

Return of Organization Exempt From Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2002 calendar year, or tax year beginning July 1, 2002, and ending June 30, 2003

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

C Name of organization
Planned Parenthood of Central & Northern Arizona

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
5651 N. 7th Street

City or town state or country and ZIP + 4
Phoenix, AZ 85014-2500

D Employer identification number
86:0146520

E Telephone number
(602)277-7526

F Accounting method: Cash Accrual
 Other (specify) ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes" enter number of affiliates ▶

H(c) Are all affiliates included? Yes No
(If "No" attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Web site ▶ ppcna.org

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS but if the organization received a Form 990 Package in the mail it should file a return without financial data. Some states require a complete return.

I Enter 4-digit GEN ▶

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 10,316,609

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	<u>1,113,614</u>		
	b Indirect public support	1b	<u>43,391</u>		
	c Government contributions (grants)	1c	<u>1,477,712</u>		
	d Total (add lines 1a through 1c) (cash \$ <u>2,598,481</u> noncash \$ <u>36,236</u>)	1d		<u>2,634,717</u>	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		<u>3,881,494</u>	
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4		<u>1,958</u>	
	5 Dividends and interest from securities	5		<u>20,131</u>	
	6a Gross rents	6a			
	b Less rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7 Other investment income (describe)	7				
Revenue	8a Gross amount from sales of assets other than inventory	(A) Securities	<u>36,236</u>	8a	<u>0</u>
	b Less cost or other basis and sales expenses		<u>35,925</u>	8b	<u>10,706</u>
	c Gain or (loss) (attach schedule)		<u>311</u>	8c	<u>(10,706)</u>
	d Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	<u>(10,395)</u>
Revenue	9 Special events and activities (attach schedule)				
	a Gross revenue (not including \$ <u>69,186</u> of contributions reported on line 1a)	9a	<u>123,765</u>		
	b Less direct expenses other than fundraising expenses	9b	<u>88,225</u>		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		<u>35,540</u>	
Revenue	10a Gross sales of inventory, less returns and allowances	10a	<u>3,534,322</u>		
	b Less cost of goods sold	10b	<u>2,444,988</u>		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		<u>2,589,334</u>	
	11 Other revenue (from Part VII, line 103)	11		<u>83,986</u>	
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		<u>9,236,765</u>	
Expenses	13 Program services (from line 44, column (B))	13		<u>7,865,787</u>	
	14 Management and general (from line 44, column (C))	14		<u>880,060</u>	
	15 Fundraising (from line 44, column (D))	15		<u>405,812</u>	
	16 Payments to affiliates (attach schedule)	16		<u>100,426</u>	
	17 Total expenses (add lines 13, 14, 15, and 16)	17		<u>9,252,085</u>	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		<u>(15,320)</u>	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		<u>4,027,814</u>	
	20 Other changes in net assets or fund balances (attach explanation)	20		<u>(43,475)</u>	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		<u>3,969,019</u>	

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 21 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0)	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc	413,723	195,729	162,370	55,804
26	Other salaries and wages	4,408,607	3,921,678	329,227	157,702
27	Pension plan contributions	34,198	27,380	4,811	2,007
28	Other employee benefits	356,401	296,580	46,172	13,649
29	Payroll taxes	380,998	326,591	37,891	16,516
30	Professional fundraising fees	0	0	0	0
31	Accounting fees	18,900	0	18,900	0
32	Legal fees	62,366	11,187	51,179	0
33	Supplies	246,624	236,655	6,643	3,326
34	Telephone	133,289	112,152	18,137	3,000
35	Postage and shipping	27,416	20,525	5,219	1,672
36	Occupancy	620,747	604,926	11,880	3,941
37	Equipment rental and maintenance	72,954	73,644	4,728	1,582
38	Printing and publications	124,574	58,162	1,581	64,831
39	Travel	57,786	40,359	14,843	2,584
40	Conferences, conventions, and meetings	66,478	37,481	23,063	5,934
41	Interest	903	903	0	0
42	Depreciation, depletion, etc (attach schedule)	203,198	189,494	10,523	3,181
43	Other expenses not covered above (itemize) a	1,915,497	1,712,521	132,843	70,137
b	See Notes to Tax Return				
c					
d					
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	9,151,659	7,865,787	880,060	405,812

