Program Services					Supporting Services		2007 Total Expenses	
	Conference	Publications	Membership Services	Scholarships and Awards	Other Programs	Total	Management and General		Fundraising
Expenses									
Personnel expense									
Staff salaries	\$ 37,180	\$ 13,967	\$ 38,491	\$ -0-	\$ 14,577	\$ 104,215	\$ 32,952	\$ 5,176	\$ 142,343
Staff benefits	12,550	4,714	12,992	-0-	4,920	35,176	11,123	1,747	48,046
Temporary & contract labor/stipends	19,708	73,760	-0-	-0-	-0-	93,468	-0-	-0-	93,468
Other personnel expense	-0-	-0-	-0-	-0-	-0-	-0-	10,893	-0-	10,893
	69,438	92,441	51,483	-0-	19,497	232,859	54,968	6,923	294,750
Printing	9,848	14,510	-0-	-0-	55	24,413	635	4,357	29,405
Postage	1,750	2,959	5,216	-0-	-0-	9,925	1,142	420	11,487
Supplies	2,629	4,040	-0-	-0-	-0-	6,669	4,314	-0-	10,983
Conference	82,318	-0-	-0-	-0-	-0-	82,318	-0-	-0-	82,318
Travel and meetings	-0-	1,089	-0-	-0-	-0-	1,089	18,200	1,790	21,079
Scholarships and awards	-0-	-0-	-0-	18,897	-0-	18,897	-0-	-0-	18,897
Sections	2,498	-0-	556	-0-	-0-	3,054	-0-	-0-	3,054
Diversity initiative	-0-	-0-	27	9,303	-0-	9,330	-0-	-0-	9,330
Website	-0-	-0-	9,081	-0-	-0-	9,081	-0-	-0-	9,081
Rent	5,875	2,074	6,109	-0-	1,203	15,261	4,421	466	20,148
Telephone/fax/copier	2,393	1,359	2,623	-0-	439	6,814	2,508	142	9,464
Insurance	580	-0-	-0-	-0-	-0-	580	3,971	-0-	4,551
Administration, credit card and bank fees	-0-	-0-	-0-	-0-	-0-	-0-	11,632	-0-	11,632
Computers	-0-	-0-	-0-	-0-	-0-	-0-	1,320	-0-	1,320
Legal	-0-	-0-	-0-	-0-	-0-	-0-	7	-0-	7
Accounting	-0-	-0-	-0-	-0-	-0-	-0-	19,993	-0-	19,993
Depreciation	-0-	-0-	-0-	-0-	-0-	-0-	5,257	-0-	5,257
Collaboration	-0-	-0-	-0-	-0-	-0-	-0-	3,052	-0-	3,052
Election	-0-	-0-	-0-	-0-	-0-	-0-	2,819	-0-	2,819
Total Expense	\$ 177,329	\$ 118,472	\$ 75,095	\$ 28,200	\$ 21,194	\$ 420,290	\$ 134,239	\$ 14,098	\$ 568,627

See report of independent auditors on page 1.