

# Return of Organization Exempt From Income Tax

**2008**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

**A** For the 2008 calendar year, or tax year beginning 7/1/2008, and ending 6/30/2009

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

**C** Name of organization MARC Center of Mesa Inc.  
 Doing Business As \_\_\_\_\_  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
924 N. Country Club Drive  
 City or town, state or country, and ZIP + 4  
Mesa AZ 85201-4108

**D** Employer identification number 86-0137109

**E** Telephone number 480.969.3800

**F** Name and address of principal officer:  
John Moore 924 N Country Club Dr., Mesa, AZ 85201

**G** Gross receipts \$ 23,083,287

**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** Are all affiliates included?  Yes  No  
 If "No," attach a list. (see instructions)

**I** Tax-exempt status:  501(c) ( 3 ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ www.marccenter.com

**K** Type of organization:  Corporation  Trust  Association  Other ▶

**L** Year of formation: 1957 **M** State of legal domicile: AZ

**H(c)** Group exemption number ▶ \_\_\_\_\_

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Marc Center provides opportunities for people with disabilities to be active in determining where and how they live, learn, work, and play.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	19
	5 Total number of employees (Part V, line 2a)	5	757
	6 Total number of volunteers (estimate if necessary)	6	21
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	1,826,054	1,401,010
	9 Program service revenue (Part VIII, line 2g)	21,064,135	21,584,985
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	144,653	66,880
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	71,002	23,060
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	23,105,844	23,075,935
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	14,147,750	15,476,319
	16a Professional fundraising fees (Part IX, column (A), line 11e)	12,000	9,000
	b Total fundraising expenses (Part IX, column (D), line 25) ▶	107,192	
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	6,601,481	5,822,958
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	20,761,231	21,308,277	
19 Revenue less expenses. Subtract line 18 from line 12	2,344,613	1,767,658	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 18,482,896	End of Year 24,107,157
	21 Total liabilities (Part X, line 26)	4,046,675	7,903,277
	22 Net assets or fund balances. Subtract line 21 from line 20	14,436,221	16,203,880

**Part II Signature Block**

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.

**Sign Here**  
 Signature of officer: John Moore Date: 1-31-2010  
 Type or print name and title: JOHN MOORE CFO

**Paid Preparer's Use Only**  
 Preparer's signature: \_\_\_\_\_ Date: 2/1/2010  
 Check if self-employed:  Preparer's identifying number (see instructions): P00008030  
 Firm's name (or yours if self-employed), address, and ZIP + 4: SECHLER CPA PC 921 E ORANGE DRIVE, PHOENIX, AZ 85014  
 EIN: \_\_\_\_\_ Phone no.: (602) 230-2700

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

Marc Center provides opportunities for people with disabilities to be actively involved in determining where and how they live, learn, work, and play.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 6,557,560 including grants of \$ 0 ) (Revenue \$ 7,684,721 )

Community Living Services:

Each residential placement saved taxpayers at least \$21,307 per person per year compared to state-operated facilities (or \$2,004,600 per year). 100% of those receiving services expressed satisfaction with the quality of programs. Individuals served recognize their residences as their home and have chosen to live with us on average for 12 years. Marc Center's occupancy for the program is 98% in comparison to the statewide average of 87%. The individuals with a serious mental illness served by Marc Center's residential programs remained in their communities. Only .033% had to be hospitalized for mental illness in the past year. Marc Center's residential and housing programs resulted in a cost savings to the taxpayer of over \$742 per day per individual when compared to inpatient hospitalization. Stated differently, the opportunity for these individuals to live in community housing saved Arizona taxpayers millions of dollars.

4b (Code: ) (Expenses \$ 3,947,182 including grants of \$ 0 ) (Revenue \$ 4,926,719 )

Employment Related Services:

137 adults with severe disabilities were placed in competitive employment at an average wage of \$9.97 (69% were eligible for health care benefits). 75% of all people placed in competitive or supported employment retained their jobs for 90 days or more. Within two years of competitive placement, individuals returned the total cost of services in taxes. Stated differently, for every dollar invested in rehabilitation, individuals with disabilities returned \$7 in taxes once gainfully employed. While the Arizona Department of Economic Security/Rehabilitation Services Administration averages in excess of 90 days, 98% of individuals referred for job placement participated in an intake within 15 days of initial referral. 96% of external stakeholders expressed satisfaction with the effectiveness of the services provided.

4c (Code: ) (Expenses \$ 3,759,165 including grants of \$ 0 ) (Revenue \$ 4,575,474 )

Home and Community Based Services:

Community Support Services (CSS) maintains a 100% success rate in supporting the consumers to continue living within their own home or within the home of their family as opposed to foster homes, nursing care, or shelters. Marc Center experienced a 30.65% increase in overall units of service for respite, attendant care, habilitation and homemaking with hours of service increasing from 59,401 to 77,609. CSS averaged three days from the family/individual's selection of Marc Center to start of service delivery. 100% of people receiving services expressed satisfaction with the quality of programs.

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 4,050,889 including grants of \$ 0 ) (Revenue \$ 4,398,071 )

4e Total program service expenses \$ 18,314,746 (Must equal Part IX, Line 25, column (B).)

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? . . . . .	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II . . . . .		X
5 <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III . . . . .		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable . . . . .	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII . . . . .	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.? . . . . .		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I . . . . .		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II . . . . .		X
16 Did the organization report on Part IX, column (A), line 4, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III . . . . .		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I . . . . .		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H . . . . .		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .		X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J . . . . .	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25 . . . . .		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		X
25a <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I . . . . .		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II . . . . .		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III . . . . .		X

Part IV Checklist of Required Schedules (continued)

- 28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:
  - a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV . . . . .
  - b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV . . . . .
  - c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV . . . . .
- 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .
- 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .
- 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .
- 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .
- 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .
- 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . . . .
- 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .
- 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .
- 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .

	Yes	No
28a		X
28b		X
28c		X
29	X	
30		X
31		X
32		X
33		X
34	X	
35	X	
36	X	
37		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable. . . . .		
1a	26		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. . . . .		
1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	X	
1c			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .		
2a	757		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . . <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
2b			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .		X
3a			
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .		
3b			
4a	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)? . . . . .		X
4a			
b	If "Yes," enter the name of the foreign country: ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
4b			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .		X
5a			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .		X
5b			
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .		
5c			
6a	Did the organization solicit any contributions that were not tax deductible? . . . . .		X
6a			
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .		
6b			
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? . . . . .		X
7a			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .		
7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .		X
7c			
d	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .		
7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .		X
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .		X
7f			
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	X	
7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .	X	
7h			
8	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .		X
8			
9	<b>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</b>		
a	Did the organization make any taxable distributions under section 4966? . . . . .		X
9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .		X
9b			
10	<b>Section 501(c)(7) organizations.</b> Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .		
10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .		
10b			
11	<b>Section 501(c)(12) organizations.</b> Enter:		
a	Gross income from members or shareholders . . . . .		0
11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .		0
11b			
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .		X
12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .		
12b			

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Table with 11 rows of questions (1a-11) and columns for Yes/No. Includes sub-questions 1a, 1b, 7a, 7b, 8a, 8b, 9a, 9b. Responses include 'X' marks in the Yes/No columns.

Section B. Policies

Table with 8 rows of questions (12a-16b) and columns for Yes/No. Includes sub-questions 12a, 12b, 12c, 15a, 15b, 16a, 16b. Responses include 'X' marks in the Yes/No columns.

Section C. Disclosure

Table with 4 rows of questions (17-20) and a text area for organization details. Includes checkboxes for website availability and a text field for organization name and address.

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Tom Verploegen CHAIRMAN	2	X		X				0	0	0
Brian Kotsur 1ST CHR	2	X		X				0	0	0
Jay T Roundy 2ND CHR	2	X		X				0	0	0
Theresa Carmichael TREASURER	2	X		X				0	0	0
Chris Schneck PAST CHAIR	2	X		X				0	0	0
Dorothy Sue Alg SECRETARY	2	X		X				0	0	0
James Middleton MEMBER AT LARGE	2	X						0	0	0
Diane Hough MEMBER AT LARGE	2	X						0	0	0
Lori Crawford DIRECTOR	2	X						0	0	0
Deborah Elliott DIRECTOR	2	X						0	0	0
Tom Freestone DIRECTOR	2	X						0	0	0
Harold D. Fuller DIRECTOR	2	X						0	0	0
Kathleen Rahill DIRECTOR	2	X						0	0	0
Barbara Rabe DIRECTOR	2	X						0	0	0
Brian Middleton DIRECTOR	2	X						0	0	0
John Scott Williams DIRECTOR	2	X						0	0	0
David Shuff DIRECTOR	2	X						0	0	0

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Victoria Roberts DIRECTOR	2	X						0	0	0
Senator Thayer Verschoor DIRECTOR	2	X						0	0	0
Randall L. Gray PRES/CEO	40			X	X	X		231,082	0	22,119
Michael J Franczak CHIEF OPERATING OFFICER	40			X	X			124,004	0	8,957
John Moore CFO	40			X	X			136,598	0	17,478
Harold Gilbert CAO	40			X	X			122,003	0	7,848
Mari Durham EXECUTIVE VP	40			X	X			91,074	0	5,557
Holly Collins EXECUTIVE VP	40			X	X			100,500	0	5,572
Kay Moore COO	40			X	X			65,545	0	13,380
Terry Hilger NURSE PRACTITIONER	40				X			138,958	0	5,307
Leanne Sermeno NURSE PRACTITIONER	40				X			137,799	0	11,159
	0							0	0	0
	0							0	0	0
<b>1b Total</b>								1,147,563	0	97,377

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual . . . . .
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual . . . . .
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person . . . . .

	Yes	No
3		X
4	X	
5		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
The Brake Shop 536 N Country Club Dr Mesa AZ 85201	Vehicle Repair & Maint	210,540
Concentric Healthcare Sr 4250 N Drinkwater Blvd Scottsdale AZ 85251	Contracted Staff	189,875
MTV General Contractors 2840 N Norwalk St Mesa AZ 85215	Construction Svcs	185,654
Desert Kool 431 S Stapley Dr, #18 Mesa AZ 85204	A/C Refridgeration	172,625
Desert Feed & Supply 9823 E Apache Trail Mesa AZ 85208	Janitorial Services	162,361