Joint Costs Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See page 24 of the instructions)

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others)
a Patient services - provide comprehensive family planning services in 17 Arizona health centers, over 100,000 medical & counseling services (Grants and allocations \$ 0)	7,003,293
b Public Information & Education - provide community education programs to students and adults; over 50,000 educational encounters (Grants and allocations \$ 0)	642,839
c Public Affairs - provide information regarding current issues related to family planning, sex education, & counseling (Grants and allocations \$ 0)	219,655
d (Grants and allocations \$)	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	7,865,787

Part IV Balance Sheets (See page 24 of the instructions)

Note	Where required, attached schedules and amounts within the description column should be for end-of-year amounts only	(A) Beginning of year		(B) End of year
45	Cash—non-interest-bearing	9,267	45	99,751
46	Savings and temporary cash investments	440,018	46	559,585
47a	Accounts receivable	921,943		
47b	Less allowance for doubtful accounts	691,874	47c	230,069
48a	Pledges receivable	649,966		
48b	Less allowance for doubtful accounts	2,000	48c	647,966
49	Grants receivable	2,250	49	14,950
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
51a	Other notes and loans receivable (attach schedule)			
51b	Less allowance for doubtful accounts		51c	
52	Inventories for sale or use	95,925	52	121,758
53	Prepaid expenses and deferred charges	70,502	53	104,230
54	Investments—securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,640,076	54	1,509,197
55a	Investments—land, buildings, and equipment basis			
55b	Less accumulated depreciation (attach schedule)		55c	
56	Investments—other (attach schedule)		56	
57a	Land, buildings, and equipment basis	2,775,006		
57b	Less accumulated depreciation (attach schedule)	1,515,613	57c	1,259,393
58	Other assets (describe <input type="checkbox"/> Other receivables)	100,890	58	77,122
59	Total assets (add lines 45 through 58) (must equal line 74)	4,488,588	59	4,624,021
60	Accounts payable and accrued expenses	460,024	60	505,002
61	Grants payable		61	
62	Deferred revenue	750	62	
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64a	Tax-exempt bond liabilities (attach schedule)		64a	
64b	Mortgages and other notes payable (attach schedule)		64b	150,000
65	Other liabilities (describe <input type="checkbox"/>)		65	
66	Total liabilities (add lines 60 through 65)	460,774	66	655,002
	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
67	Unrestricted	3,037,185	67	3,006,625
68	Temporarily restricted	64,138	68	654,903
69	Permanently restricted	306,491	69	307,491
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
70	Capital stock, trust principal, or current funds		70	
71	Paid-in or capital surplus or land building, and equipment fund		71	
72	Retained earnings, endowment, accumulated income, or other funds		72	
73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	4,027,814	73	3,969,019
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	4,488,588	74	4,624,021

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions)

a	Total revenue, gains, and other support per audited financial statements ▶	a	10,278,275
b	Amounts included on line a but not on line 12, Form 990	b	
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$ 23,288		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) <i>Assist. sale losses 11,337</i> <i>Cost. of goods sold 944,988</i> <i>Autism Fund. expenses 65,075</i>	b	1,044,688
	Add amounts on lines (1) through (4) ▶	c	9,233,587
c	Line a minus line b ▶	c	
d	Amounts included on line 12, Form 990 but not on line a	d	
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) <i>Autism Fund. Mat. fees</i> \$ 3,178	d	3,178
	Add amounts on lines (1) and (2) ▶	e	9,236,765
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements ▶	a	10,299,610
b	Amounts included on line a but not on line 17, Form 990	b	
(1)	Donated services and use of facilities \$ 23,288		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify) <i>Assist. sale losses 11,337</i> <i>Cost. of goods sold 944,988</i> <i>Autism Fund. expenses 67,912</i>	b	1,047,525
	Add amounts on lines (1) through (4) ▶	c	9,252,085
c	Line a minus line b ▶	c	
d	Amounts included on line 17, Form 990 but not on line a	d	
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify) \$	d	
	Add amounts on lines (1) and (2) ▶	e	9,252,085
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 26 of the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributors to employee benefit plans & deferred compensation	(E) Expense account and other allowances
<i>See Notes to Tax Return</i>				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see page 26 of the instructions

