

February 4, 2010

Greetings:

In our role as professional providers to over 130 not-for-profits, management and Boards constantly ask, "How do we measure up to other agencies?" Last year, we responded with our first project to benchmark the relative financial performance and other operating metrics of State funded not-for-profit organizations from Buffalo to Albany.

We surveyed the participants and the response was so strong, positive and enthusiastic that we are making it an annual event, but this year, we are going statewide!

Naturally, there is more value in the report if more agencies participate.

With our in-depth knowledge of the current challenges and regulatory issues confronting not-for-profit entities, we will make this a very meaningful analysis of data. We will analyze data by region, program type, including but not limited to: cost per unit of service; average pay rate by position; and number of services provided by payroll hour. We will be surveying and analyzing not-for-profits funded by the New York State agencies of the Office of Alcoholism and Substance Abuse Services (OASAS), Office of Mental Health (OMH), Office of Mental Retardation and Developmental Disabilities (OMRDD), and the State Education Department (SED). Only those entities required to submit the full version of the Consolidated Fiscal Report (CFR) will be included in the study.

We'll Extract the Data, But We Need Your File

We will use the data already contained in the CFR that you submitted to NYS—**all you need to do is email us the submission file**. There is no cost to participate. Upon completion, we will provide you with a report comparing your organization's data to the data of all agencies in total, to the agencies of similar financial size, and to agencies in your region.

Protecting the confidentiality of your information is a priority and is assured; no names or specific information will be included in the results of the survey. Please see enclosed an affidavit of confidentiality from our managing partner.

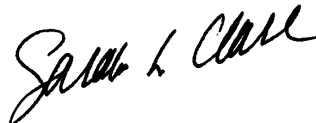
To participate, please email your audited calendar year December 2008 or July 2008-June 2009 Consolidated Fiscal Report submission file to sclare@dopkins.com by February 19, 2010.

Please contact either of us at (716) 634-8800 with any questions/suggestions and refer to the attached pages of FAQs for additional information. We appreciate your time and look forward to receiving your information.

Sincerely,
DOPKINS & COMPANY, LLP



Gerald F. Reger
Partner



Sarah L. Clare
Senior Manager

Encl.

Not-for-Profit Benchmarking Survey FAQs

Who is Dopkins & Company, LLP?

Dopkins & Company, LLP is a regional certified public accounting and consulting firm located outside Buffalo, New York. Founded in 1955, we have grown into one of the largest independent accounting firms in the Buffalo-Niagara area employing over 130 people. For more information about the Firm visit www.dopkins.com.

Several years ago, we formalized a group of professionals who have extensive experience with the accounting, reporting, regulatory, operational, internal control and tax aspects of not-for-profit organizations. The not-for-profit industry service group strives to keep clients informed of changes as they occur through Compass, our not-for-profit specific newsletter and through our Not-for-Profit Roundtables—presented throughout the year.

Will I be Solicited for Business as a Result of Participating?

In a word, no. Our mission is to add value to not-for-profits, including providing them with information to improve their operations. In addition to our services, newsletters and roundtable meetings, our benchmarking survey is another tool for agencies interested in continuous improvement. Although you will not be solicited, we would be delighted to have the opportunity to discuss your needs and submit a proposal if you are ever considering a change in your audit services provider, or identify a special project idea.

If I am a For-Profit Entity, Should/Can I Still Participate?

Yes! The programs we intend to analyze operate similarly, whether an organization is structured as a for-profit or a not-for-profit.

What Programs will be Selected?

The focal point of the data analysis will be the most common programs run, including, but not limited to*:

<u>OASAS</u>	<u>OMH</u>	<u>OMRDD</u>	<u>SED</u>
3520 Med Sup Out Patient	0770 Psychosocial Club	0090 – ICF	9000 – School Age
3560 Intensive Residential	0810 Case Management	0200 – Day Treatment	9100/15 – Preschool
	1310 Cont Day Trtmt	0219 – Res Hab (At Home)	9135 – SEIT
	1810 Intensive Care Mgmt	0223 – Day Hab	9160/65 – Integrated PS
	2100 Clinic Treatment	0229 – Service Coord	9190 – Evaluations
	6050 Supported Housing	0231 – IRA ResHab	9200 – Related Services
	6060 Supported Housing Community Services	0233/0235 – Respite	9230 – 1:1 Aides
			9300 – Early Intervention

* Program list will be based on data received and is, consequently, subject to change. *Therefore, even if your organization operates programs different than those listed above, please participate, as we may amend programs that we will add to the analysis—again, it is all contingent upon the information we receive.*

What will be Contained in the Results?

The benchmarking project involves analyzing figures from the audited CFRs. The results of our analysis will show a wide range of financial and non-financial information such as:

Agency Specific Data

- General and administration costs as a percentage of total costs
- General and administration ratio value percentage
- Fringe benefits as a percentage of total salaries, broken out by mandated, non-mandated and total fringe benefits
- General and administration – average salary per hour by position

Program Specific Data - OASAS, OMH, OMRDD, SED (note: using significant programs identified above)

- Profit margin by program
- Costs per unit/FTE including; total costs per unit, salary costs per unit, OTPS per unit, property and equipment per unit
- Average pay rate per hour, by position code, by program
- Average consultant rate per hour by position and program
- Fringe benefits as a percentage of total salaries by program, broken out by mandated, non-mandated and total fringe benefits
- Number of services provided per payroll hour or FTE

Can I see a Sample Report?

Absolutely. Find a sample report on our website at

<http://www.dopkins.com/images/Dopkins%20Benchmarking%20sample%20report.pdf>.

What is the Timeline?

Please email your audited calendar year December 2008 or July 2008-June 2009 Consolidated Fiscal Report submission file to sclare@dopkins.com by February 19, 2010.

We expect to have results available by the end of March 2010.

Where Do I Find My CFR Submission File?

You will find your submission file in the same directory where you keep your CFR software and database. The folder will look similar to this:

c:\Program Files\Consolidated Fiscal Reporting System\CFRS 13.0\DB\Upload

and the submission file will look similar to this:

12345-FULL-MULTI-[13]-2009J-999999-2009103100000.mdb.cfr

How Do I See Results?

Upon completion, we will mail a copy of the report, stamped *personal and confidential*, to your agency executive director. This report will provide information comparing your organization's data to the data of all agencies in total, to the agencies of similar size, and to agencies in your region.

The greater the data sample, the more useful the results. Protecting the confidentiality of your information is a priority and is assured; no names or specific information will be included in the results of the survey.

Can I Talk to Someone Who Participated Last Year?

Please do. So that we can properly match you with an agency similar to yours, contact us for appropriate references.

I Have Questions. Who Can I Contact?

Jerry Reger or Sarah Clare at (716) 634-8800 or at jreger@dopkins.com and sclare@dopkins.com

Thank you.

February 1, 2010

Affidavit of Confidentiality

Dopkins & Company, LLP respects the privacy of those with whom we work.

Consistent with our strict code of ethics, all information regarding agencies participating in this Benchmarking Survey will be held in the strictest of confidence. Violations, thereof, would compromise our integrity.

Respectfully submitted,

DOPKINS & COMPANY, LLP



Thomas R. Emmerling
Managing Partner