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ▶ 6

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . . .	1a	0				
	b	Membership dues . . . . .	1b	0				
	c	Fundraising events . . . . .	1c	0				
	d	Related organizations . . . . .	1d	0				
	e	Government grants (contributions) . . . . .	1e	465,227				
	f	All other contributions, gifts, grants, and similar amounts not included above . . . . .	1f	935,783				
	g	Noncash contributions included in lines 1a-1f: \$ . . . . .		595,329				
	h	<b>Total.</b> Add lines 1a-1f . . . . .		1,401,010				
Program Service Revenue			Business Code					
	2a	RESIDENTIAL . . . . .	623990	7,684,721	7,684,721			
	b	EMPLOYMENT SERVICES . . . . .	624310	4,926,719	4,926,719			
	c	DAY SERVICES . . . . .	900099	3,028,380	3,028,380			
	d	HOME SERVICES . . . . .	624100	4,575,474	4,575,474			
	e	OUTPATIENT CLINIC . . . . .	621400	1,369,691	1,369,691			
	f	All other program service revenue . . . . .		0				
g	<b>Total.</b> Add lines 2a-2f . . . . .		21,584,985					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .		30,289			30,289	
	4	Income from investment of tax-exempt bond proceeds . . . . .		0				
	5	Royalties . . . . .		0				
	6a			(i) Real				
				(ii) Personal				
		b	Less: rental expenses . . . . .					
		c	Rental income or (loss) . . . . .		0	0		
	d	Net rental income or (loss) . . . . .			0			
	7a			(i) Securities				
				(ii) Other				
		b	Less: cost or other basis and sales expenses . . . . .		0	41,700		
		c	Gain or (loss) . . . . .		0	5,109		
	d	Net gain or (loss) . . . . .			36,591		36,591	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 10). See Part IV, line 18 . . . . .	a	0				
	b	Less: direct expenses . . . . .	b	0				
c	Net income or (loss) from fundraising events . . . . .			0				
9a	Gross income from gaming activities. See Part IV, line 19 . . . . .	a	0					
b	Less: direct expenses . . . . .	b	0					
c	Net income or (loss) from gaming activities . . . . .			0				
10a			a	1,294				
	b	Less: cost of goods sold . . . . .	b	2,243				
	c	Net income or (loss) from sales of inventory . . . . .			-949		-949	
Miscellaneous Revenue			Business Code					
11a	Investment in PIR . . . . .			3,336			3,336	
b	Miscellaneous . . . . .			20,673			20,673	
c	. . . . .			0				
d	All other revenue . . . . .			0				
e	<b>Total.</b> Add lines 11a-11d . . . . .			24,009				
12	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .			23,075,935	21,584,985	0	89,940	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>				
	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . . .	0			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	0			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0			
4 Benefits paid to or for members . . . . .	0			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	814,562	369,471	390,043	55,048
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0			
7 Other salaries and wages . . . . .	12,385,235	11,151,695	1,233,040	500
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	161,862	118,589	43,273	
9 Other employee benefits . . . . .	1,137,505	1,013,279	124,226	
10 Payroll taxes . . . . .	977,155	875,884	96,540	4,731
11 Fees for services (non-employees):				
a Management . . . . .	0			
b Legal . . . . .	4,074	450	3,570	54
c Accounting . . . . .	35,085		35,085	
d Lobbying . . . . .	0			
e Professional fundraising services. See Part IV, line 17 . . . . .	9,000			9,000
f Investment management fees . . . . .	0			
g Other . . . . .	300,708	417,475	77,363	5,870
12 Advertising and promotion . . . . .	47,151	3,615	43,269	267
13 Office expenses . . . . .	654,958	535,248	109,785	9,925
14 Information technology . . . . .	263,630	105,892	156,505	1,233
15 Royalties . . . . .	0			
16 Occupancy . . . . .	2,150,950	1,986,309	159,553	5,088
17 Travel . . . . .	426,165	376,786	48,593	786
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19 Conferences, conventions, and meetings . . . . .	41,445	22,933	17,721	791
20 Interest . . . . .	199,607	180,147	19,460	
21 Payments to affiliates . . . . .	0	0	0	0
22 Depreciation, depletion, and amortization . . . . .	861,041	710,222	145,196	5,623
23 Insurance . . . . .	242,960	225,400	17,027	533
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Equipment . . . . .	166,195	135,084	29,238	1,873
b Therapies . . . . .	7,133	7,133		
c Fees . . . . .	113,788	31,628	80,970	1,190
d Postage . . . . .	36,565	31,564	4,707	294
e Dues & Subscriptions . . . . .	32,886	10,378	20,329	2,179
f All other expenses Miscellaneous . . . . .	38,617	5,564	30,846	2,207
<b>25 Total functional expenses. Add lines 1 through 24f</b>	<b>21,308,277</b>	<b>18,314,746</b>	<b>2,886,339</b>	<b>107,192</b>
26 <b>Joint Costs.</b> Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	1	Cash—non-interest-bearing . . . . .	125,145	1	641,309
	2	Savings and temporary cash investments . . . . .	3,725,408	2	3,468,010
	3	Pledges and grants receivable, net . . . . .	1,723,442	3	510,432
	4	Accounts receivable, net . . . . .	1,340,047	4	1,263,253
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L . . . . .	0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .	0	6	0
	7	Notes and loans receivable, net . . . . .	0	7	0
	8	Inventories for sale or use . . . . .	3,930	8	3,164
	9	Prepaid expenses and deferred charges . . . . .	119,881	9	92,663
	10a	Land, buildings, and equipment: cost basis	21,169,016		
	10b	Less: accumulated depreciation. Complete Part VI of Schedule D . . . . .	3,385,678		
	10c		10,879,145	10c	17,783,338
	11	Investments—publicly traded securities . . . . .	0	11	0
	12	Investments—other securities. See Part IV, line 11 . . . . .	0	12	0
	13	Investments—program-related. See Part IV, line 11 . . . . .	0	13	0
	14	Intangible assets . . . . .		14	
15	Other assets. See Part IV, line 11 . . . . .	565,898	15	344,988	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	18,482,896	16	24,107,157	
<b>Liabilities</b>	17	Accounts payable and accrued expenses . . . . .	1,477,135	17	1,768,782
	18	Grants payable . . . . .		18	
	19	Deferred revenue . . . . .		19	
	20	Tax-exempt bond liabilities . . . . .	0	20	0
	21	Escrow account liability. Complete Part IV of Schedule D . . . . .		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties . . . . .	2,537,268	23	6,092,483
	24	Unsecured notes and loans payable . . . . .	0	24	0
	25	Other liabilities. Complete Part X of Schedule D . . . . .	32,272	25	42,012
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .	4,046,675	26	7,903,277
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.				
	27	Unrestricted net assets . . . . .	12,050,586	27	14,574,246
	28	Temporarily restricted net assets . . . . .	2,385,635	28	1,629,634
	29	Permanently restricted net assets . . . . .		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds . . . . .		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
33	<b>Total net assets or fund balances . . . . .</b>	14,436,221	33	16,203,880	
34	<b>Total liabilities and net assets/fund balances . . . . .</b>	18,482,896	34	24,107,157	

COPY

**Part XI Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		X
b Were the organization's financial statements audited by an independent accountant? . . . . .	X	
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . .	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
b If "Yes," did the organization undergo the required audit or audits? . . . . .		

