

Agenda

MEETING OF THE SAN MARCOS COMMUNITY FOUNDATION

WEDNESDAY, NOVEMBER 18, 2014 – 6:00 P.M.
SAN MARCOS COMMUNITY FOUNDATION BOARD MEETING
COUNCIL CHAMBER/1 CIVIC CENTER DRIVE, SAN MARCOS, CA 92069

Cell Phones: As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the Council Chambers.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the Board Secretary at (760) 744-1050, ext. 3121. Notification 48 hours in advance will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired. Please see the Board Secretary if you wish to use this device.

Public Comment: If you wish to address the Board on any agenda item, please complete a "Request to Speak" form. Forms are located at the rear of the Council Chambers. Be sure to indicate which item number you wish to address. Comments are limited to FIVE minutes.

The Oral Communication segment of the agenda is for the purpose of allowing the public to address the Board on any matter NOT listed on the agenda. The Board is prohibited by state law from taking action on items NOT listed on the Agenda. However, they may refer the matter to staff for a future report and recommendation. If you wish to speak under "Oral Communications," please complete a "Request to Speak" form as noted above.

Agendas: Agenda packets are available for public inspection 72 hours prior to scheduled meetings at the Administration Department located on the second floor of City Hall, 1 Civic Center Drive, San Marcos, during normal business hours.

AGENDA

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

NEW BUSINESS

1. PRESIDENT'S REPORT

*Recommendation: **NOTE & FILE***

2. SMCF GRANT FUNDING COMMITTEE RECOMMENDATION

Fall Quarter Funding Recommendation to the SMCF Board for Deliberation.

- (a) Regular/Mini Grant Funding History FY 2007- FY 2015
- (b) Regular/Mini Grant Funding History FY 2014-2015
- (c) Funding Recommendation Worksheet
- (d) SMCF Resolution No. 2014-127 – Regular Grants

*Recommendation: **CONSIDER/APPROVE***

CONSENT CALENDAR

3. **WAIVER OF TEXT** This item is to waive the reading of all text of all Resolutions and Policies adopted at this meeting. Resolutions and Policies shall be adopted by title.
Recommendation: **WAIVE**
4. **APPROVAL OF MINUTES** SMCF Board Meeting August 19, 2014
Recommendation: **CONSIDER/APPROVE**
5. **REVIEW OF 2013 FEDERAL 990 FORM**
Recommendation: **CONSIDER/APPROVE**
6. **REPORT: FUND STATEMENT and ASSETS AVAILABLE FOR DISTRIBUTION**
Recommendation: **NOTE & FILE**
7. **ORAL COMMUNICATIONS** Speakers are limited to five minutes. Please complete a "Request to Speak" form and place in basket provided. According to Board policy, *FIFTEEN* minutes has been established during this portion of the Agenda to allow citizens to speak on any matter NOT listed. The Board is prohibited by state law from taking action on items NOT listed on the Agenda. However they may refer the matter for a future report and recommendations.

ITEMS FOR THE GOOD OF THE ORDER

8. **MISCELLANEOUS**
 - (a) 2015 Meeting and Grant Calendar
 - (b) Selection of next quarter's Grant Funding Committee
9. **ADJOURNMENT**

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.
CITY OF SAN MARCOS)

AFFIDAVIT OF POSTING

I, Wendy Kaserman, hereby certify that I caused the posting of this Agenda on the bulletin board located at the north entrance to City Hall on Friday, November 14, 2014 at 5:00 pm.

DATE: Friday, November 14, 2014

Wendy Kaserman, Recording Secretary - SMCF

**San Marcos Community Foundation:
FY2007 to FY2015 Regular and Mini Grant Recipients
Sorted by Grant Recipient
(Current as of 11/14/2014)**

Grant Award Date	Organization	Amount	Grant Type	Description
8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
6/12/2013	Alzheimer's Association	\$1,500.00	Mini	To cover the costs of producing 400 informational packets sent to callers who use the organization's 24/7 Helpline which provides dementia specific service.
8/13/2014	Alzheimer's Association of SD/Imperial	\$1,500.00	Mini	To provide informational packets about Alzheimer's and resources available to families in need. Funding would provide packets to approximately 300 San Marcos families.
8/21/2012	American Combat Veterans of War	\$1,000.00	Regular	To help meet the coaching needs of the music program for the 2012-2013 school year.
5/15/2012	American Red Cross	\$3,000.00	Regular	To directly address the welfare of children in San Marcos by empowering them to prepare for, prevent, and react effectively to emergencies.
11/15/2011	ARC of San Diego North County	\$1,000.00	Regular	To offset the costs for renovating their North County site.
1/11/2012	Boy Scouts of America-SD County Imperial Council	\$1,500.00	Mini	Funds to support the start of afterschool Scoutreach program for at risk boys at Knob Hill Elementary School.
5/20/2008	Boys & Girls Club of San Marcos	\$4,000.00	Regular	To assist with the on-going after school Core Programs (Health & Life Skills; Education & Career Development; The Arts; Sports; Fitness 7 Recreation; Character & Leadership Development) at the Jennifer Loscher Branch.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
8/20/2013	Boys & Girls Club of San Marcos	\$4,339.00	Regular	To expand the after school Academic Success program at San Marcos Elementary School and Alvin Dunn Elementary School.
8/19/2014	Boys & Girls Club of San Marcos	\$4,153.00	Regular	To help expand The Victory Project (formerly the Academic Success Program), an after-school program that provides extra/remedial support for youth in grades 2nd – 5th who have scored below basic or far below basic in math and reading on standardized testing. Serves 120 San
1/9/2008	California State University San Marcos Foundation	\$1,200.00	Mini	Portion of funds needed to host members of 2RC Teatro, a repertory theatre company, on tour from the Canary Islands, Spain, who will be performing at CSUSM, without cost, a classical Spanish play.
4/9/2008	California State University San Marcos Foundation	\$1,500.00	Mini	CSUSM Center ARTES - Avid for Arts Project - Residency program - introduce arts to SM Middle School and MHHS.
8/21/2012	California State University San Marcos Foundation	\$2,270.00	Regular	To purchase vital computer resources to promote and support local American Indian educational success.
8/21/2007	Canine Companions for Independence	\$1,500.00	Regular	Subsidize the cost of providing a CCI Assistance Dog to benefit the citizens of San Marcos
8/19/2008	Canine Companions for Independence	\$1,500.00	Regular	For sponsorship of a CCI Graduate Team located in and benefiting the citizens of San Marcos.
11/20/2007	Casa de Amparo	\$1,500.00	Regular	Support to offset the expenses associated with the Food Program at their emergency shelters and therapeutic Child Development Center. Food program provides 3 meals, 3 snacks to each child in the programs every day of the year.
8/20/2013	Casa de Amparo	\$2,000.00	Regular	To assist with the organization's Residential Services Program (RSP), specifically costs associated with transporting residents (ages 6-21) to recreational, cultural events, medical and dental appointments, as well as admission costs for recreational and cultural events.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
8/19/2014	Casa de Amparo	\$3,000.00	Regular	To assist with the Residential Services Program, specifically costs associated with medical assessments and coordination, transportation to medical appointments, education and tutoring, job readiness, nutrition education and recreational and therapeutic activities. Program will
7/9/2008	Christian Youth Theater	\$1,000.00	Mini	To enable purchase of sound equipment for North County Youth Theater Productions.
7/13/2011	City of San Marcos Community Services Department	\$1,487.15	Mini	Funds to purchase equipment for the "Walking School Bus." Volunteer Park Rangers will be using the equipment to help make the bus more visible, assist with traffic control and help ensure a safe route to school.
5/21/2013	City of San Marcos Community Services Department	\$2,000.00	Regular	To fund the building of the "Purple Heart Memorial" on the Purple Heart Trail. The Purple Heart Memorial is tribute to the men and women who have been awarded the Purple Heart Medal.
10/8/2008	Civic Youth Orchestra	\$1,500.00	Mini	To provide venue and program support for the Spring Concert at Palomar College Brubeck Theater (theater rental, staffing support, printing program and advertising costs).
8/14/2012	Discovery Elementary PTO	\$1,430.00	Mini	To partnership with CSUSM to create a school-wide mural project allowing students exposure to the arts, build teamwork skills and promote a sense of accomplishment. Display murals on construction sites around San Marcos.
8/21/2012	Fan of the Feather, Inc.	\$2,500.00	Regular	To provide transitional housing and support services through their Stabilization Program to help homeless veteran women in San Marcos to provide counseling and referral, mental health services, education on women's health issues, life skills, development, and job readiness
2/18/2014	Fan of the Feather, Inc.	\$1,500.00	Mini	For the Stabilization Program for Homeless Veterans to purchase three computers for the facility's internet café and the staff office. Computers will be available for client use as well as use by the organization's program manager.
2/21/2012	Foster Care/SanDiego Youth Services	\$5,000.00	Regular	Funds to recruit, certify, and support four foster families to care for foster children from the community.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
7/11/2007	Foundation for Hearing Research/CCHAT Center SD	\$1,500.00	Mini	Provide early essential education and support to young deaf children and their families
8/13/2014	Foundation for Senior Well Being	\$1,200.00	Mini	To assist with the organization's efforts to compile information about organizations provide service to seniors in North County and become the clearing house directing seniors to resources available. Will serve the senior population of San Marcos, estimated to be approximately
11/15/2011	Fraternity House Inc	\$2,000.00	Regular	Funds to help purchase and setup of a computer network system.
8/21/2012	High Tech High Foundation	\$2,000.00	Regular	For expansion of their after school program which supports families who live and work in San Marcos keeping students safe and engaged in extracurricular activities.
11/20/2007	Hope Through Housing Foundation	\$3,000.00	Regular	Funding to purchase equipment and supplies for an after school program held on site of affordable housing communities located in the Richmar neighborhood in San Marcos. After School & Beyond is a 10 month program from Sept. to June.
11/20/2007	Interfaith Community Services	\$2,500.00	Regular	To be applied towards initial capital costs of a home that has been purchased in San Marcos -- it will provide shelter, care and employment to six highly functional mentally ill adults. Granting funds from SMCF will be offered as a challenge grant.
2/13/2008	Interfaith Community Services	\$1,500.00	Mini	Senior transportation taxi voucher program - administered by Project C.A.R.E.
8/16/2011	Interfaith Community Services	\$5,581.23	Regular	Fund cleaning and transportation supplies needed to expand the "Clearly Clean" janitorial and maintenance service staffed by residents of the Fairweather Lodge program.
11/20/2012	Interfaith Community Services	\$10,000.00	Regular	To provide aging-in-place services to low-income seniors (Project C.A.R.E.).

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
5/22/2014	Interfaith Community Services	\$1,500.00	Mini	To assist with the Senior Services Program that supports low income seniors in North County to live independently and remain in their homes as they age. The program served 56 San Marcos residents last year.
8/21/2012	John and Charlene Smylie Foundation	\$120.00	Regular	For San Marcos Boulevard 2011 holiday lights shortfall and for the 2012 installation.
11/19/2013	Just in Time for Foster Youth	\$5,000.00	Regular	To purchase laptop computers for ten college bound former foster youth enrolled at California State University San Marcos. Request will assist with the organization's goal to help the students beat national averages and graduate college. Serves 10 San Marcos residents
8/14/2012	Kiwanis Club of San Marcos Foundation	\$1,430.00	Mini	To purchase books for Treasurer Chests for kindergarten classrooms at five San Marcos schools for use by teachers, children and their families
9/10/2014	Kiwanis Club of San Marcos Foundation	1500	Mini	To provide partnership support for the San Marcos Holiday Parade.
8/21/2007	Lamb's Players Theatre	\$2,500.00	Regular	Underwrite six educational performances for students in San Marcos
8/21/2007	Meals-On-Wheels	\$2,500.00	Regular	Provide home-delivered meals for seniors living in San Marcos. Provide 2,752 meals for senior
8/10/2011	Meals-On-Wheels	\$1,500.00	Mini	To offset the costs and continue to provide San Marcos' seniors with meals at a reduced rate. The seniors receive two meals and a beverage per day at cost of only \$7.00 – it costs the agency \$17.50 to purchase, prepare and deliver the meals to each client.
7/10/2013	Meals-on-Wheels Greater San Diego, Inc	\$1,500.00	Mini	To help purchase, prepare, and deliver healthy meals to homebound San Marcos seniors.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
11/19/2013	Meals-on-Wheels Greater San Diego, Inc	\$7,000.00	Regular	To assist with the costs of rent for one year (\$10,200) at the organization's North County Service Center in San Marcos. Receiving assistance with rent will allow the organization to spend more funds on meals for homebound seniors in San Marcos. Serves 124 San
5/22/2014	Meals-on-Wheels Greater San Diego, Inc	\$500.00	Mini	To help purchase, prepare, and deliver healthy meals to homebound San Marcos seniors. Serves 106 San Marcos residents.
5/20/2008	North County Comm Services/North County Food Bank	\$1,000.00	Regular	A portion of the costs associated with the warehouse improvement project for additional refrigerated and freezer storage capacity.
5/21/2013	North County Community Services	\$4,500.00	Regular	To assist with a portion of the annual fuel costs for operating refrigerated trucks in service at North County's Food Bank.
8/19/2008	North County Health Services	\$3,000.00	Regular	To help support a Mobile Exercise Program in partnership with Community Services to provide equipment and a mobile exercise program to youth between 8 and 12 in City parks who are without access to recreational facilities.
11/15/2011	North County Health Services	\$5,000.00	Regular	To purchase 400 blood pressure monitors for their home monitoring program.
8/20/2013	North County Health Services	\$3,780.00	Regular	To purchase 1 portable vital sign machines to be used in the San Marcos Health Center's 24 exam rooms.
8/19/2014	North County Health Services	\$4,315.00	Regular	To purchase a new auditory screening unit for the organization's Project All Ready (PAR) program. Through this program the organization provides free hearing and vision screenings to children 18 months old to 5 years old at preschools, day cares, and Head Starts. Estimated to
11/20/2007	North County Solutions for Change	\$2,000.00	Regular	To be used in direct support of the Living Solutions project, a project that will provide the sufficient supportive service resources needed to help San Marcos homeless families end their homelessness.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
2/19/2013	North County Solutions for Change	\$4,000.00	Regular	To provide 1/3 the cost of maintaining a San Marcos family for one year in the Solutions University Program (homelessness prevention)
8/21/2007	Operation Homefront of Southern California	\$0.00	Regular	Provide crisis resolution to low income military families in San Marcos
5/28/2014	Palomar College Foundation	\$3,000.00	Regular	To help fund the Textbook Assistance Program, which enables all students to have access to the books they need by subsidizing access to books through direct rental by students or through purchase and placement in the library of special reserve copies. Serves 300 San Marcos
3/12/2014	Palomar Health Foundation	\$1,500.00	Mini	To assist with the costs of treating and collecting forensic evidence for victims of sexual assault and child abuse. Serves approximately 50 San Marcos residents per year.
8/19/2014	Partnerships with Industry	\$2,000.00	Regular	To provide vocation training, assessment, placement and ongoing support to adults living with disabilities in San Marcos to help them thrive in the work environment. Serves 10 San Marcos residents.
9/10/2014	Positive Action Community Theatre (PACT)	\$1,500.00	Mini	To fund theatre/life skills workshops for children with autism at the Country School in San Marcos. Will serve 5 San Marcos residents. Will serve 4,000 San Marcos residents.
10/8/2014	REINS(Riding Emphasizing Indiv Needs&Strengths)	\$1,000.00	Mini	To assist with the organization's Equipment Update Project which will allow REINS to purchase equipment for their riding program
2/19/2008	San Diego County Office of Education	\$5,800.00	Regular	Provide dental sealants free to all students attending Alvin Dunn, Paloma and Twin Oaks Elementary schools.
5/15/2012	San Diego Symphony	\$2,500.00	Regular	To help underwrite tickets for 500 San Marcos elementary school students, so that they may attend young people's concerts at Copley Symphony Hall during the 2012-2013 season.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
10/8/2008	San Marcos Elementary School	\$800.00	Mini	To fund their "Family Friday Project" where parents are invited to school to practice a skill/strategy and read a book with their child.
5/15/2012	San Marcos High School Boosters	\$6,000.00	Regular	To meet the transportation funding needs of the school's band and music program.
8/21/2012	San Marcos High School Music Boosters	\$3,000.00	Regular	To help meet the coaching needs of the music program for the 2012-2013 school year.
5/21/2013	San Marcos High School Music Boosters	\$5,500.00	Regular	To assist the San Marcos High School Music Program with transportation costs associated with attending and performing at competitions, festivals, performances at public venues.
8/21/2007	San Marcos Historical Society	\$1,000.00	Regular	Restoration of the Bidwell House in Heritage Park for touring by the general public
2/13/2008	San Marcos Historical Society	\$1,500.00	Mini	Continue restoration of the Bidwell House at Walnut Grove Park by replacing a kitchen window and door and also replacing French doors with a window.
8/19/2008	San Marcos Historical Society	\$3,000.00	Regular	To have the exterior of the Bidwell House in Walnut Grove Park painted, and for material and labor to put a portion of the historical photos in protective sleeves (material and labor).
5/22/2014	San Marcos Historical Society	\$1,000.00	Mini	To help purchase computer and software equipment for staff and a projector for presentations to the public.
11/20/2007	San Marcos Lions Club Foundation	\$5,000.00	Regular	Provide a second trailer for the school nurses to do sight and hearing testing

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
3/12/2008	San Marcos Unified School District	\$1,500.00		Funds for a Community Dinner - SMUSD Cultural Exchange Program - Sister Cities - San Marcos, CA and Nakagawa, Japan.
2/18/2014	San Marcos Unified School District	\$5,000.00	Regular	To assist with the costs of developing, implementing and conducting an orchestral music program in the San Marcos Unified School District Title 1 Elementary Schools. Serves 60 San Marcos residents.
3/12/2014	San Marcos Unified School District (San Marcos Middle School)	\$1,500.00	Mini	To assist with the travel costs of participating in a Model United Nations Conference in New York City. The application states over 120 residents are served through this program.
10/9/2013	San Marcos Unified School District (Alvin Dunn Elementary School)	\$1,469.46	Mini	To purchase accessories for the technology classroom at Alvin Dunn Elementary School. Accessories will be used to help students with State standardized testing which is transitioning to an online format. The accessories will also be used to improve sound quality for lessons on tablets, as
8/20/2013	San Marcos Unified School District (Mission Hills High School)	\$3,555.00	Regular	To help purchase the equipment needed to complete the curriculum for a full year jewelry and metals course.
5/14/2008	Signs of Silence	\$1,500.00	Mini	Annual Deaf Camping Trip - help pay for expenses like van rental, gas for the vehicles and camping fees for Yosemite trip.
2/18/2014	Solutions for Change (formerly North County Solutions for Change)	\$7,000.00	Regular	To assist with the costs of the Employment Related Training Program which is the first of a four phase workforce development component in the Solutions University Curriculum. Serves 17 San Marcos residents.
8/19/2008	Special Olympics Southern California	\$1,500.00	Regular	To provide uniforms and facility rentals for sports training sites for Special Olympics athletes who live in the community of San Marcos.
2/18/2014	Tender Loving Canines Assistance Dogs	\$2,000.00	Regular	To assist with the costs to acquire, care for, and train dogs that will assist children on the autism spectrum, as well as veterans with Post Traumatic Stress Disorder and Traumatic Stress Disorder and traumatic brain injuries and/or other disabilities.

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
11/15/2011	TERI, Inc	\$3,000.00	Regular	Funds to purchase a used full-size tractor to support their agriculture and equestrian operations.
7/10/2013	TERI, Inc	\$1,500.00	Mini	To support application to an Institutional Research Board for research to identify the correlation between brain patterns and severity of autism.
8/21/2007	TERI, Inc.	\$3,000.00	Regular	Support operating costs associated with the TERI Agricultural Vocational Program, while providing vocational training to produce consumable vegetables
11/20/2007	The Angel's Depot	\$1,000.00	Regular	Support program providing free "Senior Food-for-a-Week" meal boxes, which contain 21 nutritious, nonperishable, easily prepared meals to seniors living in poverty in San Diego County
8/19/2014	The Angel's Depot	\$500.00	Regular	To help support the Senior Emergency Meal Box Program which provides a specifically formulated, nutritious nonperishable box meal to age and income qualified seniors. Funding will provide 60 boxed meals every month to seniors living in poverty in San Marcos.
5/20/2008	The Elizabeth Hospice Foundation	\$4,000.00	Regular	Child, Teen and Adult Grief & Loss Counseling program - supports and mentors children, teens and adults experiencing the loss of a loved one through death, divorce or separation.
5/15/2012	The Elizabeth Hospice Foundation	\$8,500.00	Regular	To support direct Hospice & Grief counseling Services for residents of San Marcos.
5/21/2013	The Elizabeth Hospice Foundation	\$4,000.00	Regular	To help support direct hospice and grief counseling services for residents of San Marcos.
5/28/2014	The Elizabeth Hospice Foundation	\$3,000.00	Regular	To help fund Hospice Care & Grief Counseling Services for people of all ages regardless of insurance status or ability to pay. In FY'13 program served 390 San Marcos residents. Does not specify how many San Marcos residents this grant would serve.
8/21/2007	Tri-City Hospital Foundation	\$2,986.00	Regular	Purchase of two patient vital signs machines for the two triage areas of Tri-City Medical Center's Emergency Department

8/19/2008	ACCESS, Inc.	\$1,000.00	Regular	San Marcos VAWA Leadership Development - to empower and provide mentorship to at least 250 young women and girls to become leaders in working towards preventing gender based violence in San Marcos.
5/21/2013	Ubiquitous Music Incorporated	\$2,000.00	Regular	To expand an existing music program for "at risk" youth at Twin Oaks Continuation High School. Funds will help move the program from after school to during regular school hours, expand the number of days the program is offered and help pay for some of the instruments.
2/19/2008	Ubiquitous Music Incorporated	\$5,000.00	Regular	Continuation of music program being offered at Twin Oaks Valley High School.
6/12/2013	Words Alive	\$1,500.00	Mini	To purchase curriculum for the organization's Adolescent Book Group (ABG) program at the North County Technology & Science Academy.

SAN MARCOS COMMUNITY FOUNDATION
Grants Awarded FY 2014-2015 (As of 11/14/2014)

Organization	Request	Type	Award	Mtg. Date	Rptg. Date	Report Received	Project Summary
Summer Quarter 2014							
Alzheimer's Association of SD/Imperial	\$1,500.00	M	\$1,500.00	8/13/2014	2/13/2015		To provide informational packets about Alzheimer's and resources available to families in need. Funding would provide packets to approximately 300 San Marcos families.
Foundation for Senior Well Being	\$1,500.00	M	\$1,200.00	8/13/2014	2/13/2015		To assist with the organization's efforts to compile information about organizations provide service to seniors in North County and become the clearing house directing seniors to resources available. Will serve the senior population of San Marcos, estimated to be approximately 8,527 San Marcos residents.
The Boys & Girls Club of San Marcos	\$10,000.00	R	\$4,153.00	8/19/2014	2/19/2015		To help expand The Victory Project (formerly the Academic Success Program), an after-school program that provides extra/remedial support for youth in grades 2nd – 5th who have scored below basic or far below basic in math and reading on standardized testing. Serves 120 San Marcos residents.
North County Health Services	\$4,315.00	R	\$4,315.00	8/19/2014	2/19/2015		To purchase a new auditory screening unit for the organization's Project All Ready (PAR) program. Through this program the organization provides free hearing and vision screenings to children 18 months old to 5 years old at preschools, day cares, and Head Starts. Estimated to serve 400 San Marcos residents.
Partnerships with Industry	\$10,000.00	R	\$2,000.00	8/19/2014	2/19/2015		To provide vocation training, assessment, placement and ongoing support to adults living with disabilities in San Marcos to help them thrive in the work environment. Serves 10 San Marcos residents.
The Angel's Depot	\$5,000.00	R	\$500.00	8/19/2014	2/19/2015		To help support the Senior Emergency Meal Box Program which provides a specifically formulated, nutritious nonperishable box meal to age and income qualified seniors. Funding will provide 60 boxed meals every month to seniors living in poverty in San Marcos.
Casa de Amparo	\$5,000.00	R	\$3,000.00	8/19/2014	2/19/2015		To assist with the Residential Services Program, specifically costs associated with medical assessments and coordination, transportation to medical appointments, education and tutoring, job readiness, nutrition education and recreational and therapeutic activities. Program will serve 60 San Marcos residents, age prenatal to 21 years old.
Total Grants Awarded Summer Quarter			\$16,668.00				
Fall Quarter 2014							
Kiwanis Club of San Marcos Foundation	\$1,500.00	M	\$1,500.00	9/10/2014	3/10/2015		To provide partnership support for the San Marcos Holiday Parade.
Positive Action Community Theatre (PACT)	\$1,500.00	M	\$1,500.00	9/10/2014	3/10/2015		To fund theatre/life skills workshops for children with autism at the Country School in San Marcos.

REINS(Riding Emphasizing Indiv Needs&Strengths)	\$1,000.00	M	\$1,000.00	10/8/2014	4/8/2015	To assist with the organization's Equipment Update Project which will allow REINS to purchase equipment for their riding program
Total Grants Awarded Fall Quarter			\$4,000.00			
TOTAL GRANTS AWARDED FY 2014-2015			\$20,668.00			

Funds Available for Distribution Fiscal Year 2014-2015

Assets available on 6/30/2014 of \$1,300,541.17

\$1,300,541

San Marcos Now and Forever Campaign for Current Grantmaking for FY2014-2015

\$1,645

Maximum Grant Making at 4% of Assets Available Combined with Now and Forever Funds

\$53,667

Maximum Grant Making at 5% of Assets Available Combined with Now and Forever Funds

\$66,672

Funds Available Per Quarter for Fiscal Year 2014-2015

4%

\$13,417

5%

\$16,668

Total Funds Remaining for FY 2014 -2015 Distribution

4%

\$32,998.65

5%

\$46,004.06

SAN MARCOS COMMUNITY FOUNDATION

Fall Quarter 2014- Funding Recommendation Worksheet

Asset Balance on 6/30/2014: \$1,300,541.17

San Marcos- Now and Forever Funds for Current Grantmaking FY 2014-2015: \$1,645

Available for Distribution for FY14-15: \$53,667 - \$66,672

Awarding Grants at 4% of Assets Available=\$53,667

Awarding Grants at 5% of Assets Available=\$66,672

Total FY14-15 Distributions Year to Date= \$20,668

Target distribution for each quarter to evenly distribute funds across all quarters:

Awarding Grants at 4% of Assets Available=\$13,417

Awarding Grants at 5% of Assets Available=\$16,668

Funds Remaining for the Fall Quarter at 4% Level=\$9,417

Funds Remaining for the Fall Quarter at 5% Level= \$12,668

Applicant	Grant Type	Summary of Request	Requested	GFC Recommended Funding
Tri-City Hospital Foundation	Regular	To assist with costs of the Lung Cancer Screening Program, assessing and referring 25 high risk individuals who reside in San Marcos to screening with low-dose computed tomography (LDCT). Serves 25 San Marcos residents.	\$6,250	\$4,500
Bayshore Preparatory Charter School	Regular	To purchase science materials to fulfill student requirements for hands-on science learning.	\$9,590.22	\$4,500

		Serves 54 San Marcos residents.		
Meals-On-Wheels Greater San Diego, Inc.	Regular	To help subsidize the cost of rent at its North County Service Center located at 930 Boardwalk Street, Unit C, San Marcos, CA 92078. Serves 152 San Marcos residents.	\$8,000	\$2,000
San Marcos High School Music Boosters	Regular	To assist with the costs of providing transportation to music students. Serves over 690 San Marcos residents.	\$10,000	\$1,000
American Red Cross	Regular	To assist with the costs of Prepare San Diego: Youth Outreach, a youth preparedness education program. Serves 4,050 San Marcos residents.	\$7,500	\$0
			Total Grants Requested: \$41,340.22	\$12,000



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

XX
(Choose one) ☐ MINI-GRANT (Choose one) XX ☒ REGULAR GRANT

Project Name: Lung Cancer Screening for People at High Risk Date Submitted:	Total # of people served: 100 Total # of San Marcos residents served: 25	Amount Requested: \$6,250
Non-Profit Organization Name and Address, Website Tri-City Hospital Foundation 4002 Vista Way Oceanside, CA 92056 www.tricitymed.org		Contact Person – Name, Title & Phone, email Glen W. Newhart, CFRE Executive Director, Vice President of Development (760) 940-3520 newhartgw@tcmc.com

Briefly describe your request for funds (to be expanded upon in narrative for regular grant):

Tri-City Hospital Foundation exists to support the initiatives and equipment acquisition of Tri-City Medical Center. Tri-City Medical Center (TCMC) will offer the Lung Cancer Screening Program assessing and referring high risk individuals who reside in San Marcos to screening with low-dose computed tomography (LDCT), the only recommended screening test for the disease. The service goal is to screen 25 people at high risk for lung cancer. The purpose of using LDCT during this pilot program is to increase incidence of early stage lung cancer diagnosis among high risk individuals to decrease morbidity, mortality and costs associated with late stage diagnosis. Early detection is a proven, successful strategy for fighting many forms of cancer. At a patient visit, the Registered Nurse, Medical Assistant, Health Educator, Medical Doctor (RN, MA, HE, MD) delivers the 3-question Lung Cancer Assessment tool. Education and counseling follows delivery of the assessment tool. Patients identified as high risk will be referred for LDCT.