Part VI Other Information (See page 27 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	<input checked="" type="checkbox"/>
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77	<input checked="" type="checkbox"/>
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	<i>N/A</i>
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	<input checked="" type="checkbox"/>
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the organization <i>Planned Parenthood Action Fund, Southern</i> <i>Northern Arizona</i> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	<i>0</i>
b	Did the organization file Form 1120-POL for this year?	81b	<input checked="" type="checkbox"/>
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	<input checked="" type="checkbox"/>
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	<i>23,288</i>
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	<input checked="" type="checkbox"/>
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	<input checked="" type="checkbox"/>
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	<i>N/A</i>
85	<i>501(c)(4), (5), or (6) organizations</i> a Were substantially all dues nondeductible by members?	85a	<i>N/A</i>
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	<input checked="" type="checkbox"/>
c	Dues assessments, and similar amounts from members	85c	<i>N/A</i>
d	Section 162(e) lobbying and political expenditures	85d	<i>0</i>
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	<i>0</i>
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	<i>0</i>
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	<i>N/A</i>
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	<input checked="" type="checkbox"/>
86	<i>501(c)(7) orgs</i> Enter a Initiation fees and capital contributions included on line 12	86a	<i>N/A</i>
b	Gross receipts, included on line 12, for public use of club facilities	86b	<i>0</i>
87	<i>501(c)(12) orgs</i> Enter a Gross income from members or shareholders	87a	<i>N/A</i>
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	<i>0</i>
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	<input checked="" type="checkbox"/>
89a	<i>501(c)(3) organizations</i> Enter Amount of tax imposed on the organization during the year under section 4911 <i>None</i> , section 4912 <i>None</i> , section 4955 <i>None</i>		
b	<i>501(c)(3) and 501(c)(4) orgs</i> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	<input checked="" type="checkbox"/>
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		<i>0</i>
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		<i>0</i>
90a	List the states with which a copy of this return is filed <i>Arizona</i>		
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	<i>169</i>
91	The books are in care of <i>Planned Parenthood, Southern Arizona</i> Telephone no <i>(602) 277-7526</i> Located at <i>5651 N. 7th Street, Phoenix, AZ</i> ZIP + 4 <i>85018-2500</i>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <i>92</i>		

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Robert Fee					3,785,016
b Educator Program Revenue					86,478
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	1,958	
96 Dividends and interest from securities			14	20,131	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	(10,395)	
101 Net income or (loss) from special events			01	35,540	
102 Gross profit or (loss) from sales of inventory					2,589,334
103 Other revenue					83,986
a Miscellaneous					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				47,234	6,557,814
105 Total (add line 104, columns (B), (D), and (E))					6,602,048

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93a	See Notes to Tax Returns
93b	}
102	
103	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions)

(A) Name, address and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions)

- (a) Did the organization, during the year, receive any funds directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury, I declare that I have examined this return including accompanying schedules and statements and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: David R. Rulph Date: 11/14/03

Type or print name and title: David Richardson Vice President of Finance + Administration

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed:

Firm's name (or yours if self-employed) address and ZIP + 4: _____ EIN: _____ Preparer's SSN or PTIN (See Gen. Inst. W): _____ Phone no: _____



SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545 0047

2002

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization: Planned Parenthood of Central & Northern Arizona
Employer identification number: 86.0146520