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

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2008**

**Open to Public Inspection**

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization

MARC Center of Mesa Inc.

Employer identification number

86-0137109

**Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)**

The organization is not a private foundation because it is: (Please check only **one** organization.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: .....
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9  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 exempt 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).** (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I
  - b  Type II
  - c  Type III—Functionally integrated
  - d  Type III—Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).**
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box.
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
  - (ii) A family member or a person described in (i) above?
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
									0
									0
									0
									0
									0
									0
<b>Total</b>									0

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .	1,220,123	1,222,309	882,073	1,826,054	1,413,045	6,563,604
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .	0	0	0	0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						0
4 <b>Total</b> Add lines 1-3 . . . . .	1,220,123	1,222,309	882,073	1,826,054	1,413,045	6,563,604
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						837,729
6 <b>Public support.</b> Subtract line 5 from line 4.						5,725,875

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4 . . . . .	1,220,123	1,222,309	882,073	1,826,054	1,413,045	6,563,604
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	70,272	157,098	267,872	246,336	192,431	934,009
9 Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .	65,726	9,550	12,963	70,976	23,060	172,275
11 <b>Total support.</b> Add lines 7 through 10 . . . . .						7,669,888
12 Gross receipts from related activities, etc. (see instructions) . . . . .					12	105,162,080
13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2008: (line 6, column (f) divided by line 11, column (f)) . . . . .	14	74.65%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	15	87.31%
16a <b>33 1/3% support test—2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input checked="" type="checkbox"/>		
b <b>33 1/3% support test—2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. ▶ <input type="checkbox"/>		
17a <b>10%-facts-and-circumstances-test—2008.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. . . ▶ <input type="checkbox"/>		
b <b>10%-facts-and-circumstances test—2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. . . ▶ <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. . . ▶ <input type="checkbox"/>		

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	0	0			0
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose.	0	0	0			0
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						0
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.	0	0	0			0
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge.	0	0	0			0
<b>6 Total.</b> Add lines 1-5.	0	0	0	0	0	0
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons.						0
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000.						0
<b>c</b> Add lines 7a and 7b.	0	0	0	0	0	0
<b>8 Public support.</b> (Subtract line 7c from line 6.)						0

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>9</b> Amounts from line 6.	0	0	0	0	0	0
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						0
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						0
<b>c</b> Add lines 10a and 10b.	0	0	0	0	0	0
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						0
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0	0			0
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						0
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)).	<b>15</b>	0.00%
<b>16</b> Public support percentage from 2007 Schedule A, Part IV-A, line 27g.	<b>16</b>	0.00%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)).	<b>17</b>	0.00%
<b>18</b> Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.	<b>18</b>	0.00%

- 19a 33 1/3% support tests-2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
- b 33 1/3% support tests-2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

Part II Line 10 2004 lawsuit settlement \$31,825; true-up fixed assets \$14,892; misc \$9,009

Part II Line 10 2005 lawsuit settlement \$4,937; misc \$4,612

Part II Line 10 2006 ebay sales \$4,284; misc \$8,679

Part II Line 10 2007 workers comp refund \$53,933; insurance refund \$5,515; ebay sales \$3,796; misc \$7,732

Part II Line 10 2008 investment in Partners in Recovery \$3,336; insurance refund \$5,970, workers comp refund \$7,812

Part II Line 10 ebay sales \$1,287; misc \$4,654

Public Copy

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

**2008**

Name of the organization

Employer identification number

MARC Center of Mesa Inc.

86-0137109

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

**General Rule**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ .....

**Caution.** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

(HTA)

Name of organization  
MARC Center of Mesa Inc.

Employer identification number  
86-0137109

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 445,951	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 401,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	----- ----- Foreign State or Province: ----- Foreign Country: -----	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

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Name of organization MARC Center of Mesa Inc.	Employer identification number 86-0137109
--	--

**Part II Noncash Property** (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Property ..... ..... .....	\$ ..... 445,951	11/18/2008
-----	..... ..... .....	\$ ..... 0	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	..... ..... .....	\$ ..... 0	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	..... ..... .....	\$ ..... 0	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	..... ..... .....	\$ ..... 0	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	..... ..... .....	\$ ..... 0	-----

Public Copy

Name of organization MARC Center of Mesa Inc.	Employer identification number 86-0137109
--	--

**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ 0

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
1	..... ..... .....	..... ..... .....	..... ..... .....

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
..... ..... .....	..... ..... .....
For. Prov.                      Country	

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
2	..... ..... .....	..... ..... .....	..... ..... .....