Cost per patient per LDCT is \$250 to provide this life-saving screening and is provided at no cost to patients with few other resources. Patients identified at high risk of lung cancer will be screened which decreases cost and radiation exposure to individuals through deployment of this screening tool. In addition to the three-question assessment tool, a Flow Chart has been developed using clinical risk factors for developing lung cancer to further hone in on patients who may be at higher risk of disease and who should be monitored annually. The clinical pathway for referring to LDCT has been developed and guides the radiologic technician and radiologist through the process. The program goal is to find the lung cancers while they are still Stage I or Stage II which are more treatable and result in increased life expectancy than those lung cancers diagnosed at Stage III or Stage IV. In this pilot of the program, approximately 25 patients assessed as high risk will receive referral to TCMC Radiology for follow up LDCT imaging under this funding.

Briefly describe the significance of your request to the San Marcos community:

Significance to the San Marcos community is threefold: saving lives, saving healthcare costs, and saving productive years. For each individual screened, a measure of peace emerges because they now understand they are high risk, and know whether or not there is disease present. People can then integrate the knowledge and make lifestyle changes, or be aware that because of their lifestyle choices, they remain at high-risk and must be screened annually. Benefit to the community is decreased advanced stage disease; decreased loss in productive years, and potentially, if lifestyle changes are adopted, decreased risk of lung cancer among community members.

Please attach the following items.

Both Mini-Grant & Regular:

1. Budget for request (use SMCf Budget Worksheet)
2. Annual Operating budget for the organization or unit
3. Federal & State Tax ID numbers
4. Board of Directors listing with affiliations

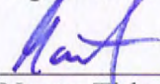
5. Regular Grants Only:

- a. 1-2 page narrative
- b. First 2 pages of Federal 990
- c. Most recent year-end Statement or Audit including any management letters associated with Audit.
- d. Signature of President or Authorized Officer on Application
- e. Optional: letters of support

Expected date project will begin/end: 12/1/2014

Date by which funds will be expended: 11/30/2015

Signature of President or Authorized Officer



Name, Title

Glen Newland, Executive Dir

Date

9/4/2014

Submit Via Mail, In Person or Via Email to:

San Marcos Community Foundation

c/o City of San Marcos

1 Civic Center Drive

San Marcos, CA 92069

Email (PDF Format): wkaserman@san-marcos.net

September 1, 2014

San Marcos Community Foundation
Ms. Wendy Kaserman
1 Civic Center Drive
San Marcos, CA 92069

Dear Ms. Kaserman,

The Tri-City Health Foundation invites your partnership in delivering Low Dose Computed Tomography Screening for patients at high risk of lung cancer. Your commitment to the health and welfare of vulnerable people in San Marcos is mirrored by the Tri-City Medical Center's 50-year commitment to that same mission. We look to you as a leader across North County, and invite a partnership gift to launch this program in the amount of \$6,250 to assess and screen 25 San Marcos residents at high risk of lung cancer. The leading cause of cancer death in the United States, lung cancer decimates the lives of individuals, their families, and the wider community through lost productivity, lost economic contribution, and lost lives. We are committed to identifying the disease early and decreasing those individual and societal impacts through proactive measures.

About Tri-City

Celebrating its 50th year of services to the North Regions of San Diego County, Tri-City Hospital Foundation (TCHF) raises funds to support healthcare delivery and equipment purchase at the Tri-City Medical Center (TCMC). At Tri-City, we embrace an advanced approach to health. We're a quick step ahead with innovative robotic surgery, stroke care, orthopedic, maternity care and wellness support options to meet all of the community's healthcare needs. TCMC is a Gold Seal-approved full service, acute-care hospital with two advanced institutes and over 500 physicians practicing in 60 specialties making 142,350 patient encounters annually, with *service to 1,372 San Marcos residents*. TCMC has become the County's leader in robotic and minimally invasive surgical technologies, including being the exclusive county-wide provider for the Mazor Renaissance Surgical Guidance System for surgical repair of spinal deformities, injuries and rehabilitation. TCMC is also a nationwide destination for hip preservation surgery.

Proposed Program

Tri-City Medical Center (TCMC) will offer the Lung Cancer Screening Program assessing and referring high risk individuals to screening with low-dose computed tomography (LDCT), the only recommended screening test for the disease. The pilot project goal is to assess and screen a total of 100 individuals at high risk of lung cancer, 25 of whom are to be San Marcos residents at high risk for lung cancer. The purpose of using LDCT during this pilot program is to increase incidence of early stage lung cancer diagnosis among high risk individuals to decrease morbidity, mortality and costs associated with late stage diagnosis. Early detection is a proven, successful strategy for fighting many forms of cancer. At a patient visit, the Registered Nurse, Medical Assistant, Health Educator, Medical Doctor (RN, MA, HE, MD) delivers the 3-question Lung Cancer Assessment tool. Education and counseling follows delivery of the assessment tool. Patients identified as high risk will be referred for LDCT.

Cost per patient per LDCT is \$250 to provide this life-saving screening and is provided at no cost to patients with few other resources. Patients identified at high risk of lung cancer will be screened using LDCT which decreases cost and radiation exposure to individuals through deployment of this screening

tool. In addition to the three-question assessment tool, a Flow Chart has been developed using clinical risk factors for developing lung cancer to further hone in on patients who may be at higher risk of disease and who should be monitored annually. The clinical pathway for referring to LDCT has been developed and guides the radiologic technician and radiologist through the process. The program goal is to find the lung cancers while they are still Stage I or Stage II which are more treatable and result in increased life expectancy than those lung cancers diagnosed at Stage III or Stage IV. In this first year of the program, approximately 100 patients assessed as high risk will receive referral to TCMC Radiology for follow up LDCT imaging. Under this funding, 25 high risk San Marcos residents will be assessed and screened.

Lung Cancer and the Tri-City Patient

Early detection of lung cancer is associated with better survival rates. Early identification of lung cancer means it can be removed and/or treated with much better outcomes than late stage diagnosis (when a patient is symptomatic). One study cited by the American Cancer Society noted a 70% increased likelihood of survival over five years if lung cancer is detected in stage I or II. This is our target zone—early detection and intervention using a low impact test with great specificity.

The National Cancer Data Base (NCDB, 2013) identified Tri-City Medical Center (TCMC) as above the curve in the State of California with 32% of lung cancers detected between 2000 and 2011 as Stage I or II (NCDB, 2013). At TCMC we know we can improve: the remaining 68% of TCMC patients diagnosed during that period were diagnosed with Stage III or Stage IV lung cancer (2013). Low-dose computed tomography (LDCT) decreases late stage diagnosis by 20% (NCCN, 2011) and significantly reduces mortality from lung cancer (NLST, 2013).

The Tri-City service area includes the cities of Carlsbad, Oceanside, and Vista and parts of San Marcos with a total population of 380,843 people (SANDAG, 2014). Tri-City Medical Center serves 38% of those residents or 142,350 cases (TCMC Census, 2013). Dwyer-Lindgren (2014) charted 12% of males and 15% of females in San Diego County smoke cigarettes, the major risk factor for non-small cell lung cancer for an average of 13.5% of residents. Applying that estimate to the populations of the three cities TCMC serves identifies 50,336 people at high risk in the TCMC service area (absent inclusion of other lung cancer risks). Smoking contributes to 80% and 90 % of lung cancer deaths in women and men, respectively. Although ongoing patient education regarding smoking cessation is offered at every visit, if providers cannot change the behavior we can deploy the most effective methods of surveillance to preserve health.

The Tri-City service area population is aging. Advancing age increases risk of lung cancer: in 2010, 82% of those living with lung cancer were 60 years of age or older (NIH, 2011). For all cancers, Blacks have the highest cancer incidence rates: 60% more likely to develop cancer than are Hispanics and Asian/Pacific Islanders and more than twice as likely to develop cancer as American Indians (ACS, 2014). Although African-Americans represent the lowest percentage of the population in the service area (2.6%), their cancer incidence is overrepresented.

Of note is the high numbers of people who qualify for public insurance served at the Tri-City Hospital: 71,151 of 142,350 cases are publicly insured. We are North County's largest safety net hospital, an accountable care organization, serving as the hospital of choice for a large number of the Carlsbad, Oceanside, San Marcos and Vista population who receive Medicare, Medicaid or County Medical Services.

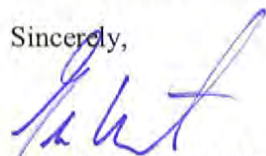
Impact

Impact is seen in saving lives and decreasing healthcare costs. Cipriano, et al. (2011) reported for a 72-year old diagnosed with lung cancer in 2000, the first six months after diagnosis costs range from \$60,000 to \$99,714 for Stage I or Stage II Lung Cancer (exclusive of surgery). For Stage III or IV disease, costs increase to 134% of these figures. When considering ongoing supportive care beyond active treatment, care in the continuing phase for early diseases \$1,996 to \$7,758 as compared to Stage III or Stage IV disease costs in the continuing phase of 139% to 216% of these figures. Again, with late stage disease, the costs of care in the last month of a patient's life were \$14,987 for death from lung cancer and \$19,173 for death from cardiac cause (2011).

All told, because non-small cell lung cancer caught early and treated have better 5-year survival rates: 49% survive five years with Stage I disease, 31% survive Stage II disease - as opposed to 14% for Stage III and 1% for Stage IV (ACS, 2014). The savings in life-years and healthcare costs accrue for each person diagnosed at Stage I or II rather than late stage diagnosis. Healthcare cost is an important factor – yet those human impacts that really matter: lost productivity, pain and suffering, requirements for a family caregiver take incremental tolls on the individual and his or her family. Our goal is to identify high risk people; provide education and counseling; screen; and, when identified, treat to prevent disease progression. Our goal is to save lives while improving quality of life.

Thank you for your commitment to the health of vulnerable populations. Thank you for your consideration of this partnership proposal.

Sincerely,



Glen W. Newhart, CFRE
Executive Director, VP of Development

SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet

Provide an itemized list of expenses for this project:
(example – 72 bicycle helmets at \$7.80 each including tax = \$561.60)

Screening and LDCT for 100 patients at high risk of lung cancer	\$ 25,000
(25 of whom will be San Marcos residents)	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

Total budget for this PROJECT: \$ 25,000

Grant Request Amount: \$ 6,250
(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)

Is this a challenge grant? No Could it be? No

Please list any other funding sources for this project.

****Indicate if funds are committed (C), conditional (CD), or pending (P).**

\$ 10,000 (Genentech)	** (P)
\$ 5,000 (Norris Foundation)	** (P)
\$ (Name of source)	**
\$ (Name of source)	**

TRI-CITY HOSPITAL FOUNDATION
 BUDGET for the fiscal year ending 6/30/2015

	FY 2015 Budget
REVENUE AND OTHER SUPPORT	
Contributions and grants	655,000
Donated services and facilities	693,859
Special event revenue	765,000
TOTAL REVENUE AND OTHER SUPPORT	2,113,859
EXPENSES	
Program Services	
Grants	1,000,000
Scholarships	5,000
Education and training	18,444
Other programs	5,324
Total Program Expenses	1,028,768
Supporting Services	
Special Events	294,000
Total Supporting Services	294,000
Management and general	
Advertising	64,635
Depreciation	1,970
Dues & subscriptions	3,893
Education and travel	11,767
Insurance	8,300
Legal and professional (audit)	25,000
Miscellaneous	42,372
Office space	68,836
Operating salaries	329,934
Outside services	99,568
Printing and postage	26,162
Supplies	28,205
Other fees and disbursements	80,259
Total Management and general	790,901
TOTAL EXPENSES	2,113,669
CHANGE IN NET ASSETS	190

Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date: March 7, 2000

Person to Contact:
Michael Fisher 31-03591
Customer Service Specialist
Toll Free Telephone Number:
8:00 A.M. to 9:30 P.M. EST
877-829-5500

Tri - City Hospital Foundation
4002 Vista Way
Oceanside, CA 92056

Fax Number:
513-263-3756
Federal Identification Number:
95-6131483

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in April 1964 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Tri - City Hospital Foundation
95-6131483

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

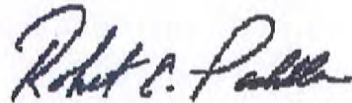
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



Robert C. Padilla
Manager, Customer Service



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 1286
RANCHO CORDOVA CA 95741-1286

In reply refer to: 72514clr

Date: August 12, 2002

Tri-City Hospital Foundation

4002 Vista Way

Oceanside, CA 92056

Attn: Judy

LETTER OF GOOD STANDING FOR AN EXEMPT ORGANIZATION

ORGANIZATION NAME

Tri-City Hospital Foundation

CORPORATE NUMBER

0479255

STATUS DATE

10/13/1964

This organization is currently exempt from tax under Revenue and Taxation Code Section 23701D and is currently in good standing with the California Franchise Tax Board.

Please contact us again if we can be of any further assistance.

ASSISTANCE

Telephone assistance is available from 7 a.m. until 8 p.m. Monday through Friday and from 7 a.m. until 4 p.m. on Saturdays. From the first working day in January through the due date for filing a tax return (generally April 15), service is available from 8 a.m. until midnight, Monday through Friday and from 7 a.m. until 4 p.m. on Saturdays and holidays. We may modify these hours without notice to meet operational needs.

From within the United States, call.....(800) 852-6711
From outside the United States, call (not toll-free).....(916) 845-6500

Website at: www.ftb.ca.gov

Assistance for persons with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments, call from voice phone (800) 735-2922, or from TTY/TDD (800) 822-6268.

Executive Committee

Kevin Stotmeister, Chairman

*President/CEO
Federal Heath Sign Co.*

Tory Walker, Treasurer

*President
Tory R. Walker Engineering Inc.*

Phil Soule, Development Chair

*Principal
NTD Healthcare - A Member of Cuningham Group*

Neal J. Stehly, Secretary

*Executive Vice President, Benefits Division
Marrs Maddocks + Associates*

Julie Wright, Communications Chair

*President
(W)right On Communications*

Stan Prowse, Governance Chair

*Attorney At Law
The Law Office of Stanley D. Prowse*

Board Members

Sandee Carter

Retired Teacher and Community Leader

Mehdi Chitgari

Owner, Classic Chariots

Jennifer Paroly

Community Leader

John Todd

US Marines, Retired

Gene Ma, MD

*Emergency Physician
Tri-City Emergency Medical Group*

Jef (James) Farrell

*Vice President and Operations Manager
Swinerton Builders*

William P. "Bill" Morrow

*California State Senate, Ret.
The Morrow Law Firm*

Rita Geldert (LOA)

*Retired City Manager
City of Vista*

Emeritus Members

Robert H. Carter

*Retired, CPA
Community Leader*

Vicki Monahan

*Retired, Banker
Community Leader*

Return of Organization Exempt From Income Tax

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.

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2012 calendar year, or tax year beginning 7/01, 2012, and ending 6/30, 2013

B Check if applicable:

- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C
TRI-CITY HOSPITAL FOUNDATION
4002 VISTA WAY
OCEANSIDE, CA 92056

D Employer Identification Number

95-6131483

E Telephone number

(760) 940-3598

G Gross receipts \$ 2,142,072.

F Name and address of principal officer: Kevin Stotmeister
Same As C Above

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) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: www.tricityhospitalfoundation.org

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other

H(c) Group exemption number

L Year of Formation: 1964 **M** State of legal domicile: CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Tri-City Hospital Foundation brings together the community to engage donors to support Tri-City Medical Center.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a).....	<u>3</u>	<u>20</u>
	4 Number of independent voting members of the governing body (Part VI, line 1b).....	<u>4</u>	<u>20</u>
Revenue	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a).....	<u>5</u>	<u>0</u>
	6 Total number of volunteers (estimate if necessary).....	<u>6</u>	<u>75</u>
	7a Total unrelated business revenue from Part VIII, column (C), line 12.....	<u>7a</u>	<u>0.</u>
	b Net unrelated business taxable income from Form 990-T, line 34.....	<u>7b</u>	<u>0.</u>
	8 Contributions and grants (Part VIII, line 1h).....	<u>Prior Year</u>	<u>Current Year</u>
	9 Program service revenue (Part VIII, line 2g).....	<u>468,296.</u>	<u>1,083,719.</u>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d).....	<u>-15,688.</u>	<u>83,442.</u>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e).....	<u>242,202.</u>	<u>-78,016.</u>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12).....	<u>694,810.</u>	<u>1,089,145.</u>
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3).....	<u>1,906,063.</u>	<u>1,191,622.</u>
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4).....		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10).....		
	16a Professional fundraising fees (Part IX, column (A), line 11e).....		
	b Total fundraising expenses (Part IX, column (D), line 25).....		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e).....	<u>194,490.</u>	<u>122,314.</u>
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25).....	<u>2,100,553.</u>	<u>1,313,936.</u>
	19 Revenue less expenses. Subtract line 18 from line 12.....	<u>-1,405,743.</u>	<u>-224,791.</u>
Net Assets or Fund Balances	20 Total assets (Part X, line 16).....	<u>Beginning of Current Year</u>	<u>End of Year</u>
	21 Total liabilities (Part X, line 26).....	<u>4,071,389.</u>	<u>4,037,531.</u>
	22 Net assets or fund balances. Subtract line 21 from line 20.....	<u>6,650.</u>	<u>0.</u>
		<u>4,064,739.</u>	<u>4,037,531.</u>

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: Kevin Stotmeister Date: 5/2/2014
Type or print name and title: Kevin Stotmeister Chairman

Paid Preparer Use Only
Print/Type preparer's name: Keith R. Griffiths, CPA Preparer's signature: Keith R. Griffiths, CPA Date: 5/2/14
Firm's name: Griffiths & Assoc, CPAs, APC Check ☐ if self-employed PTIN: P00012373
Firm's address: 931 Anza Avenue, Suite A Vista, CA 92084 Firm's EIN: 33-0914930
Phone no.: (760) 940-8297

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

BAA For Paperwork Reduction Act Notice, see the separate instructions.

TEEA0113L 12/18/12

Form 990 (2012)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III. ☐

1 Briefly describe the organization's mission:

Tri-City Hospital Foundation brings together the community to engage donors to
support Tri-City Medical Center.

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 1,191,622. including grants of \$) (Revenue \$)

Grants and allocations are for the purpose of reimbursing purchases of new medical
equipment, establishing new medical programs, renovating medical facilities, training
and updating the education of TCHD staff and employees and aiding in educating the
general public.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 1,191,622.

AUDITED FINANCIAL STATEMENTS

June 30, 2013

TRI-CITY HOSPITAL FOUNDATION

4002 VISTA WAY

OCEANSIDE, CA 92056

**GRIFFITHS AND ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
931 ANZA AVENUE, SUITE A
VISTA, CALIFORNIA 92084**

Griffiths & Associates
Certified Public Accountants
A Professional Corporation
931 Anza Avenue, Suite A Vista, CA 92084
(760)940-8297 Fax (760)940-0250

INDEPENDENT AUDITOR'S REPORT

June 3, 2014

To the Board of Directors of
Tri City Hospital Foundation

We have audited the accompanying statements of financial position of Tri City Hospital Foundation (a nonprofit organization) as of June 30, 2013 and 2012, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri City Hospital Foundation as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Griffiths & Associates

**TRI-CITY HOSPITAL FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30,**

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash and cash equivalents	\$ 321,881	\$ 470,681
Other current receivables	484,547	0
Pledges receivable	<u>41,697</u>	<u>18,995</u>
Total Current Assets	848,125	489,676
Other Assets:		
Investments	2,203,021	2,515,065
Pledges receivable - long term	156,507	206,530
Investment in LLC	8,910	6,000
Split-Interest contributions receivable	<u>820,968</u>	<u>854,118</u>
Total Other Assets	<u>3,189,406</u>	<u>3,581,713</u>
Total Assets	<u><u>\$ 4,037,531</u></u>	<u><u>\$ 4,071,389</u></u>

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Liabilities:		
Deferred revenue	\$ 0	\$ 6,650
Total Liabilities	<u>0</u>	<u>6,650</u>
Net Assets:		
Unrestricted	1,179,316	548,247
Temporarily restricted	2,167,487	2,397,532
Permanently restricted	<u>690,728</u>	<u>1,118,960</u>
Total Net Assets	<u>4,037,531</u>	<u>4,064,739</u>
Total Liabilities and Net Assets	<u><u>\$ 4,037,531</u></u>	<u><u>\$ 4,071,389</u></u>

See Accompanying Notes to the Financial Statements.

**TRI-CITY HOSPITAL FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,**

	2013				2012			
	Unre-	Temporarily	Perma-	Total	Unre-	Temporarily	Perma-	Total
	stricted	Restricted	nantly		stricted	Restricted	nantly	
			Restricted				Restricted	
REVENUE, GAINS AND OTHER SUPPORT								
Contributions and grants	\$ 423,272	\$ 226,368	\$ 0	\$ 649,640	\$ 105,709	\$ 362,587	\$ 0	\$ 468,296
Donated services and facilities	852,494	0	0	852,494	1,108,447	0	0	1,108,447
Investment return (losses)	17,529	170,414	90,175	278,118	4,481	(5,204)	(19,332)	(20,055)
Limited liability company (LLC) income	2,910	0	0	2,910	0	0	0	0
Special event revenue	551,723	206,450	0	758,173	537,676	61,578	0	599,254
Change in value of split-interest agreement	0	(19,178)	0	(19,178)	0	(84,308)	0	(84,308)
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	1,847,928	584,054	90,175	2,522,157	1,754,313	334,653	(19,332)	2,069,634
EXPENSES								
Program Services								
Grants	504,203	663,451	0	1,167,654	1,193,728	667,136	0	1,860,864
Scholarships	0	155	0	155	0	1,643	0	1,643
Education and training	0	15,092	0	15,092	0	32,828	0	32,828
Other programs	0	8,713	0	8,713	0	10,729	0	10,729
Total Program Expenses	504,203	687,421	0	1,191,624	1,193,728	712,336	0	1,906,064
Supporting Services								
Special events	255,379	127,553	0	382,932	225,314	47,430	0	272,744
Total Supporting Expenses	255,379	127,553	0	382,932	225,314	47,430	0	272,744
Management and general								
Advertising	64,635	0	0	64,635	68,542	0	0	68,542
Bad debts	2,200	42,920	0	45,120	4,698	24,843	0	29,541
Banking and investment fees	31,059	0	0	31,059	31,315	0	0	31,315
Capital campaign	7,020	0	0	7,020	93,976	0	0	93,976
Depreciation	1,281	0	0	1,281	124	0	0	124
Dues and subscriptions	0	0	0	0	5,817	0	0	5,817
Education and travel	4,107	0	0	4,107	1,375	0	0	1,375
Insurance	2,051	0	0	2,051	2,051	0	0	2,051
Legal and professional	9,150	0	0	9,150	9,523	0	0	9,523
Miscellaneous	42,372	0	0	42,372	67,659	0	0	67,659
Office space	68,836	0	0	68,836	68,836	0	0	68,836
Operating salaries	389,626	0	0	389,626	366,720	0	0	366,720
Outside services	85,626	0	0	85,626	107,825	0	0	107,825
Printing and postage	5,225	0	0	5,225	62,277	0	0	62,277
Supplies and other	21,513	0	0	21,513	39,716	0	0	39,716
Other fees and disbursements	197,188	0	0	197,188	345,639	0	0	345,639
Total Management and General	931,889	42,920	0	974,809	1,276,093	24,843	0	1,300,936
TOTAL EXPENSES	1,691,471	857,894	0	2,549,365	2,695,135	784,509	0	3,479,744
CHANGE IN NET ASSETS	156,457	(273,840)	90,175	(27,208)	(940,822)	(449,956)	(19,332)	(1,410,110)
TRANSFER TO/FROM FUND	474,612	43,795	(518,407)	0	27,570	20,156	(47,726)	0
NET ASSETS, BEGINNING OF YEAR	548,247	2,397,532	1,118,960	4,064,739	1,461,499	2,827,332	1,186,018	5,474,849
NET ASSETS, END OF YEAR	1,179,316	2,167,487	690,728	4,037,531	548,247	2,397,532	1,118,960	4,064,739

See Accompanying Notes to the Financial Statements

**TRI-CITY HOSPITAL FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,**

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in net assets	\$ (27,207)	\$ (1,410,110)
Adjustments to reconcile decrease in net assets to net cash used by operating activities:		
Realized (gains) losses on investments	(5,899)	83,003
Unrealized (gains) losses on investments	(197,585)	4,367
Limited liability company (LLC) income	(2,910)	0
Change in value of contributions receivable	19,178	84,308
(Increase) Decrease in other current receivables	(470,576)	34,811
(Increase) Decrease in pledges receivable	27,320	(84,525)
(Increase) Decrease in split interest receivables	13,971	0
(Increase) Decrease in deferred revenue	6,650	(9,270)
Subtotal	<u>(609,851)</u>	<u>112,694</u>
Net cash provided (used) by operating activities	<u>(637,058)</u>	<u>(1,297,416)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investment in LLC	0	(6,000)
Purchases of investments	(105,805)	(1,042,383)
Proceeds from sales and redemptions of investments	<u>594,063</u>	<u>871,436</u>
Net cash provided (used) by investing activities	<u>488,258</u>	<u>(176,947)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(148,800)</u>	<u>(1,474,363)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>470,681</u>	<u>1,945,044</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 321,881</u></u>	<u><u>\$ 470,681</u></u>

Supplementary information:

Interest paid	<u>\$ 0</u>	<u>\$ 0</u>
Income taxes paid	<u>\$ 0</u>	<u>\$ 0</u>

See Accompanying Notes to the Financial Statements.

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 1. Summary of Significant Accounting Policies

Nature of Activities

Tri-City Hospital Foundation (the Organization) was incorporated on October 2, 1964, as a non-profit public benefit corporation. The Organization provides support and assistance for the activities, programs, services and facilities of Tri-City Hospital District. The Organization is supported primarily through donor contributions and grants.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the direct method of bad debt write off. Based on prior years' experience and management's analysis of specific promises made, management has determined that no allowance for uncollectible promises receivable is necessary. Bad debts in the amounts of \$45,120 and \$29,541 were written off in the years ended June 30, 2013 and 2012, respectively.

Split-Interest Agreements

The Organization is a beneficiary of certain irrevocable trusts (charitable remainder trusts, pooled income funds and charitable gift annuities) which provide for payments to the donors or other designated beneficiaries until death, at which time all or a portion of the trust assets will be distributed to the Organization. The Organization recognizes as revenue and a receivable, in the period such a trust is established, the present value of the estimated future benefit to be received. The account described as "change in value of contributions receivable" in the statement of activities represents any adjustments made to the discounted present values of the contributions receivable.

