

Return of Organization Exempt From Income Tax

2005

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

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

A For the 2005 calendar year, or tax year beginning 7/01, 2005, and ending 6/30, 2006

B Check if applicable:

- Address change
Name change
Initial return
Final return
[X] Amended return
Application pending

Please use IRS label or print or type. See specific instructions.

NEIGHBORHOOD HOUSE ASSOCIATION
5660 COPLEY DRIVE
SAN DIEGO, CA 92111-7902

D Employer Identification Number

95-1648184

E Telephone number

(619) 715-2642

F Accounting method:

- Cash
[X] Accrual
Other (specify) G

? 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 [X] No

H (b) If 'Yes,' enter number of affiliates. G

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 [X] No

G Web site: G N/A

J Organization type (check only one) ... G [X] 501(c) 3 H (insert no.) [ ] 4947(a)(1) or [ ] 527

K Check here G [ ] 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 chooses to file a return, be sure to file a complete return. Some states require a complete return.

I Group Exemption Number ... G

M Check G [X] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 G 94,450,900.

Part III Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue, Expenses, and Changes in Net Assets or Fund Balances. Rows include contributions, program service revenue, membership dues, interest on savings, dividends, gross rents, investment income, special events, and total revenue/expenses.

**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.

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 (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here... G <input type="checkbox"/>	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	698,577.	0.	698,577.	0.
26 Other salaries and wages	26	39,994,644.	36,338,200.	3,372,764.	283,680.
27 Pension plan contributions	27	1,438,599.	1,320,653.	108,066.	9,880.
28 Other employee benefits	28	8,778,897.	8,059,143.	659,462.	60,292.
29 Payroll taxes	29	3,628,021.	3,330,572.	272,533.	24,916.
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32				
33 Supplies	33	2,111,817.	2,020,822.	85,112.	5,883.
34 Telephone	34	536,232.	426,977.	105,586.	3,669.
35 Postage and shipping	35	90,778.	38,875.	46,874.	5,029.
36 Occupancy	36	3,893,126.	3,655,554.	155,509.	82,063.
37 Equipment rental and maintenance	37	1,166,536.	957,403.	189,122.	20,011.
38 Printing and publications	38	265,564.	113,050.	95,456.	57,058.
39 Travel	39	1,646,877.	1,371,786.	234,370.	40,721.
40 Conferences, conventions, and meetings	40				
41 Interest	41	597,188.	365,779.	228,539.	2,870.
42 Depreciation, depletion, etc (attach schedule)	42	2,202,187.	1,862,342.	333,147.	6,698.
43 Other expenses not covered above (itemize): a SEE STATEMENT 4	43a	28,915,584.	27,120,754.	1,427,228.	367,602.
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15).	44	95,964,627.	86,981,910.	8,012,345.	970,372.

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

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.

What is the organization's primary exempt purpose? G <u>MULTI SOCIAL SERVICE AGENCY</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>SEE STATEMENT 5</u> ----- ----- ----- ----- (Grants and allocations \$ <u>87,068,275.</u> ) If this amount includes foreign grants, check here G <input type="checkbox"/>	86,981,910.
b ----- ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here G <input type="checkbox"/>	
c ----- ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here G <input type="checkbox"/>	
d ----- ----- ----- ----- (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here G <input type="checkbox"/>	
e Other program services ..... (Grants and allocations \$ _____ ) If this amount includes foreign grants, check here G <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ..... G	86,981,910.

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**Part IV** Balance Sheets (See 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	
ASSETS	45 Cash - non-interest-bearing .....		45		
	46 Savings and temporary cash investments .....	5,624,884.	46	5,645,872.	
	47 a Accounts receivable .....	47 a 298,293.			
	b Less: allowance for doubtful accounts .....	47 b	908,535.	47 c 298,293.	
	48 a Pledges receivable .....	48 a			
	b Less: allowance for doubtful accounts .....	48 b		48 c	
	49 Grants receivable .....		4,773,227.	49	4,160,453.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) .....			50	
	51 a Other notes & loans receivable (attach sch) .....	51 a			
	b Less: allowance for doubtful accounts .....	51 b		51 c	
	52 Inventories for sale or use .....		113,285.	52	139,779.
	53 Prepaid expenses and deferred charges .....		87,056.	53	49,160.
	54 Investments - securities (attach schedule) ... SEE ST. 6 G <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		53,217.	54	38,307.
	55 a Investments - land, buildings, & equipment: basis .....	55 a			
b Less: accumulated depreciation (attach schedule) .....	55 b		55 c		
56 Investments - other (attach schedule) .....			56		
57 a Land, buildings, and equipment: basis .....	57 a 34,771,439.				
b Less: accumulated depreciation (attach schedule) ... STATEMENT 7 .....	57 b 15,399,925.	21,161,153.	57 c	19,371,514.	
58 Other assets (describe G SEE STATEMENT 8 ) .....		251,718.	58	305,257.	
59 Total assets (must equal line 74). Add lines 45 through 58 .....		32,973,075.	59	30,008,635.	
LIABILITIES	60 Accounts payable and accrued expenses .....	7,341,887.	60	8,475,385.	
	61 Grants payable .....	1,787,347.	61		
	62 Deferred revenue .....	126,347.	62	256,846.	
	63 Loans from officers, directors, trustees, and key employees (attach schedule) .....		63		
	64 a Tax-exempt bond liabilities (attach schedule) .....		64 a		
	b Mortgages and other notes payable (attach schedule) .....		7,801,244.	64 b	7,553,143.
	65 Other liabilities (describe G SEE STATEMENT 9 ) .....		699,205.	65	565,279.
66 Total liabilities. Add lines 60 through 65 .....		17,756,030.	66	16,850,653.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here G <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted .....	14,017,045.	67	12,612,837.	
	68 Temporarily restricted .....	1,200,000.	68	545,145.	
	69 Permanently restricted .....		69		
	Organizations that do not follow SFAS 117, check here G <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) .....		15,217,045.	73	13,157,982.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73 .....		32,973,075.	74	30,008,635.	