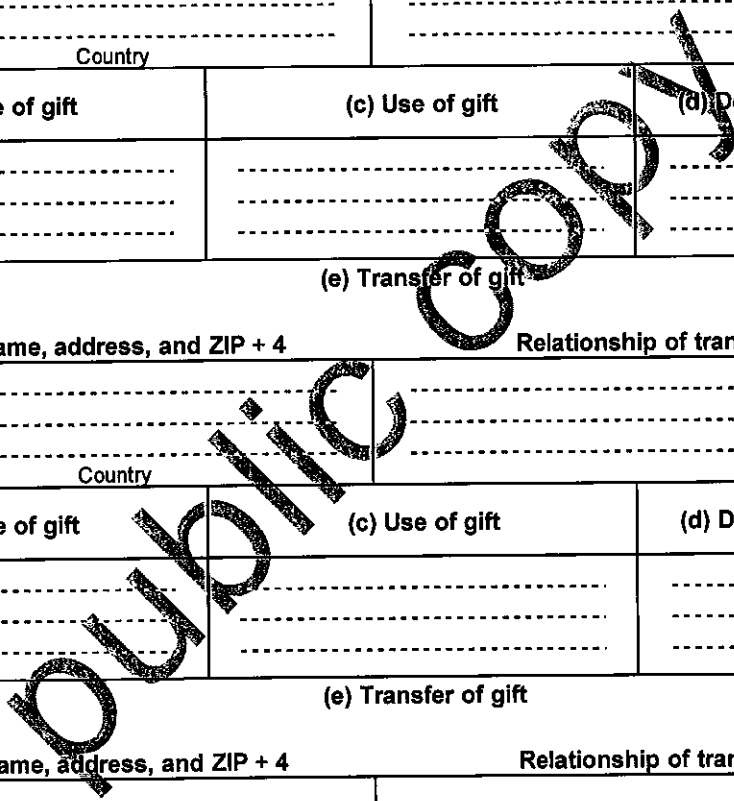
(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
..... ..... .....	..... ..... .....
For. Prov.                      Country	

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....	..... ..... .....	..... ..... .....	..... ..... .....

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
..... ..... .....	..... ..... .....
For. Prov.                      Country	

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
.....	..... ..... .....	..... ..... .....	..... ..... .....

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
..... ..... .....	..... ..... .....
For. Prov.                      Country	



**SCHEDULE D  
(Form 990)**

**Supplemental Financial Statements**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

Name of the organization

Employer identification number

MARC Center of Mesa Inc.

86-0137109

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.**

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year) . . . . .		
4 Aggregate value at end of year . . . . .		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.**

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or pleasure)  Preservation of an historically important land area

Protection of natural habitat  Preservation of certified historic structure

Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 8/17/06 . . . . .	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? . . . . .  Yes  No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? . . . . .  Yes  No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$

(ii) Assets included in Form 990, Part X . . . . . ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$

b Assets included in Form 990, Part X . . . . . ▶ \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other .....

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.**

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	0

2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If "Yes," explain the arrangement in Part XIV.

**Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.**

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0				

2 Provide the estimated percentage of the year-end balance held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations		
(ii) related organizations		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.**

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land	0	3,738,382		3,738,382
b Buildings	0	13,499,541	1,483,095	12,016,446
c Leasehold improvements	0	453,387	251,114	202,273
d Equipment	0	770,079	537,129	232,950
e Other	0	2,707,627	1,114,340	1,593,287
<b>Total. Add lines 1a–1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)</b>				<b>17,783,338</b>



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	23,075,935
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	21,308,277
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	1,767,658
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	46,488
9	Total adjustments (net). Add lines 4-8	9	46,488
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	1,814,146

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	23,000,235
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	23,349
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-99,049
e	Add lines 2a through 2d	2e	-75,700
3	Subtract line 2e from line 1	3	23,075,935
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	23,075,935

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	21,186,089
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	23,349
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	-145,537
e	Add lines 2a through 2d	2e	-122,188
3	Subtract line 2e from line 1	3	21,308,277
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	21,308,277

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Part XI Line 8 Change in Net Assets for TecMarc \$1,716 and Foundation for People w/ Disabilities \$44,771

Part XII Line 2d Other income from TecMarc \$1,716; Foundation for People w/ Disabilities \$217,419;

Part XII Line 2d eliminating entries between entities (\$318,183)

Part XIII Line 2d Expenses for Foundation for People w/ Disabilities \$195,990;

Part XIII Line 2d eliminating entries between entities (\$318,183)

**Part XIV** Supplemental Information *(continued)*

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**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2008**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

Name of the organization  
MARC Center of Mesa Inc.

Employer identification number  
86-0137109

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee          | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant        | <input type="checkbox"/> Compensation survey or study                               |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

- a** Receive a severance payment or change of control payment? . . . . .
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .
- c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

**Only 501(c)(3) and 501(c)(4) organizations must complete lines 5–8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? . . . . .
- b** Any related organization? . . . . .
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

	Yes	No
1a		
1b		
2		
3		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X

MARC Center of Mesa Inc.

Schedule J (Form 990) 2008

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Randall L Gray	(i) 231,082	0	0	0	22,119	253,201	100,692
John Moore	(i) 136,598	0	0	0	17,478	154,076	59,015
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0
	(i) 0	0	0	0	0	0	0
	(ii) 0	0	0	0	0	0	0

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Part I Line 4b 457b Plan - Randy Gray \$15,000

Part I Line 4b 457b Plan - Harold Gilbert \$15,000

Part I Line 4b 457b Plan - John Moore \$7,500

Part I Line 4b 457b Plan - Michael Franczak \$10,000

Part I Line 4b 457b Plan - Holly Collins \$3,000

Part I Line 4b 457b Plan - Mari Dunham \$3,000

Public  
Access

**SCHEDULE M  
(Form 990)**

**NonCash Contributions**

OMB No. 1545-0047

**2008**

**Open To Public  
Inspection**

▶ To be completed by organizations that answered "Yes"  
on Form 990, Part IV, lines 29 or 30.  
▶ Attach to Form 990.