Investments

Investments in marketable securities with readily determined fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change of net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 1. Summary of Significant Accounting Policies-Continued

Donated Services and Facilities

During the years ended June 30, 2013 and 2012, the fair value of contributed volunteer hours was not material and has not been recorded. As explained in Note 3, the contributed office space and services has been estimated at \$68,836 and \$783,658, respectively, for a total of \$852,494 in recorded donations on the financials for the year ended June 30, 2013.

Estimates

The Organization records long-term contributions receivable based upon investment value and life expectancy tables for trust funds that will transfer to the Foundation at donors' death. Investment values and actual dates of these transfers will be different than current estimates and the difference may be material.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted cash and other highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Internal Revenue Code Section 501(c)(3) and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ended 2010, 2011, and 2012 are subject to examination by the IRS, generally for three years after they were filed.

Subsequent Events

The Organization has evaluated subsequent events through June 3, 2014, the date which the financial statements were available to be issued.

Note 2. Current and Long-term Receivables

Promises to Give

Pledges and contributions receivable are as follows at June 30:

Donor pledges:	<u>2013</u>	<u>2012</u>
Receivables in less than one year	\$ 41,697	\$ 18,995
Receivables in one year to five years	<u>156,507</u>	<u>206,530</u>
Subtotal	198,204	225,525
Less uncollectible pledges	<u>0</u>	<u>0</u>
Total pledges receivable	<u><u>\$198,204</u></u>	<u><u>\$225,525</u></u>

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 2. Current and Long-term Receivables-Continued

Split-Interest contributions receivable:

Contributions receivable are as follows at June 30:

	<u>2013</u>	<u>2012</u>
Charitable remainder trusts	\$ 2,259,835	\$2,251,218
Pooled income fund	232,827	237,835
Charitable gift annuities	489,423	483,822
Subtotal	2,982,085	2,972,875
Less discounts to net present value	(2,161,117)	(2,118,757)
Total contributions receivable	<u>\$ 820,968</u>	<u>\$ 854,118</u>

Discount rates used on contributions receivable ranged from 5% to 10.6% in 2013 and 2012. The amounts of \$107,478 and \$98,823 in split-interest contributions receivable is restricted for use in hospice services and cancer/heart programs, for the years ending June 30, 2013 and 2012, respectively.

Note 3. Related Party Transactions

As stated in Note 1, the Tri-City Hospital Foundation provides support to Tri-City Hospital District in the form of equipment purchases, scholarships and other miscellaneous donations. For the years ended June 30, 2013 and 2012, the amount of the support totaled \$1,191,624 and \$1,906,064, respectively.

In return, the District provides all the basic operating expenses such as office space, employees, equipment, supplies and miscellaneous to the Organization. For the years ended June 30, 2013 and 2012, the operating expenses paid by the District totaled \$783,658 and \$1,037,611, respectively. These expenses have been paid continuously for many years, but there is no written contract between the two organizations.

Note 4. Fair Value Measurements

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2013 are as follows:

	<u>FAIR VALUE</u>	<u>SIGNIFICANT OBSERVABLE INPUT (Level 1)</u>	<u>SIGNIFICANT OBSERVABLE INPUT (Level 3)</u>
Long-term Investments:			
US Treasury notes	\$ 101,583	\$ 101,583	
Corporate stocks/funds	458,674	458,674	
Mutual funds	1,642,764	1,642,764	
Total Investments	<u>\$2,203,021</u>	<u>\$2,203,021</u>	
Contribution receivable- Split interest trusts	<u>\$820,968</u>		<u>\$820,968</u>

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 4. Fair Value Measurements-Continued

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2012 are as follows:

	<u>FAIR VALUE</u>	<u>SIGNIFICANT OBSERVABLE INPUT (Level 1)</u>	<u>SIGNIFICANT OBSERVABLE INPUT (Level 3)</u>
Long-term Investments:			
US Treasury notes	\$ 171,259	\$ 171,259	
Corporate stocks/funds	355,041	355,041	
Indexed funds	88,713	88,713	
Mutual funds	<u>1,900,052</u>	<u>1,900,052</u>	
Total Investments	<u>\$2,515,065</u>	<u>\$2,515,065</u>	
Contribution receivable- Split interest trusts	\$ <u>854,118</u>		<u>\$854,118</u>

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2013 and 2012.

U.S. Government Securities, common stock, and mutual/indexed funds: Valued at the closing price reported in the active market in which the individual security is traded.

Split-interest Trusts: Valued calculated at net present value using discount rates and life expectancy to determine expected future income.

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2013 and 2012.

Note 5: Investments

The fair values of long-term investments totaled \$2,203,021 and \$2,515,065 at June 30, 2013 and 2012, respectively.

The following schedule summarizes investment return and their classification in the statement of activities for the years ended June 30,

	<u>2013</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
Interest and dividend income	\$ 439	\$ 58,307	\$15,888
Realized gains (losses)	12,221	399	(6,721)
Unrealized gains (losses)	<u>4,869</u>	<u>111,708</u>	<u>81,008</u>
Totals	<u>\$17,529</u>	<u>\$ 170,414</u>	<u>\$90,175</u>
			<u>\$278,118</u>

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 5: Investments-Continued

	<u>2012</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Interest and dividend income	\$ 571	\$ 40,326	\$ 26,418	\$ 67,315
Realized gains (losses)	(3,363)	(45,530)	(34,110)	(83,003)
Unrealized gains (losses)	<u>7,273</u>	<u>0</u>	<u>(11,640)</u>	<u>(4,367)</u>
Totals	<u>\$4,481</u>	<u>\$ (5,204)</u>	<u>\$(19,332)</u>	<u>\$(20,055)</u>

Note 6. Special Events

Special events for the year ended June 30, 2013 are as follows:

Unrestricted:

	<u>Revenues</u>	<u>Expenses</u>	<u>Net</u>
Diamond Ball (Baile de Esperanza)	<u>\$551,723</u>	<u>\$255,379</u>	<u>\$296,344</u>
Total unrestricted	<u>\$551,723</u>	<u>\$255,379</u>	<u>\$296,344</u>

Temporarily Restricted:

	<u>Revenues</u>	<u>Expenses</u>	<u>Net</u>
Fashion That Heals/Tennis Tournament	<u>\$ 206,450</u>	<u>\$ 127,553</u>	<u>\$ 78,897</u>
Total temporarily restricted	<u>\$206,450</u>	<u>\$ 127,553</u>	<u>\$ 78,897</u>
Total Special Events:	<u>\$758,173</u>	<u>\$382,932</u>	<u>\$375,241</u>

Note 7. Concentration of Credit Risk for Cash Held in Bank

As of June 30, 2013 and 2012, the Organization maintained \$266,587 and \$430,298, respectively, in privately-insured money market funds, which are not insured by the Federal Deposit Insurance Corporation.

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 8. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes for the year ended June 30,:

	<u>2013</u>	<u>2012</u>
Cancer Institute	\$ 96,303	\$ 261,342
Cardiology	15,468	82,531
Corporate Council	110,471	126,863
Education/Scholarship Funds	166,192	136,834
Emergency Room Fund	41,494	49,494
Employee Giving	327,818	301,329
Helping Hands	217	6,969
Hospice	397,035	482,298
Mariposa Children Fund	0	10,000
Miscellaneous Funds	180,516	65,042
Pediatric Fund	571	4,276
Prescription drugs	10,434	10,434
Split Interest Agreements	820,968	854,118
Women's Diagnostic	<u>0</u>	<u>6,002</u>
Totals	<u>\$2,167,487</u>	<u>\$2,397,532</u>

Note 9. Permanently Restricted Net Assets

The Organization currently maintains four permanent endowment accounts and one board-imposed endowment account as of June 30, 2013 and 2012 at an aggregate market value of \$690,768 and \$1,118,960, respectively. The aggregate cost, including investment income, of these endowment accounts at June 30, 2013 and 2012, is \$690,618 and \$1,121,079, respectively. The donor-restricted amounts are \$350,947 for hospice, \$37,682 for children and senior services and \$250,386 for hospice and kidney disease. The remainder in the amount of \$51,753 is for future general needs. Investment income for the permanently restricted assets for the year ended June 30, 2013 is interest/dividend income of \$15,888, realized losses of \$6,721 and unrealized gains of \$81,008 or a total of \$90,175 in permanently restricted investment losses. As required by generally accepted accounting policies, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted fund that is not classified in permanently restricted net assets is classified as temporarily

**TRI-CITY HOSPITAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 and 2012**

Note 9. Permanently Restricted Net Assets-Continued

restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and the preservation of the various funds, (2) the purposes of the donor-restricted funds, (3) general economic conditions, (4) the possible effect of inflation and deflation (5) the expected total return from and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

The Organization has adopted investment and spending policies for endowment assets that attempt to subject the funds to low investment risk and provide interest and dividend income. The current spending policy is not expected to allow the Organization's endowment fund to grow as a result of investment returns. This is consistent with the Organization's objectives to preserve its endowment assets without subjecting them to substantial risk, and provide additional real growth through new gifts.

With court approval, endowment funds segregated for hospice in the amount of \$535,815 were released from the permanently restricted fund and distributed during the year ended June 30, 2013.

Note 10. Contingencies and Commitments

The board and management have indicated that as of the date of this report, no undisclosed claims and liabilities or pending lawsuits have been brought forward against the Organization.



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

(Choose one) ☐ MINI-GRANT (Choose one) ☒ REGULAR GRANT

Project Name: Date Submitted:	Total # of people served: 110 Total # of San Marcos residents served: 54	Amount Requested: \$
Non-Profit Organization Name and Address, Website Bayshore Preparatory Charter School 1175 Linda Vista Drive San Marcos CA 92078 www.bayshoreprep.org		Contact Person – Name, Title & Phone, email Beth Sneyd Administrative Assistant esneyd@bayshoreprep.org 760-471-0847
Briefly describe your request for funds (to be expanded upon in narrative for regular grant): Please refer to attached narrative.		
Briefly describe the significance of your request to the San Marcos community: Please refer to attached description.		
Please attach the following items. Both Mini-Grant & Regular: 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations 5. Signature of President or Authorized Officer on Application- <i>If using a fiscal sponsor, the signature must come from the President or an Authorized Officer of that organization.</i> 6. Regular Grants Only: a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Optional: letters of support		Expected date project will begin/end: 2014 Date by which funds will be expended: 2015 Signature of President or Authorized Officer Nancy Spencer 9/29/14 Name, Title Date Executive Director Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): wkaserman@san-marcos.net

San Marcos Community Foundation - **GRANT NARRATIVE**

Respectfully submitted by Bayshore Charter Preparatory School

October 1, 2014

Bayshore Charter Preparatory School is a San Marcos-based college preparatory charter school committed to educating low-income and special needs students. Bayshore prides itself on offering quality education with an emphasis on individualized learning. With a current enrollment of 111 students, 57 are classified as low-income. Also, 20% of Bayshore students have individualized education plans (IEP's) which require intensive teaching and collaborative, hands-on learning. This is 7%-8% higher than the average number of IEP's in the local public school system.

Bayshore is a Kindergarten through 12th grade alternative to traditional public school with a focus on innovative, individualized learning. Research has proven that a higher percentage of students from charter schools are accepted into colleges. For San Marcos parents, Bayshore is a critical option with the high number of impacted local schools.

However, charter schools like Bayshore often lack funds to pay for necessary materials because they receive at least 7% less funding than traditional schools. Additionally, Bayshore has to pay for facilities and salaries from state funding in addition to payments to the authorizing school district, San Marcos Unified School District. Last year's payment to the district was \$22,000.

California education law mandates instruction in Science, Technology, Engineering, and Mathematics (STEM) curriculum. All students must take at least two years of high school level science in the areas of Earth Science, Chemistry, Physics, and Biology. **Bayshore is requesting a regular grant in the amount of \$9,590.22 in order to purchase materials to fulfill requirements for its students.** Please refer to the attached budget for a detailed breakdown of requested items and listed priorities.

Currently, Bayshore has basic science materials that provide only demonstration level classes rather than the hands-on classes that are required for science development. Students can "see" the science, but not "do" the

science. For example, in a full science class, there are only two microscopes and one Bunsen burner. There are minimal lab materials for Bayshore's new Physics course, which was recently approved by the UC university system as an a-g subject course. All of the science courses offered by Bayshore have a-g approval, allowing San Marcos students entrance into Cal State or UC schools. Without hands-on exploration, students will not be prepared for college.

Starting in 2016, teachers across the country will be required to use the Next Generation Science Standards in conjunction with California Common Core standards to achieve an integrative approach to teaching STEM subjects. Without proper teaching tools, it will be impossible for Bayshore to achieve those standards. Research done by the National Teacher's Association shows that students learn better when they are fully engaged with the materials and that multi-sensory, hands-on learning is the best way to engage them.

The city of San Marcos will also benefit from a STEM-educated population. According to Forbes.com, the "San Diego-Carlsbad-San Marcos area is number three in the country for technology hotspots. Over the past decade, tech employment has grown by almost 30% and STEM jobs by 13%."

Science teachers, Nadine Kunesh and Sarah Ladd, lead Bayshore's science department. They have over thirty years of teaching experience between them and both are fully trained to teach STEM courses. The hands-on science learning along with quality training will give students the ability to pursue college and to explore STEM careers. Funding from the San Marcos Community Foundation can make this a reality.

Thank you for the opportunity to request funding. If you have further questions or need more information, please contact Nadine Kunesh or Sarah Ladd at 760-471-0847.

SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet

Provide an itemized list of expenses for this project:

(example – 72 bicycle helmets at \$7.80 each including tax = \$561.60)

	\$ _____
	\$ _____
	\$ _____
Please refer	\$ _____
to attached list.	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____

Total budget for this PROJECT:

\$ _____

Grant Request Amount:

\$ _____

(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)

Is this a challenge grant? no

Could it be?

Please list any other funding sources for this project.

**Indicate if funds are committed (C), conditional (CD), or pending (P).

\$ _____	(Name of source) _____	** _____
\$ _____	(Name of source) <u>n/a</u>	** _____
\$ _____	(Name of source) _____	** _____
\$ _____	(Name of source) _____	** _____

1. Budget for request- see attached SMCF Budget Worksheet
2. Annual Operating budget—see attached 2014-15 Budget
3. Federal & State Tax ID number: 20-2238710. Bayshore Prep is a 501(c)3 tax-exempt corporation.
4. Bayshore Preparatory Charter School Governing Board Members:

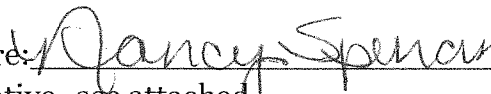
Frank Ogwaro- Board President; Co-Founder/Managing Director at REDMutual, President & CEO at Ogwaro Group Inc.

Thomas Estill- Board Secretary; Stewardship Director at Ensysnex

Allison Magill- Board Member; Legal Counsel at California Charter Schools Association

William Jagger- Board Member; President at All Forces Supply

Kelley Keatly- Board Member, Parent Representative; Substitute Teacher/Writer at San Marcos Unified School District

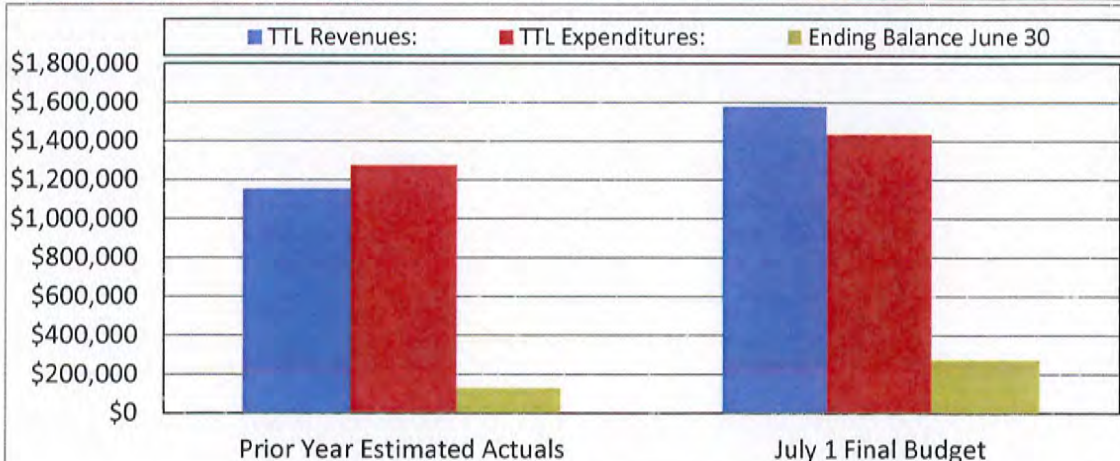
5. Signature:  Nancy Spencer, Executive Director
6. A. Narrative- see attached
- B. First 2 pages of Federal 990- see attached
- C. Most recent year-end statement: see Audit Report June 30, 2013 (most recent completed audit) and 2013-14 Unaudited Actuals
- E. Optional Letter of Support-n/a

Description	Catalog	Item #	Price	Quantity	Total	
Physics						
Science Physics A set Frey/ CPO		792-1800	\$2,325.00	1	\$2,325.00	
Science Electric circuit CPO		792-1286	\$900.00	1	\$900.00	
Science Lights and Optics CPO		792-1350	\$248	2	\$496	
Physics Subtotal					3721	
General:						
National Public Seating Chart	Online: SchoolOutlet	SLT3072	\$408.09	2	816.18	Shipping Included
Officiator 10 players Anderson Enterprises		10H-10C	\$257	1	257	
					1073.18	
Chemistry						
Electronic Balance Flinn		OB2136	\$155.65	1	155.65	
Portable Burner Flinn		AP1032	\$53.41	2	106.82	
Hot Plate, Flinn, 7" X Flinn		AP7234	\$249.20	1	249.2	
2-cent Colorful Chemical Flinn		AP8989	\$54.31	1	54.31	
					565.98	
Biology						
High School Compound Microscope Flinn		MS4080	\$255.00	2	510	
Rat, Single Injected, Flinn		PM3010	\$12.60	10	126	
					636	
Earth Science						
The Orbiter Planetarium Flinn		AP5134	\$177.75	1	177.75	
					177.75	
Elementary Science						
Lifeshore: See It Grow Lakeshore Learning		GR242	\$29.99	1	29.99	
Lakeshore: Liquid Measurement Lakeshore Learning		RE313	\$29.99	1	29.99	
Lakeshore: Precision Measurement Lakeshore Learning		DA118	\$39.99	1	39.99	
Lakeshore: Magnet Kit Lakeshore Learning		PP512	\$49.99	1	49.99	
Amazon: Butterfly Kit Amazon			\$18.31	1	18.31	
Amazon: Woodstock Amazon			\$7.39	1	7.39	
Amazon: World Percussion Amazon			\$6.15	1	6.15	
Amazon: Hohner Kids Amazon			\$14.11	1	14.11	
Amazon: Hohner Kids Amazon			\$26.32	1	26.32	
Lakeshore: Science Spectacular Lakeshore Learning		RA716	\$87.50	1	87.5	
					309.74	
Top Priority Total:					6483.65	

[illegible]

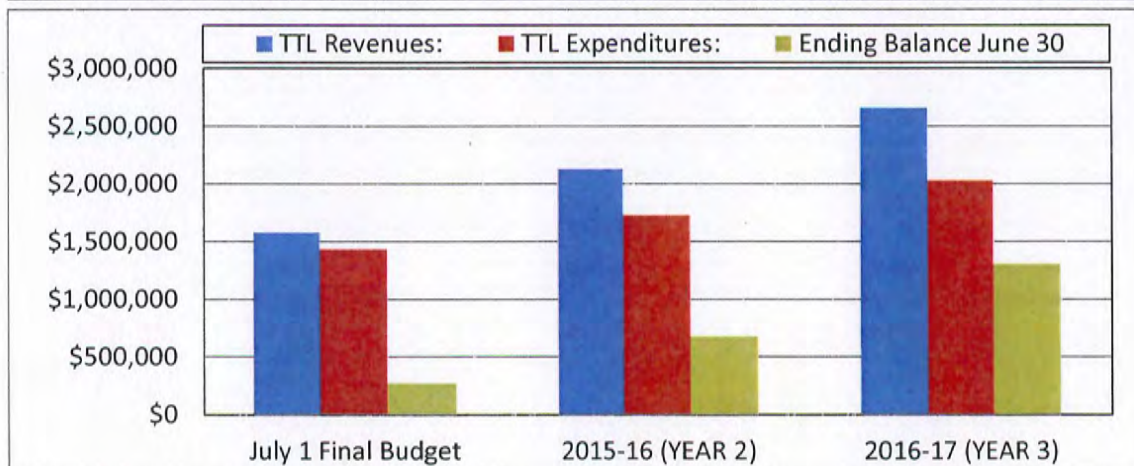
Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
BUDGET SUMMARY

	Prior Year Estimated Actuals	July 1 Final Budget	Change from Prior Year
Projected P-2 ADA:	132	182	50
Revenues:			
General Purpose Entitlement	\$ 940,241	\$ 1,409,596	\$ 469,355
Federal Revenue	17,525	15,094	(2,431)
Other State Revenue	194,333	150,323	(44,010)
Other Local Revenue	3,935	3,935	-
TTL Revenues:	\$ 1,156,034	\$ 1,578,948	\$ 422,914
Expenditures:			
Certificated Salaries	\$ 520,573	\$ 550,417	\$ 29,844
Non-certificated Salaries	98,192	90,930	(7,263)
Benefits	113,646	131,223	17,577
Books/Supplies/Materials	141,090	176,719	35,629
Services/Operations	394,996	479,112	84,116
Capital Outlay	6,218	6,218	-
Other Outgo	-	-	-
TTL Expenditures:	\$ 1,274,715	\$ 1,434,618	\$ 159,903
Net Income	\$ (118,681)	\$ 144,329	\$ 263,010
Beginning Balance July 1	\$ 247,331	\$ 128,650	
Ending Balance June 30	\$ 128,650	\$ 272,979	
Ending Balance as % of Exp.:	10.09%	19.03%	



**Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
MULTI-YEAR PROJECTION SUMMARY**

	July 1 Final Budget	2015-16 (YEAR 2)	2016-17 (YEAR 3)
Projected P-2 ADA:	182.40	232.40	282.40
Revenues:			
General Purpose Entitlement	\$ 1,409,596	\$ 1,924,165	\$ 2,413,221
Federal Revenue	15,094	20,794	26,494
Other State Revenue	150,323	181,683	213,043
Other Local Revenue	3,935	3,935	3,935
TTL Revenues:	\$ 1,578,948	\$ 2,130,577	\$ 2,656,693
Expenditures:			
Certificated Salaries	\$ 550,417	\$ 673,294	\$ 803,049
Non-certificated Salaries	90,930	119,331	149,355
Benefits	131,223	157,028	176,463
Books/Supplies/Materials	176,719	231,773	289,971
Services/Operations	479,112	539,052	602,224
Capital Outlay	6,218	6,218	6,218
Other Outgo	-	-	-
TTL Expenditures:	\$ 1,434,618	\$ 1,726,696	\$ 2,027,280
Net Income	\$ 144,329	\$ 403,881	\$ 629,412
Beginning Balance July 1	\$ 128,650	\$ 272,979	\$ 676,860
Ending Balance June 30	\$ 272,979	\$ 676,860	\$ 1,306,272
Ending Balance as % of Exp.:	19.0%	39.2%	64.4%



Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
BUDGET DETAIL

Description	Prior Year Estimated Actuals	July 1 Final Budget	Change from Prior Year	Notes/Comments
P-2 ADA	132.40	182.40	50.00	Substantial projected growth in Blended Learning
REVENUES				
General Purpose Entitlement				
8011 - General Purpose Block Grant	559,928	869,663	309,735	Increased LCFF funding (see LCFF and Funding Calcs pages)
8012 - Education Protection Account	170,260	256,410	86,150	Increased LCFF funding (see LCFF and Funding Calcs pages)
8019 - Prior Year Corrections/Adjustments	4,250	-	(4,250)	One-time in 13-14
8096 - Funding in Lieu of Property Taxes	205,803	283,523	77,720	Same \$/ADA assumed
TTL General Purpose Entitlement	940,241	1,409,596	469,355	
Federal Revenue				
8181 - Federal IDEA Special Education	17,525	15,094	(2,431)	ADA-based
TTL Federal Revenue	17,525	15,094	(2,431)	
Other State Revenue				
8311 - State Special Education Revenue	84,290	108,738	24,448	ADA-based
8550 - Mandate Block Grant	5,666	7,739	2,073	ADA-based
8560 - State Lottery Revenue	21,252	29,796	8,544	ADA-based
8590 - Add'l State Revenues	83,125	4,050	(79,075)	No Common Core or Prop 39 Energy Planning Funds
TTL Other State Revenue	194,333	150,323	(44,010)	
Other Local Revenue				
8660 - Interest	600	600	-	
8699 - Local Donations/Contributions/Other	3,335	3,335	-	
TTL Other Local Revenue	3,935	3,935	-	
TTL REVENUES	1,156,034	1,578,948	422,914	

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
BUDGET DETAIL

Description	Prior Year Estimated Actuals	July 1 Final Budget	Change from Prior Year	Notes/Comments
EXPENDITURES				
1000 - Certified Salaries				
1100 - Teachers' Salaries	337,308	372,752	35,444	
1130 - Certified Substitutes	8,100	2,500	(5,600)	
1150 - Teacher's Extra Duty	1,467	1,467	-	
1300 - Certified Supervisory/Admin	173,698	173,698	-	
TTL Certified Salaries	520,573	550,417	29,844	
2000 - Non-Certified Salaries				
2100 - Instructional Aide Salaries	32,967	25,704	(7,263)	
2400 - Clerical/Tech/Office Staff	65,226	65,226	-	
TTL Non-Certified Salaries	98,192	90,930	(7,263)	
3000 - Employee Benefits				
3101 - STRS Certified	41,172	52,290	11,118	STRS rate increase
3102 - STRS Classified	165	-	(165)	STRS rate increase
3202 - PERS Classified	-	-	-	
3301 - Soc. Sec/Medicare Certified	8,883	7,981	(902)	
3302 - Soc. Sec/Medicare Classified	7,388	6,956	(432)	
3401 - Health Insurance Benefits - Cert	41,933	49,062	7,129	
3402 - Health Insurance Benefits - Class	2,349	2,749	399	
3501 - State Employment Ins - Cert	521	550	30	
3502 - State Employment Ins - Class	98	91	(7)	
3601 - Workmen's Comp Certified	9,370	9,908	537	
3602 - Workmen's Comp Classified	1,767	1,637	(131)	
TTL Employee Benefits	113,646	131,223	17,577	