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>Calista Mendez</u> <u>5651 N 7th Street Phoenix, AZ 85014</u>	<u>Physician</u> <u>30</u>	<u>\$72,556</u>	<u>\$5,416</u>	<u>-</u>
<u>Jean Chapman</u> <u>5651 N 7th Street Phoenix, AZ 85014</u>	<u>Clinician</u> <u>40</u>	<u>\$72,528</u>	<u>\$6,910</u>	<u>-</u>
<u>Carol Bafaloukos</u> <u>5651 N. 7th Street Phoenix, AZ 85014</u>	<u>Director of Clinic Operations</u> <u>40</u>	<u>\$70,041</u>	<u>\$8,788</u>	<u>-</u>
<u>Kristin Stodkey</u> <u>5651 N. 7th Street Phoenix, AZ 85014</u>	<u>Clinician</u> <u>40</u>	<u>\$69,666</u>	<u>\$5,234</u>	<u>-</u>
<u>Joseph Feldman</u> <u>5651 N 7th Street Phoenix, AZ 85014</u>	<u>Program Mgr</u> <u>40</u>	<u>\$69,057</u>	<u>\$7,958</u>	<u>-</u>
Total number of other employees paid over \$50,000 ▶	<u>13</u>			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>Penguin Services Trust</u> <u>5651 N 7th Street Phoenix, AZ 85014</u>	<u>Physician</u>	<u>\$228,685</u>
<u>Microsystems Support Group</u> <u>5651 N 7th Street Phoenix, AZ 85014</u>	<u>Information Technology</u>	<u>\$117,000</u>
Total number of others receiving over \$50,000 for professional services ▶	<u>0</u>	

Part III Statements About Activities (See page 2 of the instructions)

Yes No

1 During the year, has the organization attempted to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes" enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ 219,655 (Must equal amounts on line 38, Part VI-A or line 1 of Part VI-B)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

2 During the year, has the organization, either directly or indirectly engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)

a Sale, exchange, or leasing of property?

b Lending of money or other extension of credit?

c Furnishing of goods, services, or facilities?

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

See Part V of Form 990

e Transfer of any part of its income or assets?

3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)

4 Do you have a section 403(b) annuity plan for your employees?

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)

7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)

8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)

9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶

10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)

13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4) (5) or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting*

Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	3,334,145	3,010,486	2,741,395	2,136,399	11,222,425
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	6,746,915	6,118,621	5,615,202	5,967,924	24,448,662
18 Gross income from interest dividends amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	62,097	98,827	172,651	62,020	395,595
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	106,970	45,814	41,485	93,099	287,368
23 Total of lines 15 through 22	10,250,127	9,273,748	8,570,733	8,259,442	36,354,050
24 Line 23 minus line 17	3,503,212	3,155,127	2,955,531	2,291,518	11,905,388
25 Enter 1% of line 23	102,501	92,737	85,707	82,594	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 238,108
	b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts				26b 31,456
	c Total support for section 509(a)(1) test. Enter line 24, column (e)				26c 11,905,388
	d Add Amounts from column (e) for lines 18 395,595 19 _____				26d 714,419
	22 287,368 26b 31,456				
	e Public support (line 26c minus line 26d total)				26e 11,190,969
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 94%
27 Organizations described on line 12	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year				
	(2001)	(2000)	(1999)	(1998)	
	b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of and amount received for each year that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year				
	(2001)	(2000)	(1999)	(1998)	
	c Add Amounts from column (e) for lines 15 _____ 16 _____				27c _____
	17 _____ 20 _____ 21 _____				
	d Add Line 27a total _____ and line 27b total _____				27d _____
	e Public support (line 27c total minus line 27d total)				27e _____
	f Total support for section 509(a)(2) test. Enter amount from line 23 column (e)				27f 271
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g _____ %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h _____ %
28 Unusual Grants	For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.				

Part V Private School Questionnaire (See page 7 of the instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. (If you need more space, attach a separate statement.)		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 401 through 405 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation.		