Department of the Treasury  
Internal Revenue Service

Name of the organization  
MARC Center of Mesa Inc.

Employer identification number  
86-0137109

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art . . . . .				
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .				
6 Cars and other vehicles . . . . .	X	4	149,378	FMV
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .				
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution (historic structures) . . . . .				
14 Qualified conservation contribution (other) . . . . .				
15 Real estate—Residential . . . . .	X	1	250,951	FMV
16 Real estate—Commercial . . . . .	X	1	195,000	FMV
17 Real estate—Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ▶ ( . . . . . )		0	0	
26 Other ▶ ( . . . . . )		0	0	
27 Other ▶ ( . . . . . )		0	0	
28 Other ▶ ( . . . . . )		0	0	

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29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . . 29 0

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, lines 1–28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? . . . . .	X	
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .		X
b If "Yes," describe in Part II.		
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.		



**SCHEDULE O  
(Form 990)**

**Supplemental Information to Form 990**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

Department of the Treasury  
Internal Revenue Service  
Name of the organization

Employer identification number

MARC Center of Mesa Inc.

86-0137109

Form 990 Part III Line 4d Community Day Services: Expenses \$2,590,114 Revenues \$3,028,380  
22% of consumers participating in strength-based programs progressed on to employment services as compared to the national norm of 10%. Considering the severity of the disability and the high ratio of supervision required, the day training program was still able to deliver 58% of its services in the community in comparison to the national average of 40%. 100% of people receiving services expressed satisfaction with the quality of services provided.

Form 990 Part III Line 4d Outpatient Services: Expenses \$1,139,287 Revenues \$1,369,691  
Marc Center consistently scored over 95% on all measures of consumer, family, and funding source satisfaction surveys. 98% of individuals served, transitioned to more independent settings. 99% of individuals who were referred for a routine assessment were offered an appointment within seven days, while 99% had a second appointment within 23 days. This performance exceeded our contract requirements and the national behavioral health industry benchmarks. Individuals with a serious mental illness served by Marc Center's outpatient program remained in their communities. Only .033% had to be hospitalized for mental illness in the past year. Providing quality services which allow people to remain with their families in the community and simultaneously reducing hospitalization expenses is another strong indicator of the effectiveness of our services.

Form 990 Part VI Section B Line 10 Copies of the 990 and all related schedules are sent out to the Board of Directors for review. Any questions the Board might have are directed back to the Chief Financial Officer. The 990 is then discussed at a full board meeting and approved by the Board of Directors.

Form 990 Part VI Section B Line 12c Enforcing agency policy on conflicts of interest is the responsibility of the Marc Center's Audit Committee. This committee dedicates one meeting per year to:

- Ensure all conflict of interest statements have been received
- Ensure conflicts are fully understood and implications discussed and disposition agreed upon
- Ensure that board members with conflicts, if any, follow policy with respect to voting on matters that they

may have conflict with

Name of the organization

Employer identification number

MARC Center of Mesa Inc.

86-0137109

- Recommend enhancements to existing forms, policies, and training related to conflicts of interest

Form 990 Part VI Section B Line 15b Each year, the board approves performance goals for the CEO based primarily on the board approved strategic plan. At the end of the year, The Board Chair completes a performance evaluation. In addition to the performance evaluation, the board is provided data from the most recent Guidestar Compensation Study and/or other credible surveys/studies. The board is provided a five-year historical wage analysis that breaks down all the components of comprehensive compensation. Periodically, the agency contracts with an independent organization to conduct a formal compensation study to provide the board with benchmark data and provide independent assurances that compensation is reasonable based on IRS guidelines. Finally, the board is provided the breakdown of comprehensive compensation for all officers and key employees that report directly to the CEO. The board convenes to approve compensation that is appropriately comparable per IRS guidelines and consistent with the performance evaluations.

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**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2008**

**Open to Public  
Inspection**

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ See separate instructions.

Name of the organization

MARC Center of Mesa Inc.

Employer identification number

86-0137109

**Part I Identification of Disregarded Entities**

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	

**Part II Identification of Related Tax-Exempt Organizations**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
Foundation for People with Disabilities 924 N Country Club Dr, Mesa, AZ 85201	Provide housing	AZ	501 (c) (3)	9	Marc Center of Me
-----					
-----					
-----					
-----					
-----					
-----					
-----					

**Part III Identification of Related Organizations Taxable as a Partnership**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?
							Yes	No		
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
TecMarc 924 N Country Club Dr, Mesa, AZ 85201	Technical Services AZ		Marc Center of C Corp		1,716	8,058	100.00%
Community Rehabilitation Services 924 N Country Club Dr, Mesa, AZ 85201	Rehabilitation Ser AZ		Marc Center of C Corp		0	0	100.00%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%

**Part V Transactions With Related Organizations**

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV.