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
BUDGET DETAIL

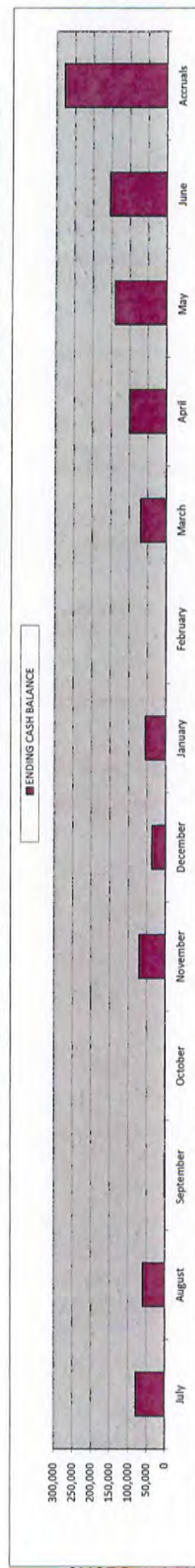
Description	Prior Year Estimated Actuals	July 1 Final Budget	Change from Prior Year	Notes/Comments
4000 - Books/Supplies/Materials				
4310 - Student Instructional Materials	105,156	141,219	36,063	Removed one time common core purchases
4320 - Office Supplies	10,000	15,000	5,000	Estimated
4330 - Student Incentives / Events	1,000	1,000	-	
4400 - Noncapitalized Equipment	24,434	19,000	(5,434)	No Common Core
4700 - Food	500	500	-	
TTL Books/Supplies/Materials	141,090	176,719	35,629	
5000 - Services & Operations				
5200 - Travel and Conferences	9,750	9,750	-	
5210 - Mileage	1,000	1,000	-	
5300 - Dues and Memberships	2,000	2,000	-	
5400 - Liability Insurance	14,000	14,000	-	
5510 - Utilities (General)	10,000	15,000	5,000	Estimated
5517 - Utilities (Garbage)	4,500	4,500	-	
5610 - Facility Rental	148,832	234,000	85,168	Based on \$17.5k+2.5k CAM
5620 - Equipment Leases	6,500	6,500	-	
5630 - Maintenance & Repair	12,000	12,000	-	
5800 - Professional/Consulting Services	49,168	38,940	(10,228)	No Common Core
5810 - Legal	12,500	12,500	-	
5820 - Audit/CPA Costs	6,000	6,000	-	
5825 - DMS Business Services	67,800	67,800	-	
5840 - Advertisement	12,000	12,000	-	
5850 - Authorizer Oversight Fee	9,919	14,096	4,177	New Object Code (moved from 7141)
5855 - Interest on Short-Term Debt (<1 yr)	3,521	3,521	-	New Object Code (moved from 7438)
5860 - Bank Fees	6,000	6,000	-	
5870 - Livescan (Fingerprinting)	1,250	1,250	-	
5880 - Instructional Consultants	12,500	12,500	-	
5910 - Telephone	4,750	4,750	-	
5930 - Postage	1,005	1,005	-	
TTL Services & Operations	394,996	479,112	84,116	

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
BUDGET DETAIL

Description	Prior Year Estimated Actuals	July 1 Final Budget	Change from Prior Year	Notes/Comments
6000 - Capital Outlay				
6900 - Depreciation	6,218	6,218	-	
TTL Capital Outlay	6,218	6,218	-	
7000 - Other Outgo				
TTL Other Outgo	-	-	-	
TTL EXPENDITURES	1,274,715	1,434,618	159,903	
Revenues less Expenditures	(118,681)	144,329	263,010	
Beginning Fund Balance	247,331	128,650		
Net Revenues	(118,681)	144,329		
ENDING BALANCE	128,650	272,979		
ENDING BALANCE AS % OF OUTGO	10.09%	19.03%		

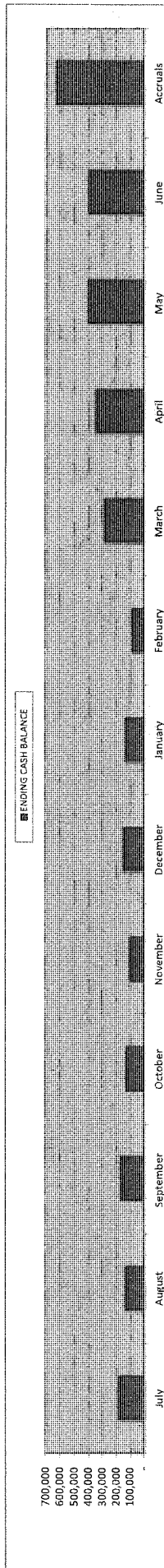
Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
2014-15 Projected Monthly Cash Flow Statement

Description	2014-15 Budget	July	August	September	October	November	December	January	February	March	April	May	June	Accruals	Total For Year
BEGINNING CASH		59,325	78,750	59,397	1,133	158	69,443	36,212	55,511	498	68,570	99,856	140,568	153,764	59,325
CASH INFLOWS															
REVENUES															
General Purpose Block Grant	869,663	-	27,996	27,996	50,394	50,394	50,394	50,394	50,394	112,341	112,341	112,341	112,341	112,341	869,663
Education Protection Account	256,410	-	-	-	42,565	-	-	42,565	-	85,640	85,640	-	-	85,640	256,410
In-Lieu-Of Property Taxes	283,523	-	12,348	24,696	16,464	16,464	16,464	16,464	16,464	54,719	27,360	27,360	27,360	27,360	283,523
Federal Revenues	15,094	-	-	2,516	-	2,516	-	2,516	-	2,516	-	2,516	-	2,516	15,094
Lottery Revenues	29,796	-	-	-	-	-	-	7,449	-	7,449	-	-	-	14,898	29,796
Other State Revenues	120,527	-	3,880	3,880	6,984	6,984	6,984	6,984	6,984	15,569	15,569	15,569	15,569	15,569	120,527
Other Local Revenues	3,935	328	328	328	328	328	328	328	328	328	328	328	328	328	3,935
TTL REVENUES	1,578,948	328	44,553	59,416	116,735	76,685	74,170	126,699	74,170	185,472	248,686	158,113	155,597	258,323	1,578,948
EXPENDITURES															
All Certificated Salaries	550,417	-	45,868	45,868	45,868	45,868	45,868	45,868	45,868	45,868	45,868	45,868	45,868	45,868	550,417
All Classified Salaries	90,930	3,789	6,995	6,995	6,995	6,995	6,995	6,995	6,995	6,995	6,995	6,995	6,995	6,995	90,930
All Benefits	131,223	775	10,816	10,816	10,816	10,816	10,816	10,816	10,816	10,816	10,816	10,816	10,816	11,472	131,223
All Materials & Supplies	176,719	8,836	8,836	22,090	22,090	11,781	11,781	11,781	23,563	11,781	11,781	11,781	11,781	8,836	176,719
All Services and Operations	479,112	31,940.81	31,941	31,941	31,941	31,941	31,941	31,941	41,941	41,941	41,941	41,941	41,941	45,822	479,112
All Capital Outlay	6,218	-	-	-	-	-	-	-	-	-	-	-	-	6,218	6,218
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL EXPENSES	1,434,618	45,341	104,455	117,709	117,709	107,401	107,401	107,401	129,182	117,401	117,401	117,401	117,401	128,417	1,434,618
OTHER CASH INFLOWS/OUTFLOWS															
Accounts Receivable (net change)	140,718	140,718	15,550	29	-	-	-	-	-	-	-	-	-	-	156,297
Loan Proceeds and other Cash Inflows	(40,000)	(40,000)	25,000	-	-	100,000	-	-	-	-	-	-	-	-	85,000
Net Change in Payables	(36,281)	(36,281)	-	-	-	-	-	-	-	-	-	-	-	(6,218)	(36,281)
Fixed Asset Acquisitions	-	-	-	-	-	-	-	-	-	-	(100,000)	-	(25,000)	(125,000)	(125,000)
Loan Repayment and Other Outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL OTHER INFLOWS/OUTFLOWS		64,437	40,550	29	-	100,000	-	-	-	-	(100,000)	-	(25,000)	(6,218)	73,798
ENDING CASH BALANCE		78,750	59,397	1,133	158	69,443	36,212	55,511	498	68,570	99,856	140,568	153,764	277,453	



Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
2015-16 Projected Monthly Cash Flow Statement

Description	2015-16 Budget	July	August	September	October	November	December	January	February	March	April	May	June	Accruals	Total For Year
BEGINNING CASH		153,764	179,899	130,460	161,917	124,365	100,334	145,604	131,049	80,316	280,940	344,910	399,503	397,695	153,764
CASH INFLOWS															
REVENUES															
General Purpose Block Grant	1,212,911	-	43,483	43,483	78,270	78,270	78,270	78,270	78,270	146,919	146,919	146,919	-	293,839	1,212,911
Education Protection Account	350,011	-	-	64,103	-	-	64,103	-	-	110,903	-	-	110,903	-	350,011
In-Lieu-Of Property Taxes	361,243	-	17,011	34,023	22,682	22,682	22,682	22,682	22,682	65,600	32,800	32,800	32,800	32,800	361,243
Federal Revenues	20,794	-	-	2,599	-	-	5,198	-	-	5,198	2,971	2,971	-	1,857	20,794
Lottery Revenues	37,908	-	-	-	-	-	-	9,477	-	-	9,477	-	-	18,954	37,908
Other State Revenues	143,775	-	5,154	5,154	9,278	9,278	9,278	9,278	9,278	17,415	17,415	17,415	-	34,831	143,775
Other Local Revenues	3,935	98	98	358	358	358	358	358	358	358	358	358	358	161	3,935
TTL CASH INFLOWS	2,130,577	98	65,747	149,720	110,587	110,587	179,888	120,064	110,587	346,394	209,940	200,463	144,061	382,441	2,130,577
EXPENDITURES															
All Certificated Salaries	673,294	-	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	673,294
All Classified Salaries	119,331	4,972	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	9,179	13,387	119,331
All Benefits	157,028	928	12,943	12,943	12,943	12,943	12,943	12,943	12,943	12,943	12,943	12,943	12,943	13,728	157,028
All Materials & Supplies	231,773	11,589	11,589	28,972	28,972	15,452	15,452	15,452	30,903	15,452	15,452	15,452	15,452	11,589	231,773
All Services and Operations	539,052	35,937	35,937	35,937	35,937	35,937	35,937	35,937	47,188	47,188	47,188	47,188	47,188	51,555	539,052
All Capital Outlay	6,218	-	-	-	-	-	-	-	-	-	-	-	-	6,218	6,218
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL CASH OUTFLOWS	1,726,696	53,425	125,756	143,138	143,138	129,618	129,618	129,618	156,321	140,869	140,869	140,869	140,869	152,584	1,726,696
Accounts Receivable (net change)															
Loan Proceeds and other Cash Inflows		212,879	15,569	29,875	-	-	-	-	-	-	-	-	-	-	258,323
Net Change in Payables		(128,417)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(128,417)	(128,417)
Fixed Asset Acquisitions															(60,000)
Loan Repayment and Other Outflows															
NET INFLOWS/OUTFLOWS		79,462	10,569	24,875	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	-	-
ENDING CASH BALANCE		179,899	130,460	161,917	124,365	100,334	145,604	131,049	80,316	280,840	344,910	399,503	397,695	627,552	



Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
FUNDING CALCULATIONS

2014-15 (Year 1)		Net State Funding COLA over prior year =			0.85%
GENERAL PURPOSE ENTITLEMENT				TOTALS	
	<u>\$/ADA</u>	<u>ADA</u>	<u>Subtotal</u>		
Total LCFF Funding (see LCFF page):	\$ 7,728.05	182.40	\$ 1,409,596		
State Aid Portion:	\$ 4,767.89	182.40		869,663.00	
Education Protection Account Portion:	\$ 1,405.75	182.40		256,410.00	
Local In-Lieu-Of Property Tax Portion:	\$ 1,554.40	182.40		\$	283,523.00
TOTAL GENERAL PURPOSE ENTITLEMENT				\$	1,409,596.00
FEDERAL REVENUES					
Title I Funding			\$ -		
Title II Part A			-		
Title III LEP			-		
Total Federal ESEA Funding:				-	
<u>Other Federal Revenues</u>					
PCSGP Startup/Implementation Grant			\$ -		
National School Lunch Program			-		
Federal IDEA Special Education			15,093.60		
Other Federal Revenue			-		
Total Other Federal Revenues:				15,093.60	
TOTAL FEDERAL REVENUES				\$	15,093.60
OTHER STATE REVENUES					
Non-Prop 20 Lottery (using P-2 ADA)	\$ 126.00	191	24,066.00		
Prop 20 Lottery (using P-2 ADA):	30.00	191	5,730.00		
				29,796.00	
<u>Additional Other State Revenues</u>					
State Lunch Program Revenues			-		
Mandate Block Grant			7,739.00		
Facility Grant Program (lesser of 75% or \$750/ADA)			-		
State Special Education (AB602)			84,809.00		
SPED Mental Health (Tier 1)			4,000.00		
SPED Mental Health (Tier 2)			19,929.00		
SPED Mental Health (Tier 3)			-		
Prior Year Corrections/Adjustments			-		
Other State Revenues			4,050.00		
Other State Revenues			-		
Total Additional Other State Revenues:				120,527.00	
TOTAL OTHER STATE REVENUES				\$	150,323.00
OTHER LOCAL REVENUES					
Interest Earnings			\$ 600.00		
Local Donations/Contributions			3,335.00		
Other Local Revenues			-		
TOTAL OTHER LOCAL REVENUES				\$	3,935.00
TOTAL REVENUES				\$	1,578,947.60

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
FUNDING CALCULATIONS

2015-16 (Year 2)		Net State Funding COLA over prior year =			2.19%
GENERAL PURPOSE ENTITLEMENT				TOTALS	
		<u>\$/ADA</u>	<u>ADA</u>	<u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$	8,279.54	232.40	\$	1,924,165
State Aid Portion:	\$	6,773.47	232.40		1,212,911.00
Education Protection Account Portion:	\$	1,506.07	232.40		350,011.00
Local In-Lieu-Of Property Tax Portion:	\$	1,554.40	232.40	\$	361,243.00
TOTAL GENERAL PURPOSE ENTITLEMENT				\$	1,924,165.00
FEDERAL REVENUES					
Title I Funding				\$	-
Title II Part A					-
Title III LEP					-
Total Federal ESEA Funding:					-
<u>Other Federal Revenues</u>					
PCSGP Startup/Implementation Grant				\$	-
National School Lunch Program					-
Federal IDEA Special Education					20,793.60
Other Federal Revenue					-
Total Other Federal Revenues:					20,793.60
TOTAL FEDERAL REVENUES				\$	20,793.60
OTHER STATE REVENUES					
Non-Prop 20 Lottery (using P-2 ADA)	\$	126.00	243		30,618.00
Prop 20 Lottery (using P-2 ADA):		30.00	243		7,290.00
					37,908.00
<u>Additional Other State Revenues</u>					
State Lunch Program Revenues					-
Mandate Block Grant					7,739.00
Facility Grant Program (lesser of 75% or \$750/ADA)					-
State Special Education (AB602)					108,057.08
SPED Mental Health (Tier 1)					4,000.00
SPED Mental Health (Tier 2)					19,929.00
SPED Mental Health (Tier 3)					-
Prior Year Corrections/Adjustments					-
Other State Revenues					4,050.00
Other State Revenues					-
Total Additional Other State Revenues:					143,775.08
TOTAL OTHER STATE REVENUES				\$	181,683.08
OTHER LOCAL REVENUES					
Interest Earnings				\$	600.00
Local Donations/Contributions					3,335.00
Other Local Revenues					-
TOTAL OTHER LOCAL REVENUES				\$	3,935.00
TOTAL REVENUES				\$	2,130,576.68

**Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
FUNDING CALCULATIONS**

2016-17 (Year 3)		Net State Funding COLA over prior year =			2.14%
GENERAL PURPOSE ENTITLEMENT				TOTALS	
		<u>\$/ADA</u>	<u>ADA</u>	<u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$	8,545.40	282.40	\$	2,413,221
State Aid Portion:	\$	6,990.97	282.40		1,535,286.00
Education Protection Account Portion:	\$	1,554.43	282.40		438,972.00
Local In-Lieu-Of Property Tax Portion:	\$	1,554.40	282.40	\$	438,963.00
TOTAL GENERAL PURPOSE ENTITLEMENT				\$	2,413,221.00
FEDERAL REVENUES					
Title I Funding				\$	-
Title II Part A					-
Title III LEP					-
Total Federal ESEA Funding:					-
<u>Other Federal Revenues</u>					
PCSGP Startup/Implementation Grant				\$	-
National School Lunch Program					-
Federal IDEA Special Education					26,493.60
Other Federal Revenue					-
Total Other Federal Revenues:					26,493.60
TOTAL FEDERAL REVENUES				\$	26,493.60
OTHER STATE REVENUES					
Non-Prop 20 Lottery (using P-2 ADA)	\$	126.00	295		37,170.00
Prop 20 Lottery (using P-2 ADA):		30.00	295		8,850.00
					46,020.00
<u>Additional Other State Revenues</u>					
State Lunch Program Revenues					-
Mandate Block Grant					7,739.00
Facility Grant Program (lesser of 75% or \$750/ADA)					-
State Special Education (AB602)					131,305.16
SPED Mental Health (Tier 1)					4,000.00
SPED Mental Health (Tier 2)					19,929.00
SPED Mental Health (Tier 3)					-
Prior Year Corrections/Adjustments					-
Other State Revenues					4,050.00
Other State Revenues					-
Total Additional Other State Revenues:					167,023.16
TOTAL OTHER STATE REVENUES				\$	213,043.16
OTHER LOCAL REVENUES					
Interest Earnings				\$	600.00
Local Donations/Contributions					3,335.00
Other Local Revenues					-
TOTAL OTHER LOCAL REVENUES				\$	3,935.00
TOTAL REVENUES				\$	2,656,692.76

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
LOCAL CONTROL FUNDING FORMULA CALCULATOR (2014-15 - YEAR 1)

STEP 1: Calculate Start Point (2012-13 Actual Funding)

2012-13 General Purpose Block Grant	470,863	
2012-13 General Purpose Block Grant	189,881	
2012-13 In-Lieu-Of Property Taxes	227,005	
2012-13 Categorical Block Grant (Main Portion)	60,100	
2012-13 Categorical Block Grant (EIA Portion)	10,816	
2012-13 Supplemental Categorical Grant	-	
2012-13 Other "Flexed" Categoricals	23,944	
2012-13 Actual Funding Total:		\$ 982,609
2012-13 P-2 ADA:	divided by	146.04
2012-13 Actual Funding Per ADA:		\$ 6,728.36

Step 2: Calculate LCFF Target Amount:

2014-15 Projected Enrollment:	200
2014-15 Total Unduplicated Count of Free/Red Lunch, EL and Foster Students:	122
2014-15 Unduplicated % (13-14 + 14-15 Enrollment / 13-14 + 14-15 UC):	60.95%
Local District Unduplicated % (n/a unless school U% is over 55%):	48.50%

	2014-15 ADA	Base Grant	K-3 / 9-12 Add-on	Supp. Grant	Conc. Grant	Total Target
2014-15 K-3 ADA:	5.00	7,011	729	943	-	43,415
2014-15 4-6 ADA:	10.00	7,116		867	-	79,830
2014-15 7-8 ADA:	12.00	7,328		893	-	98,652
2014-15 9-12 ADA:	155.40	8,491	221	1,062	-	1,518,880
Totals:	182.40	1,513,652	37,988	189,136	-	1,740,777

LCFF Target:		\$ 1,740,777
2014-15 P-2 ADA:	divided by	182.40
LCFF Target Per ADA:		\$ 9,543.73

Step 3: Calculate Current Year LCFF Funding:

LCFF Target:	\$ 1,740,777
Starting Amount (2012-13 Actual Funding Per ADA x 2014-15 ADA):	(1,221,291)
Prior Year Gap per ADA x 2014-15 ADA:	(59,128)
Total Revised Gap Amount:	\$ 460,357
Percentage of Gap Covered in 2014-15:	28.060%
Dollar Amount of 2014-15 Gap Coverage:	\$ 129,176
Total 2014-15 LCFF Funding (2013-14 Funding + 14-15 Gap Coverage):	\$ 1,409,596
Total 2014-15 LCFF Funding Per 2014-15 ADA:	\$ 7,728.05
% Change in \$/ADA Funding from 2013-14 to 2014-15:	9.317%

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
LOCAL CONTROL FUNDING FORMULA CALCULATOR (2015-16 - YEAR 2)

STEP 1: Calculate Start Point (2012-13 Actual Funding)

2012-13 General Purpose Block Grant	470,863	
2012-13 General Purpose Block Grant	189,881	
2012-13 In-Lieu-Of Property Taxes	227,005	
2012-13 Categorical Block Grant (Main Portion)	60,100	
2012-13 Categorical Block Grant (Main Portion)	10,816	
2012-13 Supplemental Categorical Grant	-	
2012-13 Other "Flexed" Categoricals	23,944	
2012-13 Actual Funding Total:		\$ 982,609
2012-13 P-2 ADA:	divided by	146.04
2012-13 Actual Funding Per ADA:		\$ 6,728.36

Step 2: Calculate LCFF Target Amount:

2015-16 Projected Enrollment:	250	
2015-16 Total Unduplicated Count of Free/Red Lunch, EL and Foster Students:	152	
2015-16 Unduplicated % (13-14, 14-15 & 15-16 Enrollment / 13-14, 14-15 & 15-16 Enrollment):	60.88%	
Local District Unduplicated % (n/a unless school U% is over 55%):	48.50%	
	2015-16 ADA	Base Grant
		K-3 / 9-12 Add-on
		Supp. Grant
		Conc. Grant
		Total Target
2015-16 K-3 ADA:	15.00	7,165
2015-16 4-6 ADA:	20.00	7,272
2015-16 7-8 ADA:	22.00	7,488
2015-16 9-12 ADA:	175.40	8,677
Totals:	232.40	1,939,597
		50,815
		242,363
		-
		2,232,775
LCFF Target:		\$ 2,232,775
2015-16 P-2 ADA:	divided by	232.40
LCFF Target Per ADA:		\$ 9,607.47

Step 3: Calculate Current Year LCFF Funding:

LCFF Target:	\$ 2,232,775
Starting Amount (2012-13 Actual Funding Per ADA x 2015-16 ADA):	(1,549,511)
Prior Year Gaps per ADA x 2015-16 ADA:	(239,923)
Total Revised Gap Amount:	\$ 443,341
Percentage of Gap Covered in 2015-16:	30.390%
Dollar Amount of 2015-16 Gap Coverage:	\$ 134,731
Total 2015-16 LCFF Funding (2013-14 Funding + 15-16 Gap Coverage):	\$ 1,924,165
Total 2015-16 LCFF Funding Per 2015-16 ADA:	\$ 8,279.54
% Change in \$/ADA Funding from 2014-15 to 2015-16:	7.136%

Bayshore Preparatory Charter Academy
2014-15 Final Budget (Draft A)
LOCAL CONTROL FUNDING FORMULA CALCULATOR (2016-17 - YEAR 3)

STEP 1: Calculate Start Point (2012-13 Actual Funding)

2012-13 General Purpose Block Grant	470,863	
2012-13 General Purpose Block Grant	189,881	
2012-13 In-Lieu-Of Property Taxes	227,005	
2012-13 Categorical Block Grant (Main Portion)	60,100	
2012-13 Categorical Block Grant (Main Portion)	10,816	
2012-13 Supplemental Categorical Grant	-	
2012-13 Other "Flexed" Categoricals	23,944	
2012-13 Actual Funding Total:		\$ 982,609
2012-13 P-2 ADA:	divided by	146.04
2012-13 Actual Funding Per ADA:		\$ 6,728.36

Step 2: Calculate LCFF Target Amount:

2016-17 Projected Enrollment:	300	
2016-17 Total Unduplicated Count of Free/Red Lunch, EL and Foster Students:	183	
2016-17 Unduplicated % (14-15, 15-16 & 16-17 Enrollment / 14-15, 15-16 & 16-17)	60.93%	
Local District Unduplicated % (n/a unless school U% is over 55%):	48.50%	
	2016-17 ADA	Base Grant
		K-3 / 9-12 Add-on
		Supp. Grant
		Conc. Grant
		Total Target
2016-17 K-3 ADA:	25.00	7,318
2016-17 4-6 ADA:	30.00	7,428
2016-17 7-8 ADA:	32.00	7,648
2016-17 9-12 ADA:	195.40	8,863
Totals:	282.40	2,382,356
		63,967
		298,102
		-
		2,744,425
LCFF Target:		\$ 2,744,425
2016-17 P-2 ADA:	divided by	282.40
LCFF Target Per ADA:		\$ 9,718.22

Step 3: Calculate Current Year LCFF Funding:

LCFF Target:	\$ 2,744,425
Starting Amount (2012-13 Actual Funding Per ADA x 2016-17 ADA):	(1,877,731)
Prior Year Gaps per ADA x 2016-17 ADA:	(455,260)
Total Revised Gap Amount:	\$ 411,434
Percentage of Gap Covered in 2016-17:	19.500%
Dollar Amount of 2016-17 Gap Coverage:	\$ 80,230
Total 2016-17 LCFF Funding (2013-14 Funding + 15-16 Gap Coverage):	\$ 2,413,221
Total 2016-17 LCFF Funding Per 2016-17 ADA:	\$ 8,545.40
% Change in \$/ADA Funding from 2014-15 to 2016-17:	3.211%

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2012

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 2012 calendar year, or tax year beginning 07/01, 2012, and ending 06/30, 2013

B Check if applicable:

<input type="checkbox"/>	Address change
<input type="checkbox"/>	Name change
<input type="checkbox"/>	Initial return
<input type="checkbox"/>	Terminated
<input type="checkbox"/>	Amended return
<input type="checkbox"/>	Application pending

C Name of organization

BAYSHORE PREPARATORY CHARTER SCHOOL

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

1175 LINDA VISTA DRIVE

City, town or post office, state, and ZIP code

SAN MARCOS, CA 92078

F Name and address of principal officer:

D Employer identification number

20-2238710

E Telephone number

(760) 471-0847

G Gross receipts \$ 1,093,833.

H(a) Is this a group return for affiliates? ☐ Yes ☒ NoH(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

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

J Website: ▶ N/A

H(c) Group exemption number ▶

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 2005 M State of legal domicile: CA

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE MISSION OF BAYSHORE PREP CHARTER SCHOOL IS TO EDUCATE K-12 STUDENTS THROUGH A RIGOROUS COLLEGE PREP CURRICULUM IN A FLEXIBLE STUDENT CENTERED LEARNING ENVIRONMENT.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 5.
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 5.
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5 11.
	6	Total number of volunteers (estimate if necessary)	6 5.
	Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 34	7b 0
Expenses	8	Contributions and grants (Part VIII, line 1h)	Prior Year 957,161. Current Year 1,088,583.
	9	Program service revenue (Part VIII, line 2g)	25,754. 5,121.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	232. 129.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0 0
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	983,147. 1,093,833.
	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)	522,237. 617,818.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0 0
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0	
Net Assets or Fund Balances	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	402,401. 401,113.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	924,638. 1,018,931.
	19	Revenue less expenses. Subtract line 18 from line 12	58,509. 74,902.
	20	Total assets (Part X, line 16)	Beginning of Current Year 326,661. End of Year 490,830.
21	Total liabilities (Part X, line 26)	154,232. 243,499.	
22	Net assets or fund balances. Subtract line 21 from line 20.	172,429. 247,331.	

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	Date
Type or print name and title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
P. ROBERT WILKINSON				P01414359
Firm's name ▶ WILKINSON HADLEY KING & CO., LLP	Firm's EIN ▶ 52-2354566	Phone no. 619-447-6700		
Firm's address ▶ 218 W. DOUGLAS AVENUE EL CAJON, CA 92020				

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2012)

JSA
2E1010 1.000

6399CT 577A

V 12-7.12

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

ATTACHMENT 1

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 861,095. including grants of \$) (Revenue \$)K-12 EDUCATION DELIVERED THROUGH HOME BASED INDEPENDENT LEARNING
PROGRAMS, COOPERATIVE ACTIVITIES AND SUPPLEMENTAL LEARNING
PROJECTS IDENTIFIED BY AN EDUCATIONAL LEARNING TEAM COMPOSED OF
PARENTS, STUDENTS, AND CERTIFICATED STAFF MEMBERS.**4b** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► 861,095.



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 1286
RANCHO CORDOVA CA 95741-1286

In reply refer to
755:G :EMM

August 18, 2008

BAYSHORE PREPATORY
100 N RANCHO SANTA FE RD
SAN MARCOS CA 92069-1279

Purpose : SCHOOL
Code Section : 23701d
Form of Organization : Corporation
Accounting Period Ending: June 30
Organization Number : 2732092

EXEMPT DETERMINATION LETTER

We determined you are exempt from California franchise or income tax under the California Revenue and Taxation Code section shown above.

The tax-exempt status is effective as of 01/21/2005.

To retain exempt status, organizations are required to be organized and operating for nonprofit purposes within the provisions of the above section. An inactive organization is not entitled to exemption.

This decision is based on information you submitted and assumes that your present operations continue unchanged or conform to those proposed in your application. Any change in operation, character, or purpose of the organization must be reported immediately to this office so that we may determine the effect on your exempt status. Any change of name or address must also be reported.