N/A

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group Check **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	80,635
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	139,020
38	Total lobbying expenditures (add lines 36 and 37)	38	219,655
39	Other exempt purpose expenditures	39	9,032,430
40	Total exempt purpose expenditures (add lines 38 and 39)	40	9,252,085
41	Lobbying nontaxable amount Enter the amount from the following table—		
	If the amount on line 40 is—		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is—		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
41			612,604
42	Grassroots nontaxable amount (enter 25% of line 41)		153,151
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36		0
44	Subtract line 41 from line 38 Enter 0- if line 41 is more than line 38		0

Caution If there is an amount on either line 43 or line 44 you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	612,604	608,264	576,013	558,866	2,355,747
46					3,533,621
47	219,655	211,524	220,317	202,881	854,377
48	153,151	152,066	144,003	139,717	588,937
49					883,406
50	80,635	72,042	82,598	58,473	293,748

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members legislators or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations seminars conventions speeches, lectures or any other means			
i Total lobbying expenditures (Add lines c through h)			

If "Yes" to any of the above also attach a statement giving a detailed description of the lobbying activities

Form 990

PART I

Line 8c - Schedule of Gain or (Loss) on Sale of Assets

(A) Securities - Publicly Traded Shares of Common Stock

Gross Proceeds	36,236
Less Basis	<u>35,925</u>
Net Gain (Loss)	311

(B) Other Write-off & Disposal of retired assets (no proceeds from sale)

<u>Asset Class</u>	<u>Year Acquired</u>	<u>Acquisition Cost</u>	<u>Disposal Basis</u>	<u>Gain (Loss)</u>
Office Equipment	Various	170,583	413	-413
Clinic Equipment	Various	56,683	10,293	(10,293)
Leasehold Improvement	Various	<u>2,111</u>	<u>0</u>	<u>0</u>
		229,377	10,706	(10,706)

Lines 9a through 9c.

Special Event	Annual Ball	Roe v Wade	Noche	A A Forum	Total
Gross Receipts	136,872	36,978	15,601	3,500	192,951
Less Contributions	<u>49,780</u>	<u>18,056</u>	<u>1,350</u>	<u>-</u>	<u>69,186</u>
Gross Revenue	87,092	18,922	14,251	3,500	123,765
Less Direct Expenses	<u>50,672</u>	<u>23,139</u>	<u>12,518</u>	<u>1,896</u>	<u>88,225</u>
Net Income (loss)	36,420	(4,217)	1,733	1,604	35,540

Line 10b - Inventory Sold

Birth Control Pills	272,780
Depo Provera	116,037
Lunelle	14,739
Evra Patch	9,566
Norplant	324
Other Contraceptive Supplies	36,590
Mifeprex	272,469
Medications & Drugs	202,571
Pregnosis	1,950
Test Pak	<u>17,962</u>
Total Inventory Sold	944,988

Line 16 - Payments to Affiliates:

Planned Parenthood Federation of America - Annual Support 810 Seventh Avenue New York, NY 10019	96,790
Planned Parenthood Western Region - Annual Support 333 Broadway - 3rd Floor San Francisco, CA 94133	3,636
Total Payments to Affiliates	<u>100,426</u>

Line 20 - Other Changes in Net Assets

Net Unrealized Losses per FASB 124	(43,475)
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PART II

Line 42	Depreciation, depletion, etc	<u>Method</u>	<u>Lives</u>	
	Building	Straight-line	40 yrs	25,749
	Furniture and equipment	Straight-line	5 - 10 yrs	83,944
	Capitalized software	Straight-line	2 - 5 yrs	31,730
	Leasehold improvements	Straight-line	(A)	<u>61,775</u>
				203,198

(A) Remaining term of lease + renewal options

Line 43	Other expenses	Total	Program services	Management and general	Fundraising
	Professional fees (MD/Other)	662,036	526,360	96,176	39,500
	Lab fees	337,629	337,629	0	0
	Advertising and outreach	109,549	103,213	6,238	98
	Computer Expense	53,409	42,604	3,994	6,811
	Insurance	295,974	284,097	7,783	4,094
	Subscriptions & library	6,252	4,571	897	784
	Minor equipment purchases	32,832	19,647	12,959	226
	Bad debts	317,128	306,214	8	10,906
	Miscellaneous	<u>100,688</u>	<u>88,186</u>	<u>4,788</u>	<u>7,714</u>
		1,915,497	1,712,521	132,843	70,133