- 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?
- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity . . . . .  **1a**
  - b Gift, grant, or capital contribution to other organization(s) . . . . .  **1b**
  - c Gift, grant, or capital contribution from other organization(s) . . . . .  **1c**
  - d Loans or loan guarantees to or for other organization(s) . . . . .  **1d**
  - e Loans or loan guarantees by other organization(s) . . . . .  **1e**
  - f Sale of assets to other organization(s) . . . . .  **1f**
  - g Purchase of assets from other organization(s) . . . . .  **1g**
  - h Exchange of assets . . . . .  **1h**
  - i Lease of facilities, equipment, or other assets to other organization(s) . . . . .  **1i**
  - j Lease of facilities, equipment, or other assets from other organization(s) . . . . .  **1j**
  - k Performance of services or membership or fundraising solicitations for other organization(s) . . . . .  **1k**
  - l Performance of services or membership or fundraising solicitations by other organization(s) . . . . .  **1l**
  - m Sharing of facilities, equipment, mailing lists, or other assets . . . . .  **1m**
  - n Sharing of paid employees . . . . .  **1n**
  - o Reimbursement paid to other organization for expenses . . . . .  **1o**
  - p Reimbursement paid by other organization for expenses . . . . .  **1p**
  - q Other transfer of cash or property to other organization(s) . . . . .  **1q**
  - r Other transfer of cash or property from other organization(s) . . . . .  **1r**

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1)	Foundation for People with Disabilities	C	105,486
(2)			0
(3)			0
(4)			0
(5)			0
(6)			0



**Part VII, Section B, Line 1 (990) - Highest Compensated Independent Contractors**

	Contractor's Name	Check if Business	Street Address	City	State	Zip Code	Foreign Country
1	The Brake Shop	X	536 N Country Club Dr	Mesa	AZ	85201	
2	Concentric Healthcare Solution	X	4250 N Drinkwater Blvd	Scottsdale	AZ	85251	
3	MTV General Contractors	X	2840 N Norwalk St	Mesa	AZ	85215	
4	Desert Kool	X	431 S Stapley Dr, #18	Mesa	AZ	85204	
5	Desert Feed & Supply	X	9823 E Apache Trail	Mesa	AZ	85208	
6	Other						
7							
8							
9							
10							

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**Part VIII, Lines 1a-h (990) - Contributions, Gifts, Grants, and Other Amounts**

	Cash		Non Cash
1 Federated Campaigns . . . . .		1	
2 Membership dues . . . . .		2	
3 Fundraising events . . . . .		3	
4 Related organizations . . . . .		4	
5 Government grants (contributions) . . . . .	465,227	5	
6 All other contributions, gifts, grants, and similar amounts not included above:			
Other Contributions	340,454		595,329
Other contributions total . . . . .	340,454	6	595,329
7 Total . . . . .	805,681	7	595,329

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Part VIII, Line 7 (990) - Gain/Loss from Sale of Assets Other than Inventory

Index	Description	CUSIP #	Check if gain/loss is from sale of public securities	Check if gain/loss is from sale of non public securities	Check if purchaser is a business	Purchaser	Date acquired	Acquisition method	Date sold	Gross sales price	Cost or other basis (Enter one field only)		Expense of sale and cost of improvements	Depreciation	Description of Basis Method
											Cost	Donated value			
1	01 Dodge Intrepid				X	The Brake Shop	11/2/2001	purchase	9/30/2008	1,200	16,382		16,382	S/L	
2	02 Dodge Caravan				X	The Brake Shop	3/1/2002	purchase	9/30/2008	4,000	24,761		24,761	S/L	
3	02 Dodge Caravan				X	The Brake Shop	5/7/2002	purchase	9/30/2008	4,000	24,591		24,591	S/L	
4	02 Dodge Caravan				X	The Brake Shop	6/28/2002	purchase	9/30/2008	4,000	22,849		22,849	S/L	
5	02 Dodge Caravan				X	The Brake Shop	6/28/2002	purchase	9/30/2008	2,600	22,849		22,849	S/L	
6	02 Dodge Caravan				X	The Brake Shop	7/28/2002	purchase	9/30/2008	4,000	23,726		23,726	S/L	
7	02 Dodge Caravan				X	The Brake Shop	7/28/2002	purchase	9/30/2008	4,000	23,726		23,726	S/L	
8	Leasehold Improvements - Grove						6/1/2003	purchase	10/31/2008	0	13,634		13,177	S/L	
9	Leasehold Improvements - Sunland						7/13/2005	purchase	10/31/2008	0	4,475		2,983	S/L	
10	Leasehold Improvements - Gary Circle						4/24/2006	purchase	10/31/2008	0	3,511		351	S/L	
11	04 Dodge Sprinter					Bruce Stavron	10/29/2003	purchase	12/31/2009	9,300	40,295		40,295	S/L	
12	01 Dodge Caravan				X	Mesa United Way	4/2/2001	purchase	1/31/2009	0	21,223		21,223	S/L	
13	02 Dodge Caravan				X	The Brake Shop	1/15/2002	purchase	3/11/2009	2,300	26,450		26,450	S/L	
14	02 Dodge Van				X	The Brake Shop	6/28/2002	purchase	3/11/2009	2,500	22,849		22,849	S/L	
15	01 Dodge Intrepid				X	The Brake Shop	11/20/2001	purchase	5/1/2009	1,300	16,031		16,031	S/L	
16	01 Dodge Van				X	The Brake Shop	11/20/2001	purchase	5/1/2009	2,500	25,603		25,603	S/L	
17															
18															
19															
20															
Totals:															
Public Securities										0					
Non-Public Securities										0					
Other sales										41,700		5,109			

PUBLIC

Part VIII, Line 10 (990) - Gross Sales of Inventory

1,294

2,243

-949

	Category	Gross Sales	Cost of Goods Sold	Net
1	Merchandise	1,294	2,243	-949
2				0
3				0
4				0
5				0
6				0
7				0
8				0
9				0
10				0
11				0
12				0
13				0
14				0
15				0
16				0
17				0
18				0
19				0
20				0

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**Part IX, Line 22 (990) - Depreciation, Depletion, etc.**

Description		861,041 (A) Total	710,222 (B) Program services	145,196 (C) Management and general	5,623 (D) Fundraising
1	Building, Fixtures and Equipment	861,041	710,222	145,196	5,623
2		0			
3		0			
4		0			
5		0			
6		0			
7		0			
8		0			
9		0			
10		0			
11		0			
12		0			
13		0			
14		0			
15		0			
16		0			
17		0			
18		0			
19		0			
20		0			