In the event of a change in relevant statutory, administrative, judicial case law, a change in federal interpretation of federal law in cases where our opinion is based upon such an interpretation, or a change in the material facts or circumstances relating to your application upon which this opinion is based, this opinion may no longer be applicable. It is your responsibility to be aware of these changes should they occur. This paragraph constitutes written advice, other than a chief counsel ruling, within the meaning of Revenue and Taxation Code Section 21012(a)(2).

August 18, 2008
BAYSHORE PREPATORY
ENTITY ID : 2732092
Page 2

For the organization's filing requirements, read enclosed Pub. 1068, Exempt Organizations - Requirements for Filing Returns and Paying Filing Fees. You may download the publication at www.ftb.ca.gov.

Note: This exemption is for state franchise or income tax purposes only. For information regarding sales tax exemption, contact the Board of Equalization at (800) 400-7115 or website www.boe.ca.gov.

A copy of this letter has been sent to the Registry of Charitable Trusts.

E DIALA
EXEMPT ORGANIZATIONS
BUSINESS ENTITIES SECTION
TELEPHONE (916) 845-4186
FAX NUMBER (916) 843-2076

EO :
CC :ANDREA C. SEXTON

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 21 2008

BAYSHORE PREPARATORY
C/O SHARON RIDDLE
100 N RANCHO SANTA FE RD STE 110
SAN MARCO, CA 92069

Employer Identification Number:
20-2238710
DLN:
608079007
Contact Person:
JENNIFER NICOLIN ID# 95152
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
Yes
Effective Date of Exemption:
January 21, 2005
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

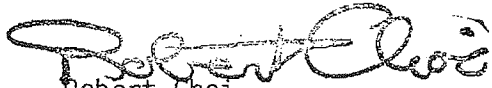
Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

BAYSHORE PREPARATORY

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Choi", with a stylized flourish at the end.

Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Publication 4221-PC

Letter 947 (DO/CG)

BAYSHORE PREPARATORY

INFORMATION FOR CHARTER SCHOOLS

You are not subject to the specific publishing requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you are operating under a contract with the local government. If your method of operation changes to the extent that your charter is terminated, cancelled, or not renewed, you should notify us. You will also be required to comply with Revenue Procedure 75-50.

Letter 947 (DO/CG)

BAYSHORE PREPARATORY CHARTER SCHOOL
SAN DIEGO COUNTY
SAN MARCOS, CALIFORNIA
AUDIT REPORT
JUNE 30, 2013



**WILKINSON HADLEY
KING & CO. LLP**
CPAs AND ADVISORS

218 W. Douglas Avenue • El Cajon, CA 92020
Tel. (619) 447-6700 • Fax (619) 447-6707

INDEPENDENT AUDITOR’S REPORT **1**

FINANCIAL STATEMENTS **3**

Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows.....	5
Notes to the Financial Statements	6

SUPPLEMENTAL INFORMATION **14**

Organization Structure	14
Schedule of Average Daily Attendance	15
Schedule of Financial Trends and Analysis	16
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements	17

OTHER INDEPENDENT AUDITORS’ REPORTS **18**

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	18
Independent Auditor’s Report on State Compliance.....	20

FINDINGS AND RECOMMENDATIONS **23**

Schedule of Auditor’s Results.....	23
Schedule of Findings and Questioned Costs	24
Schedule of Prior Year Audit Findings	25

Independent Auditor's Report

To the Board of Directors
Bayshore Preparatory Charter School
San Marcos, California

Report on Financial Statements

We have audited the accompanying financial statements of Bayshore Preparatory Charter School, which comprise the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bayshore Preparatory Charter School as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, as required by the *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the Education Audit Appeals Panel is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2013 on our consideration of Bayshore Preparatory Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bayshore Preparatory Charter School's internal control over financial reporting and compliance.

Wilkinson Badley King & Co., LLP

El Cajon, California
December 11, 2013

FINANCIAL STATEMENTS

BAYSHORE PREPARATORY CHARTER SCHOOL
Statement of Financial Position
June 30, 2013

ASSETS

Current Assets

Cash and cash equivalents	\$ 194,699
Accounts receivable	243,548
Prepaid expenditures	<u>11,778</u>
Total Current Assets	<u>450,025</u>

Noncurrent Assets

Capital assets, net	<u>17,213</u>
---------------------	---------------

Other Assets

Deposits	<u>23,592</u>
----------	---------------

TOTAL ASSETS	<u><u>\$ 490,830</u></u>
---------------------	--------------------------

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 143,499
Loan payable, current portion	<u>100,000</u>
Total Current Liabilities	<u>243,499</u>

Total Liabilities	<u>243,499</u>
--------------------------	----------------

Net Assets

Unrestricted	<u>247,331</u>
Total Net Assets	<u>247,331</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 490,830</u></u>
---	--------------------------

The accompanying notes to the financial statements are an integral part of this statement.

BAYSHORE PREPARATORY CHARTER SCHOOL

Statement of Activities

Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Revenue			
Charter school general purpose grant	\$ 660,744	\$ -	\$ 660,744
State aid, prior year	2,081	-	2,081
Payments in lieu of property taxes	227,005	-	227,005
Other state revenue	194,575	4,178	198,753
Interest	129	-	129
Other local revenue	5,119	-	5,119
Total Revenues	<u>1,089,653</u>	<u>4,178</u>	<u>1,093,831</u>
Net assets released from restrictions:			
Grant restrictions satisfied	<u>4,178</u>	<u>(4,178)</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>1,093,831</u>	<u>-</u>	<u>1,093,831</u>
EXPENSES			
Certificated salaries	445,424	-	445,424
Classified salaries	57,432	-	57,432
Taxes and employee benefits	114,964	-	114,964
Books and supplies	53,132	-	53,132
Rentals, leases and repairs	138,584	-	138,584
Other operating expenditures	181,953	-	181,953
Debt service interest	3,557	-	3,557
Depreciation expense	<u>23,885</u>	<u>-</u>	<u>23,885</u>
TOTAL EXPENSES	<u>1,018,931</u>	<u>-</u>	<u>1,018,931</u>
CHANGE IN NET ASSETS	74,900	-	74,900
NET ASSETS, BEGINNING OF YEAR	<u>172,431</u>	<u>-</u>	<u>172,431</u>
NET ASSETS, END OF YEAR	<u>\$ 247,331</u>	<u>\$ -</u>	<u>\$ 247,331</u>

The accompanying notes to the financial statements are an integral part of this statement.

BAYSHORE PREPARATORY CHARTER SCHOOL

Statement of Cash Flows

Year Ended June 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$	74,900
Depreciation		23,885
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) Decrease resulting from changes in assets:		
Accounts receivable		(85,091)
Prepaid expenses		9,462
Increase (Decrease) resulting from changes in liabilities:		
Accounts payable		(10,730)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		<u>12,426</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable		<u>100,000</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		<u>100,000</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		112,426
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		<u>82,273</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$	<u><u>194,699</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements

Year Ended June 30, 2013

A. Organization and Summary of Significant Accounting Policies

Organization

Bayshore Preparatory Charter School (the School) was formed on January 21, 2005 as a charter school pursuant to California Education Code §47600 under a charter agreement with San Marcos Unified School District (the District). The School became a nonprofit public benefit corporation on January 21, 2005. The charter agreement was approved by San Marcos Unified School District and submitted to the California Board of Education in March 2005. The school began operations on August 29, 2005.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, Financial Statements of Not-for-Profit Organizations. Under ASC No. 958, the School is required to report information regarding its financial position and activities according to three classes of net assets:

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor or grant restrictions.
- Temporarily restricted net assets consist of contributed funds or grants subject to donor or grant imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the School may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

The School had no permanently restricted net assets during the year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the School considers all highly liquid debt equity instruments purchased with an original maturity of three months or less to be cash equivalents.

A. Organization and Summary of Significant Accounting Policies

Investments

The School's method of accounting for investments, in accordance with generally accepted accounting principles, is the fair value method. Fair value is determined by published quotes. Changes in fair value of investments results in increases or decreases in unrealized fair values of equity investments. Adjustments to fair values are reflected as unrealized gain/loss on investments in the accompanying statement of activities.

Accounts Receivable

Accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year end, as well as bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. No allowance was considered necessary as management believes that all amounts are collectible.

Capital Assets

Property and equipment are recorded at cost, or estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. The cost of assets sold or retired and related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal, and any resulting gain or loss is included in the School's earnings. Management has elected to capitalize and depreciate all assets costing \$5,000 or more; all other assets are charged to expense in the year incurred. The School's policy is to evaluate the remaining lives and recoverability in light of the current conditions. It is reasonably possible that the School's estimate to recover the carrying amount of the property and equipment will change. Estimated useful lives range from three to fifty years depending on the asset.

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition or when resources are received by the School prior to the School meeting the requirements for legal claim to the resources.

In subsequent periods, when both revenue recognition criteria are met or when the School has legal claim to the resources, the liability for unearned revenue is removed from the statement of financial position and revenue is recognized.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any restrictions.

All donor or grant restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements, Continued

Year Ended June 30, 2013

A. Organization and Summary of Significant Accounting Policies (Continued)

Contributed Materials and Services

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. The School receives services donated by volunteers in carrying out the School's operations. The services do not meet the criteria as contributions and are, therefore, not recognized in the financial statements.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contribution of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the School reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The School reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Block Grant Revenues and Payments in Lieu of Property Taxes

The School's primary funding source is a combination of local property taxes and state revenues. The California Department of Education computes two block grants based on statewide charter school rates multiplied by the School's average daily attendance (ADA) as reported at the Second Principal apportionment period (P2). The result is then reduced by property tax revenues transferred from the District to the School, which is funding in lieu of property taxes. The balance is paid from the state General Fund, in the form of the General Purpose Block Grant and the Categorical Block Grant.

Advertising

Advertising costs are expensed when incurred.

Income Taxes

The School is a 509(a)(1) publicly supported non-profit organization that is exempt from income taxes under Sections 501(a) and 501(c)(3) of the Internal Revenue Code. The School is also exempt from California franchise or income tax under Section 23701d of the California Revenue and Taxation Code. The School may be subject to tax on income which is not related to its exempt purpose. For the year ended June 30, 2013, no such unrelated business income was reported and, therefore, no provision for income taxes has been made.

The School follows provisions of uncertain tax positions as addressed in ASC 958. The School recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions for the year ended June 30, 2013.

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements, Continued

Year Ended June 30, 2013

A. Organization and Summary of Significant Accounting Policies (Continued)*Income Taxes (Continued)*

The School files informational and income tax returns in the United States and in the state of California. The federal income tax and informational returns are subject to examination by the Internal Revenue Service for three years after the returns are filed. State and local jurisdictions have statutes of limitation that generally range from three to five years.

Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through December 11, 2013, the date the financial statements were available to be issued.

B. Cash and Cash Equivalents*Cash in County Treasury*

The School maintains a portion of its cash in the San Diego County Treasury as part of the common investment pool (\$189,881 as of June 30, 2013). The county is restricted by Government Code §53635 pursuant to §53601 to invest in time deposits, U.S. Government Securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse agreements.

Cash in Bank

The remainder of the School's cash (\$4,618 and in the revolving fund \$200 as of June 30, 2013) is held in financial institutions which are either insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor or certain non-interest bearing accounts that are fully insured by the FDIC. As of June 30, 2013, the School did not have any cash that was exposed to uninsured deposit risk.

C. Capital Assets

As of June 30, 2013 capital assets consisted of:

	Beginning Balance	Increases	Decreases	Ending Balance
Building	73,718	-	-	73,718
Equipment	31,092	-	-	31,092
Total capital assets	104,810	-	-	104,810
Less accumulated depreciation	(63,711)	(23,886)	-	(87,597)
Capital assets, net	\$ 41,099	\$ (23,886)	\$ -	\$ 17,213

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements, Continued

Year Ended June 30, 2013

D. Accounts Receivable

As of June 30, 2013 accounts receivable consisted of:

	<u>Accounts Receivable</u>
State Government:	
General Purpose Block Grant	134,079
Categorical Block Grant	27,120
Lottery Revenue	12,646
Other State Grants	49,142
Local Sources:	
In Lieu of Property Taxes	19,221
Other Local Sources	<u>1,340</u>
Total Accounts Receivable	<u><u>\$ 243,548</u></u>

E. Accounts Payable

As of June 30, 2013 accounts payable consisted of:

	<u>Accounts Payable</u>
Vendors payable	\$ 107,098
Accrued payroll liabilities	<u>36,401</u>
Total Accounts Payable	<u><u>\$ 143,499</u></u>

F. Loan Payable

On December 15, 2012 the School entered into a short-term loan agreement with Delta Managed Solutions, Inc. to supplement cash flows. The loan was in the amount of \$100,000 and matures August 15, 2013. The interest rate on the loan was 6.5%. On July 26, 2013, the School repaid the loan in full.

G. Operating Lease

On August 1, 2010 the School entered into a lease agreement with Linda Vista Properties, LLC for use of facilities. The agreement does not meet the requirements for capitalization. As such, the lease has not been recorded on the statement of financial position. The agreement contains a termination clause providing for cancellation after a specified number of days written notice to the lessor, but it is unlikely that the School will cancel the agreement prior to the expiration date

BAYSHORE PREPARATORY CHARTER SCHOOL
Notes to the Financial Statements, Continued
Year Ended June 30, 2013

G. Operating Lease (Continued)

Future minimum lease payments under the agreement are as follows:

Year Ended June 30,	Lease Payments
2014	\$ 134,300
2015	11,244
Total	<u>\$ 145,544</u>

H. Functional Expenses

As of June 30, 2013 functional expenses consisted of:

	Program Services	Management and General	Total
Compensation of officers, directors, trustees and key employees	\$ 141,646	\$ -	\$ 141,646
Other salaries and wages	303,777	57,431	361,208
Pension plan accruals and contributions	36,725	-	36,725
Payroll taxes	70,690	7,549	78,239
Fees for services (non-employees):			
Management	54,240	13,560	67,800
Legal	3,760	940	4,700
Accounting	5,320	1,330	6,650
Other	22,658	5,664	28,322
Books and supplies	48,495	4,637	53,132
Advertising and promotion	10,059	2,515	12,574
Occupancy	106,448	26,612	133,060
Travel	1,274	318	1,592
Conferences, conventions and meetings	12,909	3,227	16,136
Interest	2,846	711	3,557
Depreciation	19,108	4,777	23,885
Insurance	9,544	2,386	11,930
All other expenses	30,220	7,555	37,775
Total expenses	<u>\$ 879,719</u>	<u>\$ 139,212</u>	<u>\$ 1,018,931</u>

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements, Continued

Year Ended June 30, 2013

I. Commitments and Contingencies

State and Federal Allowances, Awards, and Grants

The School has received state funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any required reimbursement will not be material. As a result, no liability has been accrued.

Sick Leave

Sick leave is accumulated for each employee based on the length of employment. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulate sick leave. Employees, therefore, are never paid for any sick leave balance at termination of employment or any other time. Therefore, it is not appropriate to accrue the value of the accumulated sick leave.

J. Employee Retirement System

Qualified employees are covered under multiple-employer defined benefit pension plans by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (CalSTRS). The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

1. Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of the other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the School chooses to stop participating in some of its multi-employer plans, the School may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The School's participation in these plans for the fiscal year ended June 30, 2013, is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number, if applicable. Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2013 and 2012 is for the plan's year-end at June 30, 2012 and June 30, 2011, respectively. The zone status is based on information that the School received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

BAYSHORE PREPARATORY CHARTER SCHOOL

Notes to the Financial Statements, Continued

Year Ended June 30, 2013

J. Employee Retirement System (Continued)

Pension Fund	EIN/ Pension Plan	Pension Protection Act Zone Status		FIP/RP Status	Contributions of School			Number of Employees	Surcharge Imposed
	Number	Year Ended June 30		Pending/ Implemented	Year Ended June 30			Participating	
		2012	2011		2013	2012	2011		
CalSTRS	NPA	Yellow	Yellow	No	36,725	32,242	31,988	8	No

NPA-Not publicly available.

CalSTRS:

The School contributes to the State Teachers' Retirement System (CalSTRS), a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. Required contribution rates are set by the California Legislature and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level of percentage of payroll using the entry age normal actuarial cost method. CalSTRS also uses the level percentage of payroll method to calculate the amortization of any unfunded liability. Copies of the STRS annual report may be obtained from the STRS, 7667 Folsom Boulevard, Sacramento, California 95826.

For the fiscal year ended June 30, 2013 active plan members were required to contribute 8% of their salary and the employer contribution rate was 8.25% of annual payroll. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. The School made contributions as noted above. For the year ended June 30, 2013 the State contributed \$23,053 on behalf of the School.

K. Joint Ventures (Joint Powers Agreements)

The School entered into a Joint Powers Agreement (JPA) known as the "California Charter School Association Joint Powers Authority (CCSA-JPA)", a self-insurance plan for workers' compensation, property/casualty, and school board liability insurance. The CCSA-JPA is governed by a board consisting of a representative from each member organization. The board controls the operation of the CCSA-JPA including selection of management and approval of operating budgets, independent of any influence by the member organizations beyond their representation on the board. Each member organization pays a premium commensurate with the level of coverage requested and share surpluses and deficits proportionate to their participation in the CCSA-JPA. The CCSA-JPA is a separate entity which is audited by an independent accounting firm.

The School also entered into a Joint Powers Agreement (JPA) known as the Southern Counties Special Education Charter Consortium (SCSECC) for special education purposes. The SCSECC is governed by a board consisting of a representative from each member organization. The board controls the operation of the SCSECC including selection of management and approval of operating budgets, independent of any influence by the member organizations beyond their representation on the board. The SCSECC is a separate entity which is audited by an independent accounting firm.

SUPPLEMENTAL INFORMATION

BAYSHORE PREPARATORY CHARTER SCHOOL
Organization Structure
Year Ended June 30, 2013

Bayshore Preparatory Charter School (Charter #723) was established in 2005. The authorizing entity is San Marcos Unified School District.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Frank Ogwaro	President	Two Year Term Expires July 2014
Wendy Hamson	Secretary	Two Year Term Expires July 2013
Tom Estill	Member	Two Year Term Expires July 2013
Mark Istratoff	Member	Two Year Term Expires July 2013
Allison Magill	Member	Two Year Term Expires July 2014

ADMINISTRATION

Nancy Spencer
Executive Director

BAYSHORE PREPARATORY CHARTER SCHOOL
Schedule of Average Daily Attendance
Year Ended June 30, 2013

	Second Period Report		Annual Report	
	Original	Revised	Original	Revised
Non-Classroom Based Attendance:				
Kindergarten	0.72	N/A	0.58	N/A
Grades 1-3	2.78	N/A	2.46	N/A
Grades 4-6	6.59	N/A	6.32	N/A
Grades 7-8	6.62	N/A	7.49	N/A
Grades 9-12	129.33	N/A	132.72	N/A
Total Non-Classroom Based Attendance	146.04	N/A	149.57	N/A
 Total Attendance	 146.04	 N/A	 149.57	 N/A

N/A – There were no audit findings which resulted in revisions to the second period or annual reports of attendance.

Average daily attendance (ADA) is a measure of the number of pupils attending classes of the School. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

BAYSHORE PREPARATORY CHARTER SCHOOL
Schedule of Financial Trends and Analysis
Year Ended June 30, 2013

	Budget 2014	2013	2012	2011
Revenues	\$ 1,471,610	\$ 1,093,831	\$ 983,147	\$ 1,007,976
Expenses	1,153,419	1,018,931	924,638	952,417
Change in Net Assets	<u>318,191</u>	<u>74,900</u>	<u>58,509</u>	<u>55,559</u>
Ending Net Assets	<u>\$ 565,522</u>	<u>\$ 247,331</u>	<u>\$ 172,431</u>	<u>\$ 113,922</u>
Unrestricted Net Assets	<u>\$ 565,522</u>	<u>\$ 247,331</u>	<u>\$ 172,431</u>	<u>\$ 113,922</u>
Unrestricted net assets as a percentage of total expenses	<u>49.03%</u>	<u>24.27%</u>	<u>18.65%</u>	<u>11.96%</u>
Average Daily Attendance at P2	<u>195.00</u>	<u>146.04</u>	<u>138.87</u>	<u>142.87</u>

This schedule discloses the School's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the School's ability to continue as a going concern for a reasonable period of time.

BAYSHORE PREPARATORY CHARTER SCHOOL

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

Year Ended June 30, 2013

June 30, 2013 annual financial and budget report fund balance	<u>\$ 247,331</u>
Adjustments and reclassifications	-
Total adjustments and reclassifications	<u>-</u>
June 30, 2013 audited financial statement net assets	<u><u>\$ 247,331</u></u>

This schedule provides the information necessary to reconcile the fund balance as reported on the Annual Financial and Budget Report Alternative Form to the net assets reported in the audited financial statements.

OTHER INDEPENDENT AUDITORS' REPORTS

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

To the Board of Directors
Bayshore Preparatory Charter School
San Marcos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Bayshore Preparatory Charter School (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 11, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bayshore Preparatory Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bayshore Preparatory Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bayshore Preparatory Charter School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilkinson Hadley King & Co., LLP

El Cajon, California
December 11, 2013

Independent Auditor's Report on State Compliance

To the Board of Directors
Bayshore Preparatory Charter School
San Marcos, California

Report on State Compliance

We have audited Bayshore Preparatory Charter School's compliance with the types of compliance requirements described in the *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the Education Audit Appeals Panel, that could have a direct and material effect on each of the School's state programs identified below for the fiscal year ended June 30, 2013.

Management's Responsibility for State Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each applicable program as identified in the State's audit Guide *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13* published by the Education Audit Appeals Panel. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the comptroller General of the United States; and the State's audit guide *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13* published by the Education Audit Appeals Panel. Those standards and audit guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the state programs noted below. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School's compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine the School's compliance with the state laws and regulations applicable to the following items:

Description	Procedures in Audit Guide	Procedures Performed
Local Education Agencies Other Than Charter Schools		
Attendance Accounting:		
Attendance Reporting	6	N/A
Teacher Certification and Misassignments	3	N/A
Kindergarten Continuance	3	N/A
Independent Study	23	N/A
Continuation Education	10	N/A
Instructional Time:		
School Districts	6	N/A
County Offices of Education	3	N/A
Instructional Materials, General Requirements	8	N/A
Ratios of Administrative Employees to Teachers	1	N/A
Classroom Teacher Salaries	1	N/A
Early Retirement Incentive	4	N/A
Gann Limit Calculation	1	N/A
School Accountability Report Card	3	N/A
Juvenile Court Schools	8	N/A
School Districts and Charter Schools		
Class Size Reduction:		
General Requirements	7	N/A
Option One	3	N/A
Option Two	4	N/A
Only One School Serving Grades K-3	4	N/A
After School Education and Safety Program:		
General Requirements	4	N/A
After School Component	5	N/A
Before School Component	6	N/A
Charter Schools		
Contemporaneous Records of Attendance	1	Yes
Mode of Instruction	1	Yes
Nonclassroom-Based Instruction/Independent Study	15	Yes
Determination of Funding for Nonclassroom Based Instruction	3	Yes
Annual Instructional Minutes – Classroom Based	4	N/A

The term N/A is used above to mean either the School did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

Opinion on State Compliance

In our opinion, Bayshore Preparatory Charter School complied, in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed in the schedule above for the year ended June 30, 2013.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the Education Audit Appeals Panel. Accordingly, this communication is not suitable for any other purpose.

Wilkinson Hadley King & Co., LLP

El Cajon, California

December 11, 2013

FINDINGS AND RECOMMENDATIONS

BAYSHORE PREPARATORY CHARTER SCHOOL
Schedule of Auditor's Results
Year Ended June 30, 2013

FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>	
Internal control over financial reporting:		
One or more material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
One or more significant deficiencies identified that are not considered material weakness(es)?	<u> </u> Yes	<u> X </u> No
Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

STATE AWARDS

Any audit findings disclosed that are required to be reported in accordance with <i>Standards and Procedures for Audits</i> of California K-12 Local Education Agencies?	<u> </u> Yes	<u> X </u> No
Type of auditor's report issued on compliance for state programs:	<u>Unmodified</u>	

BAYSHORE PREPARATORY CHARTER SCHOOL
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

A. Financial Statement Findings

None

B. State Award Findings

None

BAYSHORE PREPARATORY CHARTER SCHOOL

Schedule of Prior Year Audit Findings

Year Ended June 30, 2013

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation if Not Implemented</u>
There were no findings reported in the prior year audit.	N/A	N/A

Tammah Watts
1572 Archer Road
San Marcos, CA 92078

September 30, 2014

San Marcos Community Foundation
1 Civic Center Drive
San Marcos, CA. 92069

Dear San Marcos Community Foundation Committee Members:

When I learned of Bayshore Preparatory Charter School's intention to apply for a grant to assist with the further development of a Science Lab for its students, I eagerly volunteered to write this letter of support.

About Our Family

In 2002, our family moved to San Elijo Hills. Our three youngest children, identical twin daughters and a son, attended the neighborhood San Marcos public schools from Kindergarten through their freshman year at San Marcos High School.

All three children have been active in extracurricular activities both at their schools and in the greater San Marcos community. They have participated in Boy and Girl Scouts, various youth sports, SEMS Bands and Drumline, classes at the San Marcos Community Center and have volunteered their time at the San Marcos Library and their former elementary school.

They have been recognized for exemplary academic accomplishments at the state and national level. Our children, now in their teen years, are highly motivated to pursue college and university educations, all in the STEM fields.

Unfortunately, each child developed a debilitating recurrent illness which rendered their continued attendance at the traditional high school impossible.

Choosing Bayshore Prep

Although their physical bodies are challenged by disease, our children's desire to persevere with their academic goals continues. Given this, it was paramount that I, as a parent, find an educational setting that could accommodate them accordingly. Following extensive research, I contacted Bayshore Preparatory Charter School. I was encouraged with their online information indicating several learning modalities, a strong and diverse teaching staff and adherence with State and Federal course guidelines for students to graduate eligible for CSU and UC California admissions. Meeting with school administrators and teachers allowed our children to comfortably select Bayshore. They have been able to complete rigorous coursework and receive personalized support. They have been able to participate in the Independent Study model, participate

in on-site courses and field trips. Additionally, Bayshore has collaborated with Palomar Community College to permit students to take college level courses as well.

The preparation needed to do this is significant. Our children have had the benefit of taking Biology and Chemistry with labs from Mrs. Ladd. She has proven to be a steadfast educator who has positively encouraged our children to learn, learn more and to excel.

Our son entered Bayshore behind in his classes due to his illnesses. He was able to finish his course work at a moderate pace and complete the required labs. In fact, the labs are his favorite aspect of the science courses!

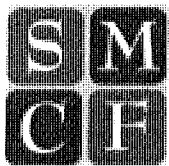
Bayshore Prep has afforded our daughter, now a senior, to successfully complete several science/science lab and advanced math courses at Palomar College. Most recently, Mrs. Ladd was instrumental in facilitating an on-site volunteer opportunity for her to assist the K—2 grades teacher with developing a science lab experiment in accordance with curriculum the students were learning. Our daughter found this experience most rewarding and it allowed her to apply what she has learned to work with others.

Recently, she has begun an internship with the Centers for Disease Control and Prevention (San Diego). Her coursework at Bayshore Prep and her ongoing direct teacher supervision from Mrs. Ladd has been instrumental in her confidence at the CDC.

In Support of Bayshore Prep

From a parent's perspective, it seems that Bayshore Prep is a most deserving candidate. I am personally aware of the science teachers' efforts to creatively prepare labs for the various science courses offered using limited materials yet meeting and exceeding educational standards. Their commitment to their students is evident in the supplemental learning materials and field trips developed to reinforce learning.

The grant would prove so beneficial to everyone currently at the school as well as those to follow. A good science lab with good equipment and materials will allow many more students to pursue the STEM fields with confidence and most importantly, with passion.



