

**COST-OF-DOING-BUSINESS, CONSUMER PRICE INDEX,  
AND PARITY NUMBERS  
San Francisco Human Services Network, 5-9-13**

In FY2007-08, nonprofits received a CODB increase of 3.45%. Over the subsequent five years, the 5-year cumulative CPI increase was 11.3%.

Nonprofits received no CODB increase between FY08 through FY11. For FY12, the Mayor's budget included a 1% CODB, and the Board added an additional 1%.

CPI will increase approximately 3% and 3.2% in the upcoming two fiscal years – an increase of 18.3% over a 7-year period. In its 5-year fiscal plan, the City proposes that nonprofits receive no increases in the next two years.

This represents a de facto 16.3% reduction in nonprofit funding over 7 years. Flat funding has far-reaching impacts on job loss, wages, benefits including compliance with City health care and other mandates, services for vulnerable San Franciscans, and organizational stability.

In contrast, one nonprofit provider -- U.C. under its contract with DPH -- has received increases every year. These increases exceed CPI in 4 out of the past 5 years, and cumulatively total 16.4% from FY08 through FY12. The current proposed DPH budget includes an increase of about 4% for UC in each of the next two years (about \$5.4 million in year one and \$5.7 million in year two).

	<b>CPI</b>	<b>UC increase</b>	<b>Nonprofit CODB</b>
FY2007-08	3.4%	3.5%	3.45%
FY2008-09	4.2%	2.2%	0.0%
FY2009-10	0.2%	0.71%	0.0%
FY2010-11	1.1%	3.4%	0.0%
FY2011-12	2.4%	4.2%	0.0%
FY2012-13	2.93%	5.0%	2.0%
FY2013-14	~3.0%	~4.0%	Proposed 0%
FY2014-15	~3.2%	~4.0%	Proposed 0%
5-yr cumulative FY08 – FY12	11.3%	16.4%	2.0%
7-yr cumulative FY08-FY14	18.3%	25.9%	2.0%