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**Part X, Line 3 (990) - Pledges and Grants Receivable**

		Pledges and grants receivable		Allowance for doubtful accounts	
		Beginning	End	Beginning	End
1					
2	Pledges receivable	1,873,442	660,432	150,000	150,000
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	Total pledges and grants receivable	1,873,442	660,432	150,000	150,000

**Part X, Line 4 (990) - Accounts Receivable**

		Accounts receivable		Allowance for doubtful accounts	
		Beginning	End	Beginning	End
1	Accounts Receivable	1,457,730	1,351,089	117,683	87,836
2					
3					
4					
5					
6					
7					
8					
9					
10					
11	Total accounts receivable	1,457,730	1,351,089	117,683	87,836

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Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

											13,719,182	2,840,037	3,385,678	9,522,002	10,879,145	17,783,333
Category or Item	Land	Buildings	Leasehold Improvements	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/ Adjustments	Beginning Balance	Ending Balance			
1 Land	X							2,208,121	0	537,129	1,530,261	2,208,121	3,738,383			
2 Equipment				X				642,230	432,666	537,129	127,849	209,564	232,981			
3 Vehicles				X				1,625,251	1,136,368		-488,883	488,883				
4 Leasehold improv			X					4,334,422	935,800	251,114	-2,945,235	3,398,622	202,277			
5 Buildings		X						2,687,658	335,203	1,483,095	10,811,883	2,352,455	12,016,444			
6 Construction in progress					X			2,221,500	0	1,114,340	486,127	2,221,500	1,593,283			
7								0	0			0	0			
8								0	0			0	0			
9								0	0			0	0			
10								0	0			0	0			
11								0	0			0	0			
12								0	0			0	0			
13								0	0			0	0			
14								0	0			0	0			
15								0	0			0	0			
16								0	0			0	0			
17								0	0			0	0			
18								0	0			0	0			
19								0	0			0	0			
20								0	0			0	0			
21								0	0			0	0			
22								0	0			0	0			
23								0	0			0	0			
24								0	0			0	0			
25								0	0			0	0			
26								0	0			0	0			
27								0	0			0	0			
28								0	0			0	0			

PURCHASED  
 2010

**Part X, Line 15 (990) - Other Assets**

565,898

344,988

	Description	Beginning	End
1	Bond Issue Cost		150,913
2	Investment in PIR		105,915
3	Building Security Deposits	21,450	31,600
4	Worker's Comp Deposit	24,361	21,102
5	CIP Deposits	12,822	0
6	ADP Deposit	500	0
7	PACE Software Deposit	5,530	0
8	5 Tri-Plex Property Deposits	495,000	0
9	Deposit - N 28th Street, PHX	5,000	0
10	APS Deposit	1,235	1,235
11	ADOT Deposit	0	29,223
12	Security Title Deposit	0	5,000
13			
14			
15			
16			
17			
18			
19			
20			

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**Part X, Lines 23 and 24 (990) - Secured and Unsecured Notes Payable**

7,355,545 2,537,268 6,092,483

	Lender's name	Check if lender is a business	Check if Unsecured	Security provided	Original amount	Balance due beginning of year	Balance due end of year	Date of note	Maturity date
1	Various	X		vehicles and equipment	580,093	143,671	73,601	6/2/2009	2/11/2011
2	Chase Bank, 4.9% due 8/24	X		real property	637,589	217,618	201,874		8/1/2024
3	City of Mesa zero int and no prin	X		real property	175,951	175,951	0		6/30/2009
4	WalMu	X		real property	213,600	211,213	208,665		6/30/1937
5	Chase Bank	X		real property	960,000	942,309	917,221		10/31/2027
6	Chase Bank	X		real property	648,000	646,800	646,800		3/31/2009
7	California First	X		software	199,706	199,706	167,756		10/1/2014
8	Chase Bank	X		real property	230,855	0	187,472		7/1/2012
9	Chase Bank	X		real property	129,500	0	123,025		7/1/2021
10	Chase Bank	X		real property	2,922,151	0	2,922,151		
11	Chase Bank	X		real property	168,900	0	163,019		9/1/2023
12	Chase Bank	X		real property	186,500	0	133,477		10/1/2023
13	Chase Bank	X		real property	111,800	0	109,298		7/1/2023
14	Chase Bank	X		real property	149,500	0	147,216		1/1/2024
15	Chase Bank	X		real property	92,300	0	90,908		1/1/2024
16									
17									
18									
19									
20									

DUPLICATE

DUPLICATE



**Part X, Line 25 (990) - Other Liabilities**

32,272

42,012

	Description	Beginning	End
1	Consumer trust funds	31,870	41,632
2	Consumers Fiduciary ERS	402	380
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

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Part IX (Sch D (990)) - Other Assets

344,988

Description		Book Value
1	Bond Issue Cost	150,913
2	Investment in PIR	105,915
3	Building Security Deposit	31,600
4	Worker's Comp Deposit	21,102
5	APS Deposit	1,235
6	ADOT Deposit	29,223
7	Security Title Deposit	5,000
8		0
9		0
10		0
11		0
12		0
13		0
14		0
15		0
16		0
17		0
18		0
19		0
20		0

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Part X (Sch D (990)) - Other Liabilities

42,012

Description		Amount
1	Federal Income Taxes	0
2	Consumer trust funds	41,632
3	Consumers Fiduciary ERS	380
4		0
5		0
6		0
7		0
8		0
9		0
10		0
11		0
12		0
13		0
14		0
15		0
16		0
17		0
18		0
19		0
20		0
21		0

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