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

(Choose one) ☐ MINI-GRANT (Choose one) ☒ REGULAR GRANT

Project Name: Senior Hunger	Total # of people served: 152 San Marcos Residents	Amount Requested: \$ 8,000
Date Submitted: 10-1-14	2700 Total served in San Diego County	
Non-Profit Organization Name and Address, Website Meals-on-Wheels Greater San Diego, Inc. 2254 San Diego Avenue, #200 San Diego, Ca 92110		Contact Person – Name, Title & Phone, email Heidi Kone, Development Manager - Grants 619-278-4012/hkone@meals-on-wheels.org
Briefly describe your request for funds (to be expanded upon in narrative for regular grant): Meals-on-Wheels Greater San Diego, Inc. (MOWGSD) is requesting \$8,000.00 to help subsidize the cost of rent at its North County Service Center located at 930 Boardwalk Street, Unit C, San Marcos, Ca 92078. Savings in Operating Funds will help MOWGSD to serve the expected increase in homebound senior residents to be served in San Marcos. Expected meal delivery is forecasted to increase from 17,133 in 2014 to 20,046 in 2015 (19% increase).		
Briefly describe the significance of your request to the San Marcos community: MOWGSD currently serves 152 homebound seniors living in San Marcos. The senior population (60+) residing in San Marcos currently represents 17% of the entire population. Expected growth rate of seniors 60+ in San Marcos is 21% for 2015 and 47% for seniors 85+. MOWGSD expects a significant increase in the need of its services to homebound seniors living in San Marcos. With operating funds released for the delivery of meals to homebound seniors in San Marcos, MOWGSD is better prepared to meet the needs of the community.		
Please attach the following items. Both Mini-Grant & Regular: 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations 5. Signature of President or Authorized Officer on Application- <i>If using a fiscal sponsor, the signature must come from the President or an Authorized Officer of that organization.</i> 6. Regular Grants Only: a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Optional: letters of support		Expected date project will begin/end: 10/1/14 Date by which funds will be expended: 9/30/15 Signature of President or Authorized Officer <i>Heidi Kone Pres & CEO</i> 10-1-14 Name, Title Date Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): wkaserman@san-marcos.net

San Marcos Community Foundation Narrative (1 to 2 pages)

Describe your request

Meals-on-Wheels Greater San Diego, Inc. (MOWGSD) respectfully requests \$8,000 in grant funding to be used toward rental costs for the North County Service Center located at 930 Boardwalk Street in San Marcos. The Service Center has occupied this space for over (17) years and it serves all of North County including the unincorporated areas.

MOWGSD's primary mission is to support the independence and well-being of seniors by providing the delivery of affordable fresh meals to homebound seniors throughout San Diego County. Many seniors experience chronic illnesses and disabilities making activities of daily living difficult. In many cases, seniors will become temporarily and/or permanently homebound. Becoming homebound prevents seniors from performing the most basic activities of daily living such as obtaining food, healthcare, support services, and engagement in social activities. MOWGSD provides the following:

1. Home delivery of nutritious, healthy, pre-prepared meals for every day of the week
2. Warm, caring social contact and support
3. Wellness checks to determine if a senior is in need of additional services
4. Referrals to other support services as appropriate

Describe the Significance of your request to the San Marcos Community

The senior population (60 years and older) residing in San Marcos currently represents 17% of the entire population and/or 14,689 people in the area. Projections in relation to the growth of seniors for the area correspond with the significant growth projections for seniors both nationally and statewide. *Based on the San Diego Association of Governments (SANDAG) growth projections for San Marcos alone, there will be a 21% increase in the age group 60+ in 2015. The age group 85+ will increase by 47% from the year prior.* This growth is significant and MOWGSD is preparing to meet the rise in demand for its services by the senior population living in North County and, in particular, San Marcos.

The total number of meals delivered to San Marcos homebound seniors thus far for MOWGSD's fiscal year 2014 is 17,133 with 11,703 beverages. The anticipated number of meals to be delivered for fiscal year 2014 and forecasted in MOWGSD's Regular Grant Proposal to the San Marcos Community Foundation in 2013 was 14,500. *This equates to 16% increase above and beyond what was projected.* The San Marcos Community Foundation charitably granted \$7,000 in funding to be used toward the cost of rent for the North County Service Center located in San Marcos. To that end, MOWGSD was able to free funds to be used for operating expenses to subsidize additional meals and delivery services to homebound seniors living in San Marcos.

84% of MOWGSD clients are not only homebound but are also low income and experience severe financial limitations. These financial constraints are further challenged by the high cost of living in California and, in particular, San Diego. The financial issues San Diego seniors face are also combined with the major transformations taking place in California in relation to long-term services and supports. This is due in part to the sheer number of seniors that currently make-up the population coupled with what we know the future holds in terms of growth for adults 65+ and, in particular, 85+. Most Californians cannot afford the high cost of long-term services. The cost of home care is 82% of median household income, while nursing home care is 241% of median household income. The average annual

cost of a nursing home in California is \$91,250 a year. Seniors and/or their families often pay these expenses out of pocket and deplete all assets until the only option becomes Medicaid (The SCAN Foundation, Policy Brief, June 2014).

Larry's story demonstrates this common dilemma:

Larry is a MOWGSD client who is 91 years old and was married to his wife Judy since 1962. Over the years Judy fell ill and became homebound. Having Judy go into a long-term care facility was not an affordable option for the couple. As a result, Larry tried to take over domestic duties and be a full-time caregiver, but he did not have the skills or knowledge to prepare healthy meals they both needed. MOWGSD stepped in and started to deliver meals for Judy. Due to Judy's illness, Larry did not want to leave Judy alone as he feared an emergency could occur if she was unaccompanied. Therefore, even though Larry was mobile, he became homebound as well. Shortly after Judy started to receive meals, a volunteer noticed that Judy and Larry both were starting to lose weight. Upon further investigation it was determined that they were sharing the lunch and dinner that was being delivered for Judy because Larry couldn't leave the house to shop for himself and couldn't afford meals for both of them (subsidized at \$3.50 for 2 meals delivered). At this time, MOWGSD managed to find the funds through grants to buy down fees to provide them both

IF MOWGSD were granted \$8,000 in funding from the San Marcos Community Foundation for rental expenses for the North County Service Center in San Marcos, savings would be used to provide additional delivery of meals to homebound seniors living in San Marcos. MOWGSD is currently forecasting a 19% increase in the number of clients it will serve in San Marcos for 2015 equating to the delivery of approximately 20,046 meals. Based on projections from SANDAG in relation to the growth of seniors aged 60+ in San Marcos and national and state trends, the number of meals and clients served in San Marcos could far exceed the 19% projected.

**SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet**

Provide an itemized list of expenses for this project:
(example – 72 bicycle helmets at \$7.80 each including tax = \$561.60)

Rent for the North County Service Center located in San Marcos:
\$850.00/mo x 12 months = \$10,200 \$10,200

Total budget for this PROJECT: **\$8,000**

Grant Request Amount: **\$8,000**
(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)

Is this a challenge grant? No Could it be? No

Please list any other funding sources for this project.

****Indicate if funds are committed (C), conditional (CD), or pending (P).**

MOWGSD has a robust development department and receives private grants and donations from a large number of individuals and grantors. We receive only very limited indirect public funds through Community Block Grants. *MOWGSD just recently started its Fiscal Year 2015 which runs from Oct 1, 2014 through September 30, 2015.* The following are grants that have been submitted and are pending for Fiscal Year 2015. Only San Marcos Community Foundation is specifically for rental relief for the North County Service Center in San Marcos.

In addition to grants and donations received, MOWGSD recruits 2600 volunteers annually. It takes 150 volunteers a day to deliver meals throughout San Diego County which equates to 211,575 volunteer hours and 725,400 miles annually. For San Marcos alone, delivery and office volunteers donate approximately 3,600 hours in service and drive over 14,000 miles annually. Volunteer time is calculated at \$24.75 an hour and mileage is calculated at \$0.565/mile.

\$2,500 - Escondido Rotary Foundation – C
\$70,000 – Walmart State Giving – P
\$5,000 – Thursday Club Foundation – P
\$5,000 – Bank of America – P
\$6,800 – Grossmont Healthcare District – C
\$28,125 – District 4 (Ron Roberts) Neighborhood Reinvestment Program – P
\$30,000 – Zable Foundation – P
\$7,800 – French-Weaver Fund - P
\$5,000 – Safeway – P
\$10,000 – Cox Cares Foundation – P
\$5,000 – Heller Foundation – P
\$5,000 – Country Friends – P
\$20,000 – AIS Senior Nutrition Program – P
\$8,000 – San Marcos Community Foundation – P

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.

FISCAL YEAR 2015 BUDGET*Final Approved*

A/C #	Line Item	2015 TOTALS
4300	Program service fees	\$ 1,690,637
4000	Contributions	1,085,250
4003	Gifts in Kind*	265,986
4050	Bequests	-
4100	Private Grants	464,000
4200	Government Grants	62,300
4900	Community Outreach	250,000
4910	Investment Income	107,800
4750	Cause Marketing	18,000
4800	Special Events	395,850
4940	Other Income	12,845
	TOTAL REVENUE	\$ 4,352,667
5000	Salary & wage expense	\$ 1,717,555
5100	Employee benefits	240,568
5200	Pension expense	-
5300	Payroll taxes	156,159
5400	Workers compensation	51,245
5600	Fee for services (non-employee)	133,900
5500	Staff & Board development	5,500
	TOTAL HUMAN RESOURCES	2,304,927
7000	Food & Packaging	\$ 967,890
	TOTAL FOOD	\$ 967,890
6000	Supplies	33,200
6050	Contracts & leases	84,917
6100	Telecommunications	32,140
6200	Postage & shipping	62,125
6300	Occupancy	187,353
6400	Printing & copying	67,877
6500	Travel	64,462
6605	Donor development	1,000
6650	Volunteer program	7,000
6700	Advertising & marketing	11,222
6800	Equipment < \$1000	2,000
6900	Repair & maintenance	62,055
6920	Special Events	108,205
6925	Gifts in Kind Expense	265,986
6930	General Insurance	49,577
6950	Bank Charges	21,855
6980	Bad Debt Acct.	18,500
7200	Projects Materials & Supplies	-
	TOTAL OPERATING	\$ 1,079,474
	TOTAL EXPENSE	\$ 4,352,291
	NET REV + /< - > EXP	\$ 376

Meals-on-Wheels Greater San Diego, Inc.

Federal Tax I.D. #952660509

State Tax I.D. #0602451

Meals-on-Wheels Greater San Diego, Inc.

Name	Committee	Email	Company	Title
Belmer, Ryan	Audit Chair	ryan.belmer@ubs.com	UBS Financial Services Inc.	First VP Investments Portfolio Manager
Browning-Baity, Clara	Finance Committee Member	cmbaity@pacbell.net	N/A	Retired Registered Dietitian Event Planner
Dathe, Stephanie	Marketing & RDC Chair	stephanie@encompas.net	Encompass	Vice President
Dethloff, Tyson	Finance Chair	tysond@allenbrooke.com	Allenbrooke Insurance Services, Inc.	Director, Legal Affairs
English, John	Marketing & RDC Member	johnnyenglish@me.com	NuVasive, Inc.	President
Gramling, Gary	Services Committee Member	ggramling@aol.com	Gramling Construction, Inc.	Sr. Vice President
Ives, Gail	Board Development Chair	gail.ives@unionbank.com	Union Bank	Partner
Katsell, Noah	Chair	cal.girl@yahoo.com	DLA Piper	Founder/President
Levin, Jason	Audit Committee Member	noah.katsell@dlapiper.com	Dos Gringos	Vice President/CFO
McMahon, Kevin	Audit Committee Member	Jason.Levin@dosgringos.net	McMahon Steel	Realtor
North, Tom	Marketing & RDC Member	kevin@mcmahonsteel.com	North Properties	Technical Analysis Manager
Pavao, Peter	Board Development Member	northprops@gmail.com	SDG & E	Property Manager
Pieper, Kristi	Secretary & Board Development Member	PPavao@sempraulities.com	Five K Family Trust	Founder
Porter, Nanci	Services Chair & Vice Chair	rosspieper@aol.com	Care Innovations	Vice President Marketing
Ramirez, Diana	Marketing & RDC Committee Member	nanciporter@gmail.com	Richardson Insurance Agency	President & CEO
Richardson, Joan	Board Development Member	dianaramirez@gmail.com	The Men's Wearhouse	General Manager
Rodriguez, Tom	Services Committee Member	joan.richardson03@gmail.com	Retired	Physician
Thomas, Peter	Finance Committee Member	trodriguez@tmw.com	San Diego Superior Court	Judge
Woods, Hon. Margie G.	Services Committee Member	prthomas1@yahoo.com	Company	Title
Alumni Council (non-voting members)		margie.woods@sdcourt.ca.gov	Darayne Baddour, CPA	CPA
Baddour, Darayne		happytax@sbcglobal.net	Bank of the West	Vice President
Burzynski, Bill		william.burzynski@bankofthewest.com	Philanthropist	
Hage, Bonnie		billbchief@aol.com	N/A	Retired Pharmacist
Morse, Karen		bonnie.hage@cox.net	Pillsbury Law	Senior Associate
Stirling, Jason		zunimorse@yahoo.com	Stratton & Green	Partner
Stratton, Cindi		jason.stirling@pillsburylaw.com	N/A	Retired
Wichard, Christine		cstratton@sglawcorp.com		
Trustee Emeritus (non-voting members)		ljoy@san.rr.com		
Hermann, John		kingoftheaps@znet.com	N/A	Retired Real Estate
Kronemyer, Nancy		no1muzzy@aol.com	N/A	N/A
Ledford, Joy		j.ledford@cox.net		
Staff			Company	Title
Case, Debbie		dcase@meals-on-wheels.org	MOWGSD	President/CEO

Form **990****Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

Department of the Treasury
Internal Revenue ServiceUnder 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.

2012**Open to Public
Inspection**

A For the 2012 calendar year, or tax year beginning 10/01, 2012, and ending 09/30, 2013	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization MEALS-ON-WHEELS GREATER SAN DIEGO INC
	Doing Business As
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2254 San Diego Avenue Suite 200
	City, town or post office, state, and ZIP code San Diego, CA 92110
	D Employer identification number 95-2660509
E Telephone number 619-260-6110	
G Gross receipts \$ 5,063,558	
F Name and address of principal officer: Deborah Case 2254 San Diego Avenue, Suite 200, El Cajon, CA 92110	
H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ▶ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
J Website: ▶ www.meals-on-wheels.org	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	
L Year of formation: 1970 M State of legal domicile: CA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Meals-on-Wheels supports the independence and well-being of seniors by providing regular nutrition and daily contact with a caring volunteer. Meals prepared using Area Agency on Aging Nutrition Center guidelines are delivered to seniors homes throughout San Diego County.</u>
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net 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 20
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a) 5 88
	6 Total number of volunteers (estimate if necessary) 6 2,800
	7a Total unrelated business revenue from Part VIII, column (C), line 12 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) Prior Year 2,578,970 Current Year 2,484,273
	9 Program service revenue (Part VIII, line 2g) 1,268,649 1,373,242
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 121,394 116,851
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) -100,015 -50,813
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 3,868,998 3,923,553
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) 1,959,857 1,992,001
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 465,688
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 1,766,110 1,945,452
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) 3,725,967 3,937,453
19 Revenue less expenses. Subtract line 18 from line 12 143,031 -13,900	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) Beginning of Current Year 5,102,480 End of Year 5,319,788
	21 Total liabilities (Part X, line 26) 173,734 162,262
	22 Net assets or fund balances. Subtract line 21 from line 20 4,928,746 5,157,526

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 ▶ Deborah Case Signature of officer 4-4-14 Date

▶ Deborah Case, President and CEO Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2012)

SMCF Board 11/18/14 Item 2c

Page 96 of 138

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

The mission of Meals-on-Wheels Greater San Diego, Inc. is to support the independence and well-being of seniors.

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 3,187,653 including grants of \$ 0) (Revenue \$ 1,373,242)

Meals-on-Wheels prepares and home-delivers two meals a day, for seven days a week (including holidays), and provides modified diets to seniors age 60 and older throughout San Diego County. Meals, specially formulated for senior nutrition using Area Agency on Aging Nutrition Center guidelines are delivered to seniors' homes by volunteers. Frequently the volunteer may be the only person the senior sees all day, providing human contact and a safety net, particularly for those seniors living alone. Diabetic friendly, reduced fat/reduced sodium, easy to chew and general meals are available diet options. In fiscal year 2013, 2,800 volunteers delivered 381,849 meals.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O.)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ▶ 3,187,653

**MEALS-ON-WHEELS GREATER
SAN DIEGO, INC.**

Financial Statements

Years Ended September 30, 2013 and 2012



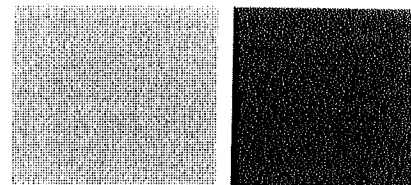
MEALS-ON-WHEELS GREATER SAN DIEGO, INC.
Financial Statements
Years Ended September 30, 2013 and 2012

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8



CPAS AND BUSINESS CONSULTANTS



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
of Meals-on-Wheels Greater San Diego, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Meals-on-Wheels Greater San Diego, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Meals-on-Wheels Greater San Diego, Inc. as of September 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

AKT LLP

San Diego, California
January 28, 2014

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statements of Financial Position**

September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 18,289	\$ 29,208
Short-term investments	642,791	629,977
Accounts receivable, net of allowance for doubtful accounts of \$5,000 (2013) and \$3,500 (2012)	166,558	141,183
Prepaid expenses	45,432	40,291
Inventory	<u>12,041</u>	<u>13,305</u>
Total Current Assets	885,111	853,964
Long-Term Investments	3,257,414	3,018,134
Deposits	13,960	16,437
Property and Equipment, net of accumulated depreciation	<u>1,163,303</u>	<u>1,213,945</u>
Total Assets	<u>\$ 5,319,788</u>	<u>\$ 5,102,480</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 44,076	\$ 71,094
Accrued expenses	<u>118,186</u>	<u>102,640</u>
Total Current Liabilities	162,262	173,734
Net Assets:		
Unrestricted	1,763,450	1,760,697
Temporarily restricted	691,676	465,649
Permanently restricted	<u>2,702,400</u>	<u>2,702,400</u>
Total Net Assets	<u>5,157,526</u>	<u>4,928,746</u>
Total Liabilities and Net Assets	<u>\$ 5,319,788</u>	<u>\$ 5,102,480</u>

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statement of Activities**

Year Ended September 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support:				
Contributions	\$ 1,313,010	\$ 249,803	\$ -	\$ 1,562,813
Fees for services	1,373,242	-	-	1,373,242
Special events	442,939	-	-	442,939
Less: Special events expenses	(239,457)	-	-	(239,457)
	203,482	-	-	203,482
Bequests	308,039	-	-	308,039
Community outreach	260,641	255	-	260,896
Government grants	84,909	-	-	84,909
Other income	13,322	-	-	13,322
Gain on sale of property and equipment	5,300	-	-	5,300
Investment return	117,993	231,252	-	349,245
Net assets released from restrictions, satisfaction of program restrictions	255,283	(255,283)	-	-
Total Revenue and Support	3,935,221	226,027	-	4,161,248
Program and Supporting Expenses:				
Program services	3,193,505	-	-	3,193,505
Supporting services:				
Management and general	279,464	-	-	279,464
Fundraising	459,499	-	-	459,499
Total supporting services	738,963	-	-	738,963
Total Program and Supporting Expenses	3,932,468	-	-	3,932,468
Change in Net Assets	2,753	226,027	-	228,780
Net Assets, beginning	1,760,697	465,649	2,702,400	4,928,746
Net Assets, ending	\$ 1,763,450	\$ 691,676	\$ 2,702,400	\$ 5,157,526

See accompanying notes to financial statements.

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statement of Activities**

Year Ended September 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support:				
Contributions	\$ 1,172,939	\$ 552,868	\$ -	\$ 1,725,807
Fees for services	1,268,649	-	-	1,268,649
Special events	374,764	-	-	374,764
Less: Special events expenses	(238,407)	-	-	(238,407)
	136,357	-	-	136,357
Community outreach	298,144	275	-	298,419
Bequests	242,049	-	-	242,049
Government grants	67,317	-	-	67,317
Gain on sale of property and equipment	19,512	-	-	19,512
Other income	9,006	-	-	9,006
Investment return	152,636	315,734	-	468,370
Net assets released from restrictions, satisfaction of program restrictions	554,686	(554,686)	-	-
Total Revenue and Support	3,921,295	314,191	-	4,235,486
Program and Supporting Expenses:				
Program services	2,992,237	-	-	2,992,237
Supporting services:				
Management and general	257,722	-	-	257,722
Fundraising	470,661	-	-	470,661
Total supporting services	728,383	-	-	728,383
Total Program and Supporting Expenses	3,720,620	-	-	3,720,620
Change in Net Assets	200,675	314,191	-	514,866
Net Assets, beginning	1,560,022	151,458	2,702,400	4,413,880
Net Assets, ending	\$ 1,760,697	\$ 465,649	\$ 2,702,400	\$ 4,928,746

See accompanying notes to financial statements.

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statement of Functional Expenses**

Year Ended September 30, 2013

	Supporting Services				
	Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries	\$ 1,209,807	\$ 185,728	\$ 246,643	\$ 432,371	\$ 1,642,178
Meal purchases	759,553	-	-	-	759,553
Employee benefits	157,198	22,520	20,630	43,150	200,348
In-kind expenses	197,577	292	1,587	1,879	199,456
Occupancy	160,301	2,837	3,841	6,678	166,979
Payroll taxes	111,554	13,975	20,983	34,958	146,512
Consulting services	77,342	22,272	15,911	38,183	115,525
Depreciation	96,756	3,350	7,824	11,174	107,930
Contract services fees	49,502	5,499	19,517	25,016	74,518
Travel	60,663	779	3,860	4,639	65,302
Printing and materials	16,941	550	46,833	47,383	64,324
Postage	12,335	8,229	42,460	50,689	63,024
Repair and maintenance	54,585	2,653	4,961	7,614	62,199
Workers compensation	54,570	2,081	2,836	4,917	59,487
General insurance	37,755	3,088	3,182	6,270	44,025
Packaging supplies	34,746	-	-	-	34,746
Telecommunications	25,321	1,027	5,263	6,290	31,611
Supplies	25,466	1,900	3,427	5,327	30,793
Other	17,381	1,259	7,798	9,057	26,438
Bad debts	16,189	-	-	-	16,189
Advertising and marketing	11,917	-	1,099	1,099	13,016
Staff and board development	4,281	1,306	705	2,011	6,292
Equipment	1,765	119	139	258	2,023
Total Program and Supporting Expenses	3,193,505	279,464	459,499	738,963	3,932,468
Special Events	-	-	239,457	239,457	239,457
Total Expenses	<u>\$ 3,193,505</u>	<u>\$ 279,464</u>	<u>\$ 698,956</u>	<u>\$ 978,420</u>	<u>\$ 4,171,925</u>

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statement of Functional Expenses**

Year Ended September 30, 2012

	Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 1,187,124	\$ 178,839	\$ 249,461	\$ 428,300	\$ 1,615,424
Meal purchases	690,870	-	-	-	690,870
Employee benefits	158,063	21,712	18,105	39,817	197,880
Occupancy	152,042	2,798	3,615	6,413	158,455
Payroll taxes	112,370	13,755	22,948	36,703	149,073
Consulting services	94,926	9,685	22,291	31,976	126,902
In-kind expenses	108,038	1,028	1,802	2,830	110,868
Depreciation	68,719	3,061	7,238	10,299	79,018
Printing and materials	24,778	2,170	48,036	50,206	74,984
Contract services fees	51,599	1,343	20,235	21,578	73,177
Travel	61,245	1,787	1,603	3,390	64,635
Postage	12,351	6,072	44,140	50,212	62,563
Repair and maintenance	53,608	2,839	4,610	7,449	61,057
Workers compensation	43,967	2,335	3,568	5,903	49,870
General insurance	35,446	2,487	2,746	5,233	40,679
Supplies	28,215	3,267	6,421	9,688	37,903
Telecommunications	25,809	1,581	5,128	6,709	32,518
Packaging supplies	31,192	-	-	-	31,192
Other	16,794	604	6,316	6,920	23,714
Bad debts	19,809	-	-	-	19,809
Advertising and marketing	9,272	390	574	964	10,236
Staff and board development	3,680	1,928	1,783	3,711	7,391
Equipment	2,320	41	41	82	2,402
Total Program and Supporting Expenses	2,992,237	257,722	470,661	728,383	3,720,620
Special Events	-	-	238,407	238,407	238,407
Total Expenses	<u>\$ 2,992,237</u>	<u>\$ 257,722</u>	<u>\$ 709,068</u>	<u>\$ 966,790</u>	<u>\$ 3,959,027</u>

See accompanying notes to financial statements.

6

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Statements of Cash Flows**

Years Ended September 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities:		
Change in net assets	\$ 228,780	\$ 514,866
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	107,930	79,018
Gain on sale of property and equipment	(5,300)	(19,512)
Donation of investment	(8,028)	-
Net realized and unrealized gains on investments	(255,788)	(368,704)
Changes in operating assets and liabilities:		
Accounts receivable, net	(25,375)	(3,152)
Prepaid expenses	(5,141)	(3,647)
Inventory	1,264	5,530
Accounts payable	(27,018)	47,222
Accrued expenses	15,546	1,381
Net Cash Flows Provided by Operating Activities	26,870	253,002
Cash Flows from Investing Activities:		
Proceeds from sale of investments	1,946,226	514,000
Purchases of investments	(1,934,504)	(398,341)
Proceeds from the sale of property and equipment	6,105	19,512
Purchases of property and equipment	(58,093)	(402,008)
Increase (decrease) in deposits	2,477	(1,475)
Net Cash Flows Used by Investing Activities	(37,789)	(268,312)
Net Decrease in Cash and Cash Equivalents	(10,919)	(15,310)
Cash and cash equivalents, beginning	29,208	44,518
Cash and cash equivalents, ending	\$ 18,289	\$ 29,208

See accompanying notes to financial statements.

7

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.

Notes to Financial Statements

Years Ended September 30, 2013 and 2012

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

Meals-on-Wheels Greater San Diego, Inc. (Organization) is a California nonprofit corporation formed in May 1970. The Organization's purpose is to provide a variety of services throughout San Diego County to help senior adults remain independent. The Organization became active in January 1971, as the successor Organization to "Senior Adult Services," an unincorporated association.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

Cash and Cash Equivalents

Cash equivalents are highly liquid debt instruments with original maturities of three months or less. Temporary cash accounts are included with investment brokerage accounts.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Investments acquired by gift are recorded at their fair market value at the date of the gift. The fair value is determined using quoted market prices. The fair values are reported by the Organization in good faith. Unrealized gains and losses are included in the change in net assets in the statements of activities.

Accounts Receivable

Accounts receivable arise during the normal course of business. It is the policy of management to review the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts.

Investment return on restricted assets is reported as an increase in unrestricted net assets if the asset restriction expires in the reporting period in which the income is recognized. All other restricted investment return is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

Inventory

Inventory consists primarily of food and packing supplies used in food preparation and is valued at the lower of cost (first-in, first-out method) or market.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of three to 40 years.

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.

Notes to Financial Statements

Years Ended September 30, 2013 and 2012

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are satisfied within the same reporting period are reported as unrestricted support in that period.

Contributed Materials and Services

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to expense as appropriate.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization with various programs. The services do not meet the criteria for recognition as a contribution, and are not reflected in the financial statements. The fair market value of contributed professional services is reported as support and expense in the period in which the services are performed.

Income Tax Status

The Organization is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, the Organization remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

The Organization follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that the Organization has no uncertain tax positions at June 30, 2013 or 2012 and therefore no amounts have been accrued.

The Organization files informational and income tax returns in the United States and various state and local jurisdictions. With few exceptions, the Organization's federal income tax returns for the years prior to 2010 are closed. State and local jurisdictions have statutes of limitations that generally range from three to five years.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value Measurements

The Organization defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Organization applies fair value measurements to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs, and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Notes to Financial Statements**Years Ended September 30, 2013 and 2012

Note 1 – Organization and Summary of Significant Accounting Policies, continuedFair Value Measurements (continued)

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The carrying value of cash, receivables, other current assets, and payables approximate fair values as of September 30, 2013 and 2012, due to the relative short maturities of these instruments.