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**Part IV-A** Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	94,800,709.
b	Amounts included on line a but not on Part I, line 12:			
	1 Net unrealized gains on investments	b1		
	2 Donated services and use of facilities	b2		
	3 Recoveries of prior year grants	b3		
	4 Other (specify):			
	SEE STM 10	b4	395,145.	
	Add lines b1 through b4		b	395,145.
c	Subtract line b from line a		c	94,405,564.
d	Amounts included on Part I, line 12, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify):	d2		
	Add lines d1 and d2		d	
e	Total revenue (Part I, line 12). Add lines c and d		G e	94,405,564.

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

a	Total expenses and losses per audited financial statements		a	95,964,627.
b	Amounts included on line a but not on Part I, line 17:			
	1 Donated services and use of facilities	b1		
	2 Prior year adjustments reported on Part I, line 20	b2		
	3 Losses reported on Part I, line 20	b3		
	4 Other (specify):			
	Add lines b1 through b4	b4	b	
c	Subtract line b from line a		c	95,964,627.
d	Amounts included on Part I, line 17, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	d1		
	2 Other (specify):	d2		
	Add lines d1 and d2		d	
e	Total expenses (Part I, line 17). Add lines c and d		G e	95,964,627.

**Part V-A** Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 11		0.	0.	0.



**Part VII** Other Information (continued)

		Yes	No
82 a	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? .....		X
	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	N/A	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications? .....	X	
	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? .....	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? .....		X
	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? .....	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? .....	N/A	
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? .....	N/A	
	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.		
	c Dues, assessments, and similar amounts from members .....	N/A	
	d Section 162(e) lobbying and political expenditures .....	N/A	
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices .....	N/A	
	f Taxable amount of lobbying and political expenditures (line 85d less 85e) .....	N/A	
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? .....	N/A	
	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? .....	N/A	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12. ....	N/A	
	b Gross receipts, included on line 12, for public use of club facilities .....	N/A	
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders .....	N/A	
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) .....	N/A	
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. ....		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 G <u>0.</u> ; section 4912 G <u>0.</u> ; section 4955 G <u>0.</u> .....		
	b 501(c)(3) and 501(c)(4) organizations. 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. ....		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. .... G <u>0.</u> .....		
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization. .... G <u>0.</u> .....		
90 a	List the states with which a copy of this return is filed G <u>NONE</u> .....		
	b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) .....	90b	0
91 a	The books are in care of G <u>NEIGHBORHOOD HOUSE ASSOCIATIO</u> Telephone number G <u>(619)715-2642</u> .....		
	Located at G <u>5660 COPLEY, SAN DIEGO, CA,</u> ZIP + 4 G <u>92111-7902</u> .....		
	b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? .....	91b	X
	If 'Yes,' enter the name of the foreign country G .....		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements		
	c At any time during the calendar year, did the organization maintain an office outside of the United States? .....	91c	X
	If 'Yes,' enter the name of the foreign country G .....		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 Check here .....	N/A	G <input type="checkbox"/>
	and enter the amount of tax-exempt interest received or accrued during the tax year. .... G <u>92</u> .....		N/A

**Part VII Analysis of Income-Producing Activities (See 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 <b>SERVICE FEES</b>			3		1,085,874.
b _____					
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	20,950.	
96 Dividends and interest from securities . . . . .			14	66,732.	
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 . . . . .			14	-19,946.	
100 Gain or (loss) from sales of assets other than inventory					-5,000.
101 Net income or (loss) from special events . . . . .			3	285,029.	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b <b>OTHER REVENUE</b>			3		819,888.
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) . . . . .				352,765.	1,900,762.
105 Total (add line 104, columns (B), (D), and (E)) . . . . .					2,253,527.

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 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).
▼	SEE STATEMENT 12

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See 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: Kim D. Peck Signature of officer Date: 14-13-07  
**KIM D. PECK, CHIEF FINANCIAL OFFICER**  
 Type or print name and title.

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no.	

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under  
Section 501(c)(3)**

OMB No. 1545-0047

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

**2005**

Department of the Treasury  
Internal Revenue Service

Supplementary Information (See separate instructions.)

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

Name of the organization

**NEIGHBORHOOD HOUSE ASSOCIATION**

Employer identification number

**951648184**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See 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 and deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 13		698,577.	0.	0.
Total number of other employees paid over \$50,000	G	74		

**Part II A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See 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
SEE STATEMENT 14		829,635.
Total number of others receiving over \$50,000 for professional services	G	0

**Part II B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	G	0

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2005

