

[HOME](#)[STUDENT PROFILES](#)[NEWS](#)[MULTIMEDIA](#)[BLOG](#)[TWITTER](#)[SUBSCRIBE TO RSS](#)

# The New York Times

## STUDENT JOURNALISM INSTITUTE

TUCSON, ARIZONA JAN 2-12 2010

### Local United Way Owes Charities \$400,000

By MATT LEWIS

The decline in the economy has left United Way of Tucson and Southern Arizona owing several local charities \$400,000 in promised contributions.

The reason for the shortfall: The agency invested almost 40 percent of its \$12 million budget — \$4.8 million — in an “appropriate mix” of stocks, bonds, mutual funds, certificates of deposit and other investments and lost \$1 million in fiscal year 2008-09, said Dan Duncan, a United Way spokesman.

United Way of Tucson and Southern Arizona gives 29 organizations \$884,400 quarterly in unrestricted funds for programs like housing and education. It owes about half that amount to agencies including the Pima Council on Aging, the Tucson Nursery School Infant Toddler Center, Chicanos por la Causa Inc. and the Catholic Community Services of Southern Arizona Inc.

The losses forced United Way to take money out of its investments to cover certain expenses. Duncan could not elaborate, as he was not familiar with the details surrounding the organization’s investment practices.

Twenty-eight charities have been waiting since October for \$392,500. One organization, the Tucson Nursery School Infant Toddler Center, which was in financial turmoil, received \$7,500. The amount was half of the \$15,000 promised.

United Way’s goal is to pay all charities by the end of the fiscal year, in June. It is working on sending partial payments by the end of the month, Duncan said.

Amid the financial trouble, the organization’s chief financial officer left his position in July. The position wasn’t filled until November.

Tillie Arvizu, vice president of Chicanos por la Causa, an organization that leads various assistance programs statewide, said her agency hasn’t been affected in the short term because it is a large organization.

“I’m sure it’s hurt small organizations because they have smaller budgets,” Arvizu said.

She did say Chicanos por la Causa depended on about \$30,000 from United Way to pay for a housing consultant.

“We do need the money, but we are not in danger of closing our doors,” she said.

Arvizu said the board chairman of United Way of Tucson, Ronald Sable sent an e-mail message saying that the organization was having problems with cash flow, and that this was creating a domino effect, but that the message was “vague.”

This is not the first time United Way of Tucson has faced challenges over its financial practices.

A few years ago, a company owned by the wife of a United Way board member, Steve Banzhaf, was awarded a \$115,000 contract to do event planning and marketing for the organization. At the time, some questioned whether awarding the contract to a relative of Banzhaf, who led the United Way’s human resources committee, was appropriate.

“We went through a competitive bid process as our policies

#### more news

[Tucson Man Held in Father's Death](#)  
[City Council to Weigh Contested Rental Tax](#)  
[Tucson Businessman Moves to Expel City Officials](#)  
[Border Agent Kills Illegal Immigrant in Confrontation](#)  
[Tucson Area Clocks Three Murders on New Year's Day](#)

#### partners

[National Association of Hispanic Journalists](#)  
[The Boston Globe](#)  
[The New York Times](#)  
[University of Arizona School of Journalism](#)

#### past institutes

[2004 New Orleans](#)  
[2005 New Orleans](#)  
[2006 New Orleans](#)  
[2007 Miami](#)  
[2007 New Orleans](#)  
[2008 New Orleans](#)  
[2008 Tucson](#)  
[2009 Miami](#)  
[2009 New Orleans](#)

[RECENT](#)[ARTICLES](#)[COMMENTS](#)

[Apply to the New Orleans Institute](#)  
[Riding Low. \(Again.\)](#)  
[Video Projects](#)  
[Me, My Mom and Meth](#)  
[Fruit, Vegetables and Gridlock](#)

#### pages

[About the Institute](#)  
[Video Projects](#)

require, and she was the successful bidder," Duncan said.

COPYRIGHT © 2010-2011 TUCSON 2010 – NEW YORK TIMES STUDENT JOURNALISM INSTITUTE. POWERED BY WORDPRESS.

United Way policy requires that a contract of that size have at least three bids, which is how many Duncan said the organization