PART IV

Line 54	Investments (shown at market value)	
	L Roy Papp Stock Fund	376,809
	Papp America-Abroad Mutual Fund	372,386
	Papp Small & Mid-Cap Growth Fund	203,739
	Vanguard - Index 500 Fund	92,562
	Vanguard - S-T Corporate Bond Fund	169,156
	Vanguard - S-T Federal Bond Fund	126,070
	Vanguard Small-Cap Value Fund	121,057
	Vanguard - Money Market - Federal Fund	<u>47,418</u>
		1,509,197

Line 57b	Land, building, and equipment	Cost Basis	Accumulated Depreciation	Net Book Value
	Building	1,149,792	427,331	722,461
	Furniture and equipment	725,528	524,651	200,877
	Capitalized software	233,371	151,845	81,526
	Leasehold improvements	656,115	411,786	244,329
	Artwork collections	<u>10,200</u>	-	<u>10,200</u>
		2,775,006	1,515,613	1,259,393

Line 64b	Mortgages and other notes payable	
	\$150,000 - Loan for Flagstaff leasehold improvements, 6% interest	150,000
	Loan date - 6/23/03, Term - 5 years, Due date - 6/23/08	
	60 monthly payments of \$2,906 31 to Bank One Arizona	
	Collateralized by Real Property at 5651 N 7th Street	

Part V List of Officers, Directors, Trustees, and Key Employees

<u>(A) Name and Address</u>	<u>Title and average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to EE benefit plans & deferred comp</u>	<u>Expense account and other allowances</u>
Leon Silver 5651 N 7th Street Phoenix, AZ 85014-2500	Board Chair Hours per week - as required	\$0	\$0	\$0
Shawn Dralle 5651 N 7th Street Phoenix, AZ 85014-2500	Chair-Elect Hours per week - as required	\$0	\$0	\$0
John Cantelmo 5651 N 7th Street Phoenix, AZ 85014-2500	Treasurer Hours per week - as required	\$0	\$0	\$0
Michelle Ray 5651 N 7th Street Phoenix, AZ 85014-2500	Secretary Hours per week - as required	\$0	\$0	\$0
Darlene Berry 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Bonnie Booden 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Rhonda Carillo 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Kim Clark 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Cynthia Emmons 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Jessica Florez 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Gary Hammond 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0

<u>(A) Name and Address</u>	<u>Title and average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to EE benefit plans & deferred comp</u>	<u>Expense account and other allowances</u>
Rich Kasper 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Dr Candace Lew 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Ruth Tan Lim, M D 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Tony Moya 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Doug Pilcher 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Ann Williamson 5651 N 7th Street Phoenix, AZ 85014-2500	Director Hours per week - as required	\$0	\$0	\$0
Bryan Howard 5651 N 7th Street Phoenix, AZ 85014-2500	President / CEO 40+ hours per week	\$139,123	\$1,699	\$0
Pat Levin 5651 N 7th Street Phoenix, AZ 85014-2500	V P of Medical Services 40+ hours per week	\$98,008	\$1,469	\$0
David Richardson 5651 N 7th Street Phoenix, AZ 85014-2500	V P of Finance & Administration 40+ hours per week	\$92,808	\$1,391	\$0
Beth Meyer 5651 N 7th Street Phoenix, AZ 85014-2500	V P of External Affairs 40+ hours per week	\$83,783	\$1,255	\$0

PART VII:

- Line 93a** Patient Fees
Revenue from family planning and surgical services
- Line 93b** Educational Program Revenues
Fees received related to community-based presentations on family planning methods, teen pregnancy, sexually transmitted diseases to defray salary and transportation costs
- Line 102** Gross profit from sales of inventory
Revenue from sales of contraceptives and other family planning devices
- Line 103a** Miscellaneous
Miscellaneous revenue from collection of bad debts from patient fees and sales of inventory, insurance reimbursement for losses incurred in providing family planning, counseling, and education services, and unidentified revenues from the provision of family planning services

FORM 990 - SCHEDULE A

Part VI-A:

Line 22 - Other Income	2001	2000	1999	1998
Film rental	343	431	278	248
Poster / shirt sales	-	70	146	1,011
Research studies	56,401	3,440	22,037	52,870
Training fees	-	-	-	-
Misc revenue	50,226	41,873	19,024	38,970
	106,970	45,814	41,485	93,099