Advertising

The cost of advertising is expensed as it is incurred.

Subsequent Events

The Organization has evaluated subsequent events through January 28, 2014, which is the date the financial statements were available to be issued.

Note 2 – Investments

Investments consist of the following:

	<u>2013</u>	<u>2012</u>
Short-term investments	\$ 642,791	\$ 629,977
Long-term investments	<u>3,257,414</u>	<u>3,018,134</u>
	<u>\$ 3,900,205</u>	<u>\$ 3,648,111</u>

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Notes to Financial Statements**

Years Ended September 30, 2013 and 2012

Note 2 – Investments, continued

The following table presents investments categorized according to the fair value hierarchy as of September 30, 2013:

	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 532,256	\$ -	\$ -	\$ 532,256
U.S. Gov. Agency Discount Obligations	124,999	-	-	124,999
U.S. Gov. Mortgage Passthroughs	53,256	-	-	53,256
Real Estate Investment Trust	-	-	8,028	8,028
Mutual Funds:				
Fixed income taxable	906,070	-	-	906,070
Commodities	165,136	-	-	165,136
Large blend	410,089	-	-	410,089
Mid cap growth	387,317	-	-	387,317
Real estate	309,105	-	-	309,105
Small blend	471,761	-	-	471,761
Diversified emerging markets	128,432	-	-	128,432
Foreign large blend	403,756	-	-	403,756
	<u>\$ 3,892,177</u>	<u>\$ -</u>	<u>\$ 8,028</u>	<u>\$ 3,900,205</u>

An unrestricted bequest consisting of an investment in a privately held Real Estate Investment Trust (REIT) was received from an individual's estate in the amount of \$8,028 during the year ended September 30, 2013. The value of the REIT was determined using the market value approach of the underlying assets.

The following table presents investments categorized according to the fair value hierarchy as of September 30, 2012:

	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 481,768	\$ -	\$ -	\$ 481,768
U.S. Gov. Agency Discount Obligations	199,994	-	-	199,994
U.S. Gov. Mortgage Passthroughs	87,004	-	-	87,004
Mutual Funds:				
Fixed income taxable	1,013,154	-	-	1,013,154
Commodities	180,632	-	-	180,632
Large blend	350,603	-	-	350,603
Mid cap growth	201,801	-	-	201,801
Real estate	295,358	-	-	295,358
Small blend	368,884	-	-	368,884
Diversified emerging markets	133,504	-	-	133,504
Foreign large blend	335,409	-	-	335,409
Total	<u>\$ 3,648,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,648,111</u>

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.**Notes to Financial Statements**

Years Ended September 30, 2013 and 2012

Note 2 – Investments, continued

The following schedule summarizes the investment return and its classification for the year ended September 30, 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 34,358	\$ 64,085	\$ -	\$ 98,443
Investment expenses	(4,986)	-	-	(4,986)
Net realized gains	4,529	8,579	-	13,108
Net unrealized gains	84,092	158,588	-	242,680
	<u>\$ 117,993</u>	<u>\$ 231,252</u>	<u>\$ -</u>	<u>\$ 349,245</u>

The following schedule summarizes the investment return and its classification for the year ended September 30, 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 36,768	\$ 68,245	\$ -	\$ 105,013
Investment expenses	(5,347)	-	-	(5,347)
Net realized gains (losses)	(4,921)	1,790	-	(3,131)
Net unrealized gains	126,136	245,699	-	371,835
	<u>\$ 152,636</u>	<u>\$ 315,734</u>	<u>\$ -</u>	<u>\$ 468,370</u>

Note 3 – Property and Equipment

Property and equipment consist of the following:

	2013	2012
Land	\$ 374,571	\$ 374,571
Building	839,921	829,608
Furniture and equipment	116,792	116,789
Kitchen equipment and supplies	256,802	235,273
Vehicles	182,252	181,948
Computers	114,858	119,431
	<u>1,885,196</u>	<u>1,857,620</u>
Less accumulated depreciation	<u>(721,893)</u>	<u>(643,675)</u>
	<u>\$ 1,163,303</u>	<u>\$ 1,213,945</u>

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.
Notes to Financial Statements
Years Ended September 30, 2013 and 2012

Note 4 – Restrictions on Net Assets .

Temporarily restricted net assets are available for the following purposes:

	2013	2012
Seniors - Encinitas	\$ 65,000	\$ 80,000
Other	28,910	12,931
Delivery van fuel	20,919	21,254
Holiday meals	10,000	-
Food cost	8,068	-
Rural initiative	5,866	2,638
Volunteer program	4,825	4,645
Vans	1,102	2,950
Dietician	-	13,911
Hispanic menu	-	6,874
North county operations	-	4,712
Unappropriated endowment earnings	546,986	315,734
	<u>\$ 691,676</u>	<u>\$ 465,649</u>

Permanently restricted net assets consist of the Sunshine Brooks Endowment funds and the Meals-on-Wheels Endowment. The income from these funds can be used to support the Organization's activities.

Note 5 – Operating Leases

The Organization has operating lease agreements for its offices and certain equipment expiring at various dates between December 2013 and September 2025. Total rent expense for the years ended September 30, 2013 and 2012 was approximately \$138,000 and \$127,000, respectively.

Future minimum lease payments at September 30, 2013 are as follows:

Year Ending September 30,	
2014	\$ 118,368
2015	112,078
2016	113,508
2017	106,225
2018	99,840
Thereafter	779,824
	<u>\$ 1,329,843</u>

Note 6 – Pension Plan

The Organization has a 401(k) Profit Sharing Plan covering all full-time employees that are at least 21 years old, have completed one year of service, and worked 1,000 hours during the calendar year. A qualified employee is fully vested after four years. Funding of the plan is made at the discretion of management. There was no pension expense for the years ended September 30, 2013 and 2012.

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.

Notes to Financial Statements

Years Ended September 30, 2013 and 2012

Note 7 – Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per financial institution. The Organization maintains cash balances at several banks which, at times, exceed the federal insurable limit. As of September 30, 2013, no losses have occurred in the bank deposit accounts and management does not believe that the Organization is exposed to any significant credit risk on cash.

Note 8 – Functional Allocation of Expenses

Salaries and related expenses are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical, or are allocated based on space utilization.

Note 9 – Endowments

The Organization's endowment consists of donor-restricted endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner that is consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Organization and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Organization
- 7) The investment policies of the Organization

At September 30, 2013, the endowment net assets composition by type of fund consists of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 546,986	\$ 2,702,400	\$ 3,249,386

MEALS-ON-WHEELS GREATER SAN DIEGO, INC.
Notes to Financial Statements
Years Ended September 30, 2013 and 2012

Note 9 – Endowments, continued

At September 30, 2012, the endowment net assets composition by type of fund consists of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ <u>-</u>	\$ <u>315,734</u>	\$ <u>2,702,400</u>	\$ <u>3,018,134</u>

Changes in endowment net assets for the year ended September 30, 2013, consist of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 315,734	\$ 2,702,400	\$ 3,018,134
Investment Return:				
Investment income	-	64,085	-	64,085
Net realized and unrealized gains	-	167,167	-	167,167
Total Investment Return	-	231,252	-	231,252
Endowment net assets, end of year	\$ -	\$ 546,986	\$ 2,702,400	\$ 3,249,386

Changes in endowment net assets for the year ended September 30, 2012, consist of the following:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (88,268)	\$ -	\$ 2,702,400	\$ 2,614,132
Investment Return:				
Investment income	33,541	68,245	-	101,786
Investment expenses	(2,908)	-	-	(2,908)
Net realized and unrealized gains	57,635	247,489	-	305,124
Total Investment Return	88,268	315,734	-	404,002
Endowment net assets, end of year	\$ -	\$ 315,734	\$ 2,702,400	\$ 3,018,134

Note 9 – Endowments, continued

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide funding for the operating expenses of programs supported by its endowments and increase the value of the original contributed capital by an amount not less than the annual increase in the Consumer Price Index (CPI). In order to meet this objective, the endowment asset portfolio is structured to achieve a compounded annual return, net of investment management expenses, of 6% plus the annual rate of inflation (Target Return) over ten years. In achieving the Target Return, the Organization seeks to maintain a level of portfolio risk, as measured by the annualized monthly standard deviation, commensurate with the portfolio's market-related index. The market-related index is made up of selected market indices that are representative of the asset classes in which the portfolio is invested and which is weighted in the same percentages as the asset classes in which the portfolio is invested.

Investment Strategy

The investment strategy of the Organization is to develop a diversified portfolio of investments. For equity investments, the selection of such holdings is based on the merits of long-term ownership without the intent of short-term trading. To achieve the Target Return, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Spending Policy

The Organization has a policy of appropriating for distribution each year an amount equal to 5% of the average balance of the assets associated with the endowments for the previous twelve quarters. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long-term, the Organization expects the current spending policy to allow its endowment to grow at the average annual rate of inflation over ten years. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return. The spending rate policy is reviewed annually by the Finance Committee. For the year ended September 30, 2012, the Organization suspended all spending from the endowment as the balance of endowment funds were less than the original corpus amount. For the year ended September 30, 2013, the Organization reinstated its spending policy.

Note 10 – Reclassifications

Certain items in the 2012 financial statements have been reclassified to conform to current year classifications. Such reclassifications had no effect on previously reported changes in net assets.



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

(Choose one) ☐ **MINI-GRANT** (Choose one) ☒ **REGULAR GRANT**

Project Name: SMHS Music Boosters Date Submitted: 9/30/2014	Total # of people served: 230 Total # of San Marcos residents served: 690+	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website San Marcos High School Music Boosters 633 S. Rancho Santa Fe Rd., Ste. 658 San Marcos, CA 92078 www.knightregiment.org	Contact Person – Name, Title & Phone, email Linda Burke SMHS Music Boosters Co-President P: 760-331-7781 E: klburke6@msn.com	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The San Marcos High School Music Boosters respectfully appreciate your consideration of the music program and a \$10,000 grant request to support the transportation needs of the music students. This grant will assist the Music Boosters as they continue in their efforts to support the students with the best possible music education and experience.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>San Marcos High School, the flagship high school in the San Marcos Unified School District currently serves a population of 2,518 students from west San Marcos and communities south of the 78 freeway. With Cal State San Marcos and Palomar College as our neighbors, San Marcos works in liaison with these educational institutions to provide students with a strong foundation in secondary education, including a coordinated, sequential 9-12 Humanities Program. Our award-winning music program has 230 students currently enrolled in the 2014/15 school year.</p>		
Please attach the following items. <u>Both Mini-Grant & Regular:</u> 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations 5. Regular Grants Only: a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Signature of President or Authorized Officer on Application e. Optional: letters of support	Expected date project will begin/end: Date by which funds will be expended: 6/14/15 Signature of President or Authorized Officer Linda Burke, Co-President Date Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): wkaserman@san-marcos.net	

**SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet**

Provide an itemized list of expenses for this project:

• Rancho Buena Vista Tournament: 5 buses + 3 trucks	\$ 640
• Poway Tournament: 5 buses + 3 trucks	\$ 1,240
• Vista Murietta Tournament: 5 buses + 3 trucks	\$ 3,660
• Mira Mesa Tournament: 5 buses + 3 trucks	\$ 1,600
• Westview Tournament: 5 buses + 3 trucks	\$ 1,600
• Championships at Chino Hills: 5 buses + 3 trucks	\$ 7,360
• Winter Guard tournament transportation x 4 tournaments (locations TBA)	\$ 2,000

Total budget for this PROJECT: \$ 18,100

Grant Request Amount: \$10,000
(*Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.*)

Is this a challenge grant? *No*

Could it be? *No*

Please list any other funding sources for this project.

****Indicate if funds are committed (C), conditional (CD), or pending (P).**

\$ 2,650	Transportation donations from SMHS music program families	** C
\$ 3,746	Rehearse-a-thon fundraising event	** C
\$ 690	U-T fundraising event	** P
\$ 500	Winter Guard transportation donations	** P

San Marcos High School Band Boosters Operating BudgetFiscal Year starting July 1,
2014

Status: Approved 9/03/2014

Income**Year Total****Donations**

Parent - KC	\$	40,000
Parent - Transportation to SMHSMB	\$	1,000
Parent - Transportation to SMUSD	\$	2,600
Corporate / Matching	\$	4,800
Total Donations	\$	48,400

Events

Physicals	\$	1,600
SMA Dinners	\$	4,000
Boomers	\$	500
Night of Jazz	\$	2,000
Rehearse-A-Thon	\$	10,000
Winter Concert	\$	1,500
Spring Concert	\$	5,000
Carlsbad Marathon	\$	5,000
WG Tournament #1	\$	1,000
WG Tournament #2	\$	10,000
Total Events	\$	40,600

Merchandise

Show Shirt	\$	1,400
Scrip	\$	5,000
Spirit Wear Sales	\$	3,000
Total Merchandise	\$	9,400

Other Income

eScrip / Amazon	\$	900
Other	\$	900
Uniform Shirt Sponsorship		
Total Other	\$	1,800

Total Income	\$	100,200
---------------------	-----------	----------------

Expense**Coaching**

Coach 1	\$	10,800
Coach 2	\$	10,000
Coach 3	\$	9,600
Coach 4	\$	9,000
Coach 5	\$	7,200
Coach 6	\$	4,800
Coach 7	\$	4,800
Coach 8	\$	2,400
Coach 9	\$	2,400
Coach 10	\$	4,000
Coach 11	\$	4,000
Coach 12	\$	2,880
Coach 13	\$	1,680
Coach 14	\$	1,680
Total Coaching	\$	75,240

Transportation

RBV (10/11 - 16 miles roundtrip)	\$	640
Poway (10/18 - 31 miles roundtrip)	\$	1,240
Vista Murietta (10/25 - 84 miles roundtrip)	\$	3,360
Mira Mesa (11/01 - 40 miles roundtrip)	\$	1,600
Westview (11/10 - 40 miles roundtrip)	\$	1,600
Championships (11/22 - 150 miles roundtrip)	\$	6,000
Winter Transportation	\$	2,000
Total Transportation	\$	16,440

Color Guard

Fall Choreography	\$	3,200
Fall Costumes	\$	1,000
Winter Choreography	\$	-
Entry Fees	\$	1,100
Flag Poles	\$	800
Flag Material	\$	500
Show Bid Expense	\$	200
Swing Flag Sticks	\$	100
Total CG	\$	6,900

Marching Band

Entry Fees	\$	1,250
Props and Costumes	\$	1,500
Uniform Cleaning	\$	-
Uniform Shirt	\$	1,500
Music (Percussion)	\$	750
Uniform Carts	\$	2,000
Show Development - 2015_2016	\$	1,600
Total Marching Band	\$	8,600

Winter Ensembles

Entry Fees (Jazz)	\$	550
Entry Fees (Wind Ensembles)	\$	1,000
Music	\$	3,500
Total Winter Ensembles	\$	5,050

Administrative

CHARMS	\$	-
Insurance	\$	1,200
Postage / Supplies	\$	1,000
PO Box	\$	270
Quickbooks	\$	360
Tax Preparation / 501 filings	\$	200
Web Hosting / Registration	\$	100
Total Administrative	\$	3,130

Miscellaneous

Awards	\$	1,000
Emergency Repairs	\$	500
Total Miscellaneous	\$	1,500

Total Expenses	\$	116,860
Income - Expense	\$	(16,660)

Federal Employer ID # 33-0874556

State of California Corporate # 2045679

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 21 2004

SAN MARCOS HIGH SCHOOL MUSIC
BOOSTERS
1615 W SAN MARCOS BLVD
SAN MARCOS, CA 92078-0000

Employer Identification Number:

33-0874556

DLN:

17053262737004

Contact Person:

DAN W BERRY

ID# 31122

Contact Telephone Number:

(877) 829-5500

Public Charity Status:

170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated MAY 2001, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

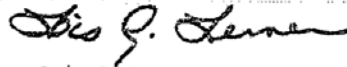
Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading between 8:00 a.m. - 6:30 p.m. Eastern time.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

2014-15 Executive Board

Co-Presidents

Doug Kosty – employed by Aeroflex Corporation, a Cobham Company

Linda Burke – freelance writer, Girl Scouts of San Diego (volunteer)

Co-Vice Presidents

Lisa King – employed by Care Fusion, Santa Clara Vanguard (volunteer)

Wendy Robinson – employed by San Diego Fire Rescue Association, W. Robinson Consulting, Mended Little Hearts (volunteer)

Co-Treasurers

Teresa Greger – employed by Metropolitan Heating & Air of San Marcos, Pam Lindamood for SMUSD Board (treasurer), Prop K Citizens Oversight Committee (member)

Debby Horton – Owner of Dream Dinners of San Marcos, Fan of the Feather (volunteer board member), Association of Professional Genealogists (member), National Association of Realtors (member)

Secretary

Susan Thompson – employed as Personal Chef, no additional affiliations

NARRATIVE

Goal - To offer music students the opportunity to compete and perform in a wide variety of public forums further enhancing their music education.

Objective - To enrich the music education and experience of the music students by offering them the opportunity to perform and experience a wide array of musical opportunities and to grow as musicians, performers, and individuals.

The history of the San Marcos High School Music Program has become especially storied over the last ten years. Since 2005, the music program has continued to experience a growth rate nearly unheard of in the high school music program arena. Part of this growth can be attributed to the outstanding music programs offered at the local middle schools, San Elijo Middle School and San Marcos Middle School, which are considered “feeder” schools for the high school music program. In 2005, the San Marcos High School marching band, Knight Regiment, was competing in the smallest division, 1A, in the marching band arena with just 32 students. Fast forward to 2010 and the Knight Regiment was competing in the coveted 6A division, reserved for high schools with over 150 marching band students.

While the rapid growth may seem daunting and even intimidating to some, the music directors and students faced the challenge with the utmost determination and spirit. The first year competing in the 6A division, the students persevered with an overwhelming sense of dedication, ultimately earning them much success in the marching band field show competitions. This success included placing first in several of the field show competitions as well as earning the highest award, Tournament Grand Champions. This success has continued over the last few years with the Knight Regiment earning the reputation of having some of the most creative and innovative field shows in the 6A competitive arena. Audiences often anxiously anticipate the Knight Regiment field show performances as they have consistently proven to be exciting as well as highly competitive in the 6A division.

Each year since 2005, the number of students participating in the program has continued to expand exponentially. In August, the Knight Regiment welcomed 220 marching band students, representing an all-time record number of students participating in the San Marcos High School program. The program is now the largest high school music program in San Diego County.

For marching band students, the combination of playing an instrument, with the added component of a physically demanding routine on the field, requires intense focus, discipline, and dedication. It reinforces the concept that success is the result of hard work, illustrates the benefits of team work, and fosters camaraderie among the students. Additionally, music programs further provide positive benefits to at-risk and economically disadvantaged youth. For the 2012-2013 school year, San Marcos High School had a student population in which 44% were deemed socioeconomically disadvantaged. The music program is able to provide an opportunity to improve these students’ futures by participating in the band and music program.

Regardless of the financial challenges, no student will ever be denied the opportunity to participate due to a financial inability to donate. Research has shown that music education has a profound effect on individuals who are involved in music, both in the short term and long term. Students have the

opportunity to be involved in leadership roles, act as mentors to their peers, and the effect on academic success and achievement cannot be overstated. Music education allows students to experience firsthand the value of commitment, tenacity, teamwork, and collaboration, skills that will ultimately be beneficial to them long after they have graduated from high school.

In the upcoming marching band season and the ensuing school years, the transportation needs will continue to be one of the most significant expenses of the program. With 230 students in the program, at least five buses will be required to transport the students to each of the marching band competitions during the fall semester. If the program adds even five additional students, an additional bus will be required to accommodate the students and their instruments. Given that bus rates are set by the San Marcos Unified School District and are based on miles traveled, an additional bus could mean a significant added expense in the budget. While the music program would never turn away a student with a desire to participate, it adds to the uncertainty of the actual transportation expenses the music program faces every year.

The cost of transportation is paid for through donations from band families and on-going fundraising events held throughout the year. The suggested transportation donation is \$50 per student, an amount which is largely determined by the San Marcos Unified School District. Parent support for transportation expenses averages 45% or less annually and this level of participation has remained unchanged for the past two years. Unfortunately, even if the donation rate was 100%, it would not cover the actual cost of the \$18,100 transportation expenses budgeted for this school year. With the addition of a fifth competition and a championship performance further away than the band has ever traveled, the transportation expenses continue to be one of the highest expenses for the program.

An additional \$500 donation per music student is suggested to assist in the financial support of other aspects of the music program. This donation rate typically reflects an average of 50% of music families contributing the suggested donation. For the 2014-2015 school year, the annual projected budget of \$120,000 for the music program has required the Music Boosters to be resourceful and vigilant in their fundraising efforts. The Music Boosters consistently explore all the possible options for financial assistance in order to continue to support this award-winning music program.

The San Marcos High School Music Boosters respectfully appreciate your consideration of the music program and a \$10,000 grant request to support the transportation needs of the music students. This grant will assist the Music Boosters as they continue in their efforts to support the students with the best possible music education and experience. Additionally, the music performances in public forums provide a highly visible example of the community of San Marcos as well as the San Marcos Unified School District, both at the local level and on the broader stage with performances throughout San Diego, Orange, and Riverside Counties.

Form **990-EZ**

Short Form

Return of Organization Exempt From Income Tax

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

OMB No 1545-1150

2012**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

► Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities, and certain controlling organizations as defined in section 512(b)(13) must file Form 990 (see instructions). All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000 at the end of the year may use this form.

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

A For the 2012 calendar year, or tax year beginning 7/01, 2012, and ending 6/30, 2013

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C **SAN MARCOS HIGH SCHOOL MUSIC BOOSTERS**
1615 WEST SAN MARCOS BLVD
SAN MARCOS, CA 92078

D Employer identification number
33-0874556

E Telephone number
760-290-2200

F Group Exemption Number

G Accounting Method: ☒ Cash ☐ Accrual Other (specify) _____

H Check ☒ if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

I Website: N/A

J Tax-exempt status (check only one) — ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check ☐ if the organization is not a section 509(a)(3) supporting organization or a section 527 organization and its gross receipts are normally **not** more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ. **\$ 125,262.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I ☒

REVENUE	1	Contributions, gifts, grants, and similar amounts received	1	53,831.	
	2	Program service revenue including government fees and contracts	2		
	3	Membership dues and assessments	3		
	4	Investment income	4		
	5a	Gross amount from sale of assets other than inventory	5a		
	5b	Less: cost or other basis and sales expenses	5b		
	5c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c		
	6	Gaming and fundraising events			
	6a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a		
	6b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	59,184.	
	6c	Less: direct expenses from gaming and fundraising events	6c	19,461.	
	6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d	39,723.	
	7a	Gross sales of inventory, less returns and allowances	7a	12,247.	
	7b	Less: cost of goods sold	7b	9,546.	
	7c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	2,701.	
	8	Other revenue (describe in Schedule O)	8		
	9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	96,255.	
	EXPENSES	10	Grants and similar amounts paid (list in Schedule O)	10	
		11	Benefits paid to or for members	11	
		12	Salaries, other compensation, and employee benefits	12	
		13	Professional fees and other payments to independent contractors	13	65,698.
14		Occupancy, rent, utilities, and maintenance	14		
15		Printing, publications, postage, and shipping	15		
16		Other expenses (describe in Schedule O)	16	34,507.	
17		Total expenses. Add lines 10 through 16	17	100,205.	
18		Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-3,950.	
19		Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	32,865.	
20		Other changes in net assets or fund balances (explain in Schedule O)	20		
21		Net assets or fund balances at end of year. Combine lines 18 through 20	21	28,915.	

BAA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990-EZ (2012)

TEEA0803L 12/07/12

SMHS MUSIC BOOSTERS
BALANCE SHEET
As of Jun 30, 2014

ASSETS		<u>20-Jun-13</u>
Current Assets		
Checking/Savings	\$	28,444.30
PayPal Account	\$	1,435.06
Outstanding Checks	\$	(135.00)
Scrip Bank Acct.	\$	3,962.69
Total Checking/Savings	\$	<u>33,707.05</u>
Other Current Assets		
Scrip on Hand	\$	<u>2,388.00</u>
Total Other Current Assets	\$	<u>2,388.00</u>
TOTAL ASSETS	\$	<u>36,095.05</u>
LIABILITIES & EQUITY		
Equity		
Unrestricted Net Assets	\$	29,140.30
Net Income	\$	<u>6,954.75</u>
Total Equity	\$	<u>36,095.05</u>
TOTAL LIABILITIES & EQUITY	\$	<u>36,095.05</u>

October 1, 2014

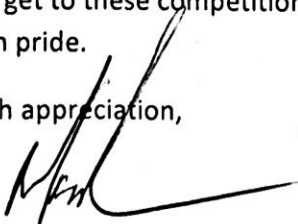
TO: San Marcos Community Foundation

The students, staff and volunteers of San Marcos High School music program, Knight Regiment, work hard to achieve excellence on and off the marching field. Our philosophy is to develop all facets of a student's potential using music as the common element. With an emphasis on strong academics, teamwork and leadership, our students learn skills that serve them well beyond the classroom, the stage or the marching field.

One of the avenues that we seek to employ, is giving students performance opportunities in different settings. Marching band takes students into the competitive arena, where they learn valuable lessons of teamwork, perseverance, and grace. Fall semester field show competitions require travel to six different venues throughout San Diego, Riverside and Orange Counties. Winter Guard competes in similar locations during the Spring semester. The challenge we face is the cost of transportation to move our group of 230 students, chaperones, and equipment. It costs \$5/mile to move Knight Regiment, requiring five school buses, three equipment trucks, and a trailer for each competition. This year, Championships will be held in Chino Hills – farther than we have ever had to travel for a competition.

While our volunteers and students have been working hard to fundraise, we are not able to fully fund the level of transportation that is required for this organization to meet the educational and experiential goals for which we strive. Your support will allow us to know we can get to these competitions and give students the opportunity to represent all of San Marcos with pride.

With appreciation,


A handwritten signature in black ink, appearing to read 'Matthew Armstrong', written over a horizontal line.

Matthew Armstrong
Music Director
San Marco High School



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

(Choose one) ☐ **MINI-GRANT** (Choose one) ☒ **REGULAR GRANT**

Project Name: <i>Prepare San Diego: Youth Outreach</i> Date Submitted: 9/30/14	Total # of people served: 1,500 Total # of San Marcos residents served: 4,050	Amount Requested: \$7,500
Non-Profit Organization Name and Address, Website American Red Cross San Diego/Imperial Counties Chapter www.redcross.org/sandiego & www.preparesandiego.org 3950 Calle Fortunada San Diego, CA 92123		Contact Person – Name, Title & Phone, email Laura Rice, Director of Institutional Relations 858-309-1270 Laura.rice@redcross.org
Briefly describe your request for funds (to be expanded upon in narrative for regular grant): <i>Prepare San Diego: Youth Outreach</i> addresses a significant gap in youth preparedness education. More than a quarter of our population is comprised of children and yet no other organization is reaching into schools to assist students in understanding how to prepare and react in disaster situations. Through this project, preparedness staff from the American Red Cross San Diego/Imperial Counties Chapter will directly address the welfare of children in San Marcos, one of San Diego County's most vulnerable communities, by empowering them to become prepared. Together, we will combine the power of awareness with education and resources to enhance decision-making and problem-solving skills and empower students to prepare for, prevent and react effectively to emergencies.		
Briefly describe the significance of your request to the San Marcos community: In conjunction with market research firm Competitive Edge Research, Inc., the Red Cross found San Marcos residents to be particularly susceptible to disasters as its residents know less about how to be prepared and why preparedness is important than do residents of other San Diego communities. In fact, preparedness levels in this community have decreased since 2010 and are now well below the County's average. Through <i>Prepare San Diego: Youth Outreach</i> , students will help their families begin talking about the need for disaster preparedness. Students in San Marcos will help their families to understand the need for preparedness. This will enhance each the capacity of each family and neighborhood to be self-sufficient during disasters, which will increase community welfare and alleviate the burden on strained community resources that provide for basic needs.		
Please attach the following items. <u>Both Mini-Grant & Regular:</u> 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations 5. Regular Grants Only: a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Signature of President or Authorized Officer on Application e. Optional: letters of support		Expected date project will begin/end: Nov. 2014 Date by which funds will be expended: June 2015 Signature of President or Authorized Officer  Name, Title Date Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): wkaserman@san-marcos.net



PREPARE SAN DIEGO: YOUTH OUTREACH OVERVIEW

The San Diego/Imperial Counties Chapter of the American Red Cross invites the San Marcos Community Foundation to improve the lives of students in San Marcos and build community resiliency by transcending economic barriers to bring essential preparedness resources to one of San Diego County's most unprepared neighborhoods. The Red Cross requests a \$7,500 investment to empower underserved children and their families to take action to become prepared, enhancing their lives and increasing their ability to react appropriately to unexpected circumstances.

As many residents know, the wildfires that often plague San Diego lead to a time of chaos and confusion for hundreds of thousands of affected people. Though the San Diego region is one of the highest risk areas in the country for major disasters, an overwhelming number of residents are woefully unprepared for disasters and are not equipped to be ready when the time comes. Because of the San Diego community's need to bounce back quickly after disaster strikes, in September 2013 the American Red Cross launched ***Prepare San Diego – a four-year, community-wide resiliency initiative to help prepare the San Diego region for human emergencies and disasters.***

Through *Prepare San Diego: Youth Outreach*, the Red Cross will directly address the welfare of children in San Diego County's most vulnerable communities by empowering them to become prepared. Building upon the earlier preparedness program supported by the San Marcos Community Foundation, the Red Cross will educate and equip each student and their family to actually take action to become prepared – such as making an emergency plan, building a disaster kit, or learning how to stay informed.

PROGRAM DESCRIPTION

In partnership with the Red Cross, Competitive Edge Research & Communications Inc. discovered that **preparedness levels in San Marcos have decreased over the past three years, and now fall well below the county's average.** As the recent wildfires have sparked renewed understanding around the importance of preparedness, this is an important time to help our community take action to become more resilient. *Prepare San Diego* will help one million people to take a step toward preparedness, moving beyond awareness and education to true action. In just the first year, more than 270,000 steps to preparedness have been made by San Diego County residents.

As demonstrated during the May 2014 wildfires in San Diego County, preparedness planning and communication have simplified disaster evacuations and increased the success of emergency response activities. **Individual and family preparedness is ever more critical as extreme weather patterns become increasingly common, making preparedness education an ongoing opportunity.** More than a quarter of our population is comprised of children, and assisting students in understanding how to react in urgent situations is one of the best ways to ensure a family takes action to become prepared, together.

Peer-to-peer training has been proven as the most effective manner of sharing critical preparedness information and motivating people to take action. *Prepare San Diego: Youth Outreach* uses child-focused presentation styles such as puppet shows to deliver strategic student preparedness training to grades K through 5 in targeted communities to enable youth, and their families, to become equipped to react appropriately during a disaster. Puppet shows deliver critical preparedness information in a peer-to-peer manner that is entertaining, educational and age-appropriate, and allows youth to retain preparedness information more effectively than through typical adult instruction. Incorporating preparedness action steps into Community Disaster Education (CDE) presentations gives students tools



to take home and share with family members, prompting the preparedness conversation. With this education, preparedness brochures, and materials, students can easily share the preparedness message within their families and help their family become more self-sufficient and prepared.

PROGRAM IMPACT

Over the course of this program, the Red Cross has seen the impact CDE programming and resources have made in other target regions: **when residents are educated about how to be prepared, they learn to prevent disasters and how to react to the challenges that come with urgent situations.** This resiliency increases family functioning and allows for greater lifelong success as students and family members learn skills to cope with any unexpected circumstance life may bring. As part of a comprehensive preparedness program which includes CDE presentations in age-appropriate formats such as puppet shows, *Prepare San Diego: Youth Outreach* will have a great impact.

Typically, each student represents the average county household size of 2.7 people. With the San Marcos Community Foundation's investment, the Red Cross will reach at least 1,500 students who in turn represent more than 4,000 residents who will become equipped with the critical skills to appropriately prepare for and react to disasters.

GOAL, OUTCOMES AND ACTIVITIES

Project Goal: Increase preparedness levels of families living in San Marcos while also helping youth put emergencies into perspective. Students in San Marcos will help their families and communities to understand the need for preparedness. The enhanced capacity of each family and neighborhood to be self-sufficient during disasters will increase community welfare and alleviate the burden on strained community resources that provide for basic needs.

Project Outcomes: The Red Cross will provide training throughout the 2014-2015 school year that enables 1,500 students to prepare for and react to emergency situations and natural disasters. *Prepare San Diego: Youth Outreach* will increase the number students who:

- Understand the importance of preparedness, with 90% indicating an increase in preparedness knowledge, as measured by pre- and post-test quizzes.
- Receive guidance as to personal disaster preparedness and prevention, including having the knowledge to personalize a preparedness pack for family needs.
- Are enabled to become advocates for preparedness in families and communities.

Project Activities: During age-appropriate CDE presentations like puppet shows, students will receive:

- *Prepare San Diego* preparedness planning booklet
- Guidance and practice on how to make a disaster kit, an emergency plan, and know how to stay informed during and be trained for disasters
- American Red Cross services overview

The San Marcos Community Foundation's primary mission is to enrich the quality of life for the community of San Marcos by connecting philanthropic resources with needs. San Marcos currently has a demonstrated need for increased preparedness training. The San Marcos Community Foundation's investment and partnership will make it possible for the Red Cross to dramatically impact disaster preparedness and community welfare outcomes for vulnerable students and their families. *Prepare San Diego: Youth Outreach* will address preparedness in way that resonates with children and enables them to become prepared, and serve as advocates for preparedness in their own families and communities.

**SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet**

Provide an itemized list of expenses for this project:
(example – 72 bicycle helmets at \$7.80 each including tax = \$561.60)

<u>Staff Time - Preparedness Manager</u>	\$ <u>6,420</u>
<u>Travel Expenses</u>	\$ <u>80</u>
<u>Preparedness Supplies & Materials</u>	\$ <u>1,000</u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>

Total budget for this PROJECT:	\$ <u>7,500</u>
---------------------------------------	------------------------

Grant Request Amount: (Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)	\$ <u>7,500</u>
---	------------------------

Is this a challenge grant? No Could it be? No

Please list any other funding sources for this project.

****Indicate if funds are committed (C), conditional (CD), or pending (P).**

Note: Sources listed are for overall Prepare san Diego support, not San Marcos-specific.

\$250,000 San Diego Gas & Electric **C

\$100,000 Gilbert J. Martin Foundation **C

\$300,000 Akaloa Resource Foundation **Received

American Red Cross
San Diego Region
FY14 Budget by Program

	San Diego Region
Operating revenues and gains	
Contributions:	
Corporate, foundation, and individual giving	4,409,029
United way and other federated	139,866
Legacies and bequests	698,454
Services and materials	-
Product and services	1,106,924
Contracts, including federal government	6,789,928
Investment income	64,704
Other revenues	298,279
Support from other units	1,392,827
Total operating revenues and gains	<u><u>14,900,011</u></u>
Operating expenses:	
Program services:	
Services to the armed forces	1,689,336
Biomedical services	-
Community services	6,426,035
Domestic disaster services	2,027,391
Health and safety services	1,262,161
International relief and development services	48,716
National Disaster Relief and Humanitarian Services	-
Total program services	<u>11,453,638</u>
Supporting services:	
Fundraising	2,321,422
Management and general	1,124,951
Total supporting services	<u>3,446,373</u>
Total operating services	<u><u>14,900,011</u></u>



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
P O Box 1286
Rancho Cordova CA 95741-1286

AMERICAN RED CROSS
BEVERLY HISSRICH
2025 E STREET NW
WASHINGTON DC 20006

Date: July 5, 2007
Case: 12100331553713216
Case Unit: 12100331553713230
In reply refer to: 760:RDM:F120

Regarding: Filing of Returns
Institution's Name: American Red Cross
Taxable Year(s): All Years

Based on the information presented, and assuming that the organizational structure and operations will conform to those described, we have determined that the American National Red Cross is a Federally chartered instrumentality of the United States qualifying as a nontaxable governmental entity.

There is no provision in the California Revenue and Taxation Code that authorizes the Franchise Tax Board to grant tax exemption to an operation supported and controlled by the courts or a political subdivision. In Housing Authority of Los Angeles county v. Dockweiler 14 C 2d, 437 (1939), the court determined that public bodies are not required to pay either income or franchise taxes since such taxes do not apply to those agencies.

Therefore, we are taking no further action to require submission of an exemption application required by section 23701 of the California Revenue and Taxation Code or filing of the Exempt Organization Annual Information Return, Form 199, as required by section 23772 of the Code or the unrelated business income tax return as required by Section 23731 of the Code.

Consequently, we are closing our file for this Federally chartered instrumentality of the United States.

Furthermore, Section 17201 of the California Revenue and Taxation Code confirms by reference to Internal Revenue Code Section 170(c) including the deductibility of contributions made to:

A State, a possession of the United States, or any political subdivision of any of the foregoing, or the United States or the District of Columbia, but only if the contribution or gift is made for exclusively public purposes.

Please contact this office if there are any questions.

July 5, 2007

Error! Reference source not found.

: Error! Reference source not found.

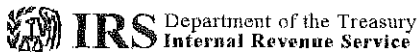
Case Unit : 12100331553713230



Ron D. Maddox

Telephone: (916) 845-6608

Fax: (916) 843-2162



Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0752857589
Jan. 22, 2014 LTR 4205C 0
53-0196605 000000 00
00019595
BODC: TE

AMERICAN NATIONAL RED CROSS
SHARED SERVICES CENTER
600 FOREST POINT CIR STE A
CHARLOTTE NC 28273-5736



025802

Employer Identification Number: 53-0196605
Person to Contact: CUSTOMER SERVICE
Toll Free Telephone Number: 1-877-829-5500

Dear AMERICAN NATIONAL RED CROSS:

This is in response to your Jan. 10, 2014, request for information regarding your tax-exempt status. You have represented that you are a chapter, branch or auxiliary of the American National Red Cross.

Our records indicate that in December 1938, the American National Red Cross was held to be exempt from Federal income tax under section 101(6) of the Internal Revenue Act of 1938, which now corresponds to section 501(c)(3) of the Internal Revenue Code. In a subsequent determination, the American Red Cross was classified as a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(a)(vi) of the Code.

Even though the American National Red Cross was issued an individual ruling, this ruling covers its chapters, branches, and auxiliaries.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Kim D. Bailey
Operations Manager, AM Operations 3



Chairman

Stan Hartman

First Vice President, Alliant Insurance Services, Inc.

Vice-Chairman

David Geier

Vice President, Electric Transmission & System Engineering, San Diego Gas & Electric (SDG&E)

Jeffrey Block

Vice President and General Manager, KGTW

Bobby Brock

Executive Director, Imperial Valley Community Foundation

Mary Ruth Carleton

*Vice President, University Relations & Development
CEO, The Campanile Foundation, San Diego State University*

Joe Craver

Retired CEO, American Red Cross

Rodger Dougherty

Director of Public Relations, Kaiser Permanente

Wade Ebersole

Assistant Director, Veteran's Administration

Andy Fichthorn

Retired Managing Director, Sea World San Diego

Laura J. Hart

Vice President, Business Operations, Qualcomm Incorporated

Rosemary Johnson

Formerly Interfaith Community Services

Darren Levack

Chief Operating Officer, GKN Aerospace

Ronda Sedillo

Chief Financial Officer, San Diego Padres

RDML Patrick Lorge, USN

DoD Liaison, Commander, Navy Region Southwest

Represented by:

Keith Goosby, *Work and Family Life Coordinator Navy Region Southwest*

Steve Stuckey

Market President, US Bank

Joanna Y. Tsai

Attorney at Law, JYT Law

Bill Trumpfheller

President, Nuffer, Smith, Tucker

Brigadier General James Bierman, Jr.

Commanding General, MCRD San Diego

Represented by:

Col. Rick Huenefeld, USMC (Ret)

Community Plans & Liaison Officer, MCRD San Diego

Form **8453-EO****Exempt Organization Declaration and Signature for
Electronic Filing**

OMB No 1545-1879

For calendar year 2012, or tax year beginning 07/01, 2012, and ending 06/30, 20 13**2012**Department of the Treasury
Internal Revenue Service

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

Name of exempt organization

Employer identification number

AMERICAN NATIONAL RED CROSS & ITS CONSTI**53-0196605****Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here	<input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . .	1b <u>3412238741</u>
2a Form 990-EZ check here	<input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here	<input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here	<input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here	<input type="checkbox"/>	b Balance due (Form 8868, Part I, line 3c or Part II, line 8c)	5b _____

Part II Declaration of Officer

6 ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

Sign
Here

Signature of officer

Date

Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature	<u>[Signature]</u>	Date	<u>2/12/14</u>	Check if also paid preparer	<input checked="" type="checkbox"/>	Check if self-employed	<input type="checkbox"/>	ERO's SSN or PTIN	<u>P00451522</u>
	Firm's name (or yours if self-employed), address, and ZIP code	<u>KPMG LLP</u>								
		<u>1676 INTERNATIONAL DRIVE</u>								
		<u>MCLEAN</u>								
		<u>VA 22102</u>								
		<u>Phone no 703-286-8000</u>								
		<u>EIN 13-5565207</u>								

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name				
	Firm's address				
		Firm's EIN			
		Phone no			

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Form **8453-EO** (2012)

JSA

2E1675 1 000

06583L 2502

V 12-7.12

426054

PAGE 1

Form **990****Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

2012Department 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)

Open to Public
Inspection

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

A For the 2012 calendar year, or tax year beginning <u>07/01, 2012</u> , and ending <u>06/30, 2013</u>																									
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization <u>AMERICAN NATIONAL RED CROSS & ITS CONSTITUENT CHAPTERS AND BRANCHES</u></td> <td>D Employer identification number <u>53-0196605</u></td> </tr> <tr> <td colspan="2">Doing Business As</td> <td>E Telephone number <u>(202) 303-4498</u></td> </tr> <tr> <td colspan="2">Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2025 E STREET NW</u></td> <td>G Gross receipts \$ <u>3,735,618,822.</u></td> </tr> <tr> <td colspan="2">City, town or post office, state, and ZIP code <u>WASHINGTON, DC 20006-5009</u></td> <td>H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="2">F Name and address of principal officer: <u>GAIL MCGOVERN</u> <u>430 17TH ST. NW WASHINGTON, DC 20006</u></td> <td>H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2">I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527</td> <td>H(c) Group exemption number ▶</td> </tr> <tr> <td colspan="3">J Website: ▶ <u>WWW.REDCROSS.ORG</u></td> </tr> <tr> <td colspan="2">K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶</td> <td>L Year of formation: <u>1900</u> M State of legal domicile: <u>DC</u></td> </tr> </table>	C Name of organization <u>AMERICAN NATIONAL RED CROSS & ITS CONSTITUENT CHAPTERS AND BRANCHES</u>		D Employer identification number <u>53-0196605</u>	Doing Business As		E Telephone number <u>(202) 303-4498</u>	Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2025 E STREET NW</u>		G Gross receipts \$ <u>3,735,618,822.</u>	City, town or post office, state, and ZIP code <u>WASHINGTON, DC 20006-5009</u>		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	F Name and address of principal officer: <u>GAIL MCGOVERN</u> <u>430 17TH ST. NW WASHINGTON, DC 20006</u>		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶	J Website: ▶ <u>WWW.REDCROSS.ORG</u>			K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: <u>1900</u> M State of legal domicile: <u>DC</u>
C Name of organization <u>AMERICAN NATIONAL RED CROSS & ITS CONSTITUENT CHAPTERS AND BRANCHES</u>		D Employer identification number <u>53-0196605</u>																							
Doing Business As		E Telephone number <u>(202) 303-4498</u>																							
Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2025 E STREET NW</u>		G Gross receipts \$ <u>3,735,618,822.</u>																							
City, town or post office, state, and ZIP code <u>WASHINGTON, DC 20006-5009</u>		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																							
F Name and address of principal officer: <u>GAIL MCGOVERN</u> <u>430 17TH ST. NW WASHINGTON, DC 20006</u>		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No																							
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶																							
J Website: ▶ <u>WWW.REDCROSS.ORG</u>																									
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: <u>1900</u> M State of legal domicile: <u>DC</u>																							

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>THE AMERICAN NATIONAL RED CROSS PREVENTS AND ALLEVIATES HUMAN SUFFERING IN THE FACE OF EMERGENCIES BY MOBILIZING THE POWER OF VOLUNTEERS AND THE GENEROSITY OF DONORS.</u>
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3	Number of voting members of the governing body (Part VI, line 1a) 19.
	4	Number of independent voting members of the governing body (Part VI, line 1b) 18.
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a) 28,973.
	6	Total number of volunteers (estimate if necessary) 400,000.
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 984,755.
7b	Net unrelated business taxable income from Form 990-T, line 34 -1,296,059.	
Revenue	8	Contributions and grants (Part VIII, line 1h) 741,190,737. 1,133,413,010.
	9	Program service revenue (Part VIII, line 2g) 2,290,746,478. 2,162,884,552.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 59,037,356. 53,661,218.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 63,563,472. 62,279,961.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 3,154,538,043. 3,412,238,741.
	Expenses	13
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) 1,723,401,133. 1,772,593,711.
16a		Professional fundraising fees (Part IX, column (A), line 11e) 0. 0.
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>189,430,809.</u>
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 1,393,292,266. 1,360,576,132.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 3,329,153,707. 3,356,880,480.
19		Revenue less expenses. Subtract line 18 from line 12 -174,615,664. 55,358,261.
Net Assets or Fund Balances	20	Total assets (Part X, line 16) 3,777,960,071. 3,898,835,153.
	21	Total liabilities (Part X, line 26) 2,182,737,621. 1,908,777,901.
	22	Net assets or fund balances. Subtract line 21 from line 20. 1,595,222,450. 1,990,057,252.

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		Date <u>2/14/2014</u>			
	Type or print name and title <u>BRUCE J. Rhea CFO</u>				
Paid Preparer Use Only	Print/Type preparer's name <u>SCOTT M. SHERMAN</u>	Preparer's signature 	Date <u>2/12/14</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00451522</u>
	Firm's name ▶ <u>KPMG LLP</u>		Firm's EIN ▶ <u>13-5565207</u>		
	Firm's address ▶ <u>1676 INTERNATIONAL DRIVE MCLEAN, VA 22102</u>		Phone no. <u>703-286-8000</u>		
May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2012)JSA
2E1010 1.000

06583L 2502

V 12-7.12

426054

PAGE 2

SMCF Resolution No 2014-127

**A RESOLUTION OF THE SAN MARCOS COMMUNITY FOUNDATION
BOARD OF DIRECTORS AUTHORIZING THE AWARD OF GRANT
MONIES TO CERTAIN NON-PROFIT ORGANIZATION APPLICANTS**

-- FALL QUARTER 2014 --

WHEREAS, the San Marcos Community Foundation Board of Directors is authorized, pursuant to its adopted articles and bylaws, to entertain proposals for non-profit activities from qualified public and charitable groups; and

WHEREAS, a total of five (5) regular grant proposals were received by the Foundation prior to the October 1, 2014, submittal deadline established for the 2014 fall quarter; and

WHEREAS, the Board of Directors did, at its quarterly meeting of November 18, 2014, consider such proposals and oral arguments pertaining to such proposals in a public hearing duly advertised and held in the manner required by law.

NOW, THEREFORE, BE IT RESOLVED, that the San Marcos Community Foundation Board of Directors does hereby authorize funding of the following regular grant proposals in the amounts specified:

<u>REQUESTING ORGANIZATION</u>	<u>GRANT AWARD</u>
Tri-City Hospital Foundation	\$4,500
Bayshore Preparatory Academy	\$4,500
Meals-On-Wheels Greater San Diego, Inc	\$2,000
San Marcos High School Music Boosters	\$1,000
American Red Cross	\$0
	<u> </u>
	Total: \$12,000

BE IT FURTHER RESOLVED, that actual award of the above grants shall be contingent upon satisfactory compliance with all preconditions to funding specified.

BE IT FURTHER RESOLVED, that the Board's decision is based upon its determination that the above-referenced requests meet applicable legal requirements for funding as a non-profit activity and conform to Foundation policies pertaining to grant awards.

PASSED AND ADOPTED by the San Marcos Community Foundation Board of Directors, at a regular meeting thereof, this 18th day of November, 2014, by the following roll call vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS: NONE

ABSENT: BOARD MEMBERS:

APPROVED:

Colleen Lukoff, President

ATTEST:

Wendy Kaserman, Secretary

Dated:

**MINUTES
SAN MARCOS COMMUNITY FOUNDATION
COUNCIL CHAMBER
1 CIVIC CENTER DRIVE
SAN MARCOS, CA 92069**

AUGUST 19, 2014 MEETING

CALLED TO ORDER: BOARD PRESIDENT LUKOFF called the meeting to order at 6:02 PM.

PLEDGE OF ALLEGIANCE: BOARD PRESIDENT LUKOFF led the Pledge of Allegiance.

ROLL CALL:

PRESENT: BURTON, HALL, LUKOFF, MICAL, NAJERA, WASCO, WILLIAMS

ABSENT: NONE

Also Present: Board Secretary Wendy Kaserman
Recording Secretary, Julia Ramos

1. PRESIDENT'S REPORT

BOARD PRESIDENT LUKOFF reported on her work with the San Diego Grant Makers and their project to assist military families and service members transitioning back to civilian life.

2. INVESTMENT OF SAN MARCOS COMMUNITY FOUNDATION FUNDS

(a) BOARD PRESIDENT LUKOFF thanked the subcommittee for their efforts in researching the original investment records of the San Marcos Community Foundation.

(b) Jeremy Pearl, Chief Financial Officer, and Sharyn Goodson, Vice President of Philanthropy, of the Jewish Community Foundation, gave an update of the Jewish Community Foundation and provided a history of the relationship between the Jewish Community Foundation and the San Marcos Community Foundation. They also gave the BOARD an overview of their investment program and provided an introduction to Slocum, the JCF's Investment Consultant. There was discussion regarding the Jewish Community Foundation's Long Term Pool which is designed for donors or nonprofits with long-term investment objectives and a modest, fixed, annual spending objective

(typically around 5%). After a question and answer session regarding the Long Term vs. the Endowment Pool, a motion was made.

BOARD MEMBER HALL MOTIONED TO STAY IN THE LONG TERM POOL. BOARD MEMBER BURTON SECONDED. THE MOTION PASSED BY VOICE VOTE.

There was additional discussion about the possibility of investing a small portion of the funds in the Endowment Pool while leaving the majority of the funds in the Long Term Pool. There was limited support for this proposal.

AYES: BURTON, HALL, MICAL, NAJERA, WASCO, WILLIAMS
NOES: LUKOFF
ABSTENTION: NONE
ABSENT: NONE

3. SMCF GRANT FUNDING COMMITTEE RECOMMENDATION

A) Regular/Mini Grant Funding History Fiscal Year 2013/2014 and FY 2014-2015

B) SMCF Resolution No. 2014-126 – Regular Grants

BOARD PRESIDENT LUKOFF introduced the regular grant proposals.

BOARD MEMBER MICAL MOTIONED TO APPROVE RESOLUTION NO. 2014-126 – REGULAR GRANTS, BOARD MEMBER WASCO SECONDED. THE MOTION PASSED BY UNANIMOUS VOICE VOTE.

CONSENT CALENDAR

VICE-PRESIDENT WILLIAMS MOTIONED TO APPROVE THE CONSENT CALENDAR, BOARD MEMBER BURTON SECONDED. THE MOTION PASSED BY UNANIMOUS VOICE VOTE.

4. WAIVER OF TEXT – Waived

5. APPROVAL OF MINUTES SMCF Board Meeting May 28, 2014 - Approved

6. REPORT: FUND STATEMENT and ASSETS AVAILABLE FOR DISTRIBUTION – Noted and filed

7. REPORT: FY13/14 SUMMARY OF TRANSACTIONS – Noted and filed

8. ORAL COMMUNICATIONS

ITEMS FOR THE GOOD OF THE ORDER

9. MISCELLANEOUS

A) Selection of next quarter's Grant Funding Committee

PRESIDENT LUKOFF informed the Board that she has a conflict for the September 10 Grant Funding Committee meeting and that BOARD MEMBER NAJERA had agreed to chair the meeting for her. The additional committee members for the September 10 meeting will be BURTON and HALL. BURTON will serve as an alternate for the October and November meetings.

10. ADJOURNMENT

BOARD MEMBER MICAL MOTIONED TO ADJOURN THE MEETING, SECONDED BY BOARD MEMBER WASCO. MOTION PASSED BY UNANIMOUS VOICE VOTE.

Meeting adjourned at 7:40 p.m.

Wendy Kaserman, Board Secretary

Colleen Lukoff, President

ATTEST:

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2013

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 private foundations)

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2013 calendar year, or tax year beginning 07-01 , 2013, and ending 06-30 , 2014																						
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization San Marcos Community Foundation</td> <td>D Employer identification no. 33-0259068</td> </tr> <tr> <td colspan="2">Doing Business As</td> <td></td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> <td>E Telephone number</td> </tr> <tr> <td>1 Civic Center Drive</td> <td></td> <td>(760) 744-1050</td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code</td> <td>50,700</td> </tr> <tr> <td colspan="2">San Marcos, CA 92069</td> <td>G Gross receipts \$</td> </tr> <tr> <td colspan="2">F Name and address of principal officer:</td> <td></td> </tr> </table>	C Name of organization San Marcos Community Foundation		D Employer identification no. 33-0259068	Doing Business As			Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	E Telephone number	1 Civic Center Drive		(760) 744-1050	City or town, state or province, country, and ZIP or foreign postal code		50,700	San Marcos, CA 92069		G Gross receipts \$	F Name and address of principal officer:		
C Name of organization San Marcos Community Foundation		D Employer identification no. 33-0259068																				
Doing Business As																						
Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	E Telephone number																				
1 Civic Center Drive		(760) 744-1050																				
City or town, state or province, country, and ZIP or foreign postal code		50,700																				
San Marcos, CA 92069		G Gross receipts \$																				
F Name and address of principal officer:																						
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527																						
J Website: www.sanmarcoscommunityfoundation.org																						
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other L Year of formation: 1988 M State of legal domicile: CA																						

Part I Summary														
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: To assist San Marcos charities and public service organizations to enhance their service to meet the social needs of the community of San Marcos													
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.													
	3	4	5											
	6	7a	7b											
	8	9	10											
	11	12	13											
	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%; text-align: center;">3</td> <td style="width:5%; text-align: center;">4</td> <td style="width:5%; text-align: center;">5</td> </tr> <tr> <td style="width:5%; text-align: center;">6</td> <td style="width:5%; text-align: center;">7a</td> <td style="width:5%; text-align: center;">7b</td> </tr> <tr> <td style="width:5%; text-align: center;">8</td> <td style="width:5%; text-align: center;">9</td> <td style="width:5%; text-align: center;">10</td> </tr> <tr> <td style="width:5%; text-align: center;">11</td> <td style="width:5%; text-align: center;">12</td> <td style="width:5%; text-align: center;">13</td> </tr> </table>			3	4	5	6	7a	7b	8	9	10	11	12
3	4	5												
6	7a	7b												
8	9	10												
11	12	13												
Revenue	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%; text-align: center;">8</td> <td style="width:5%; text-align: center;">9</td> <td style="width:5%; text-align: center;">10</td> </tr> <tr> <td style="width:5%; text-align: center;">11</td> <td style="width:5%; text-align: center;">12</td> <td style="width:5%; text-align: center;">13</td> </tr> </table>			8	9	10	11	12	13					
	8	9	10											
	11	12	13											
	Expenses	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%; text-align: center;">13</td> <td style="width:5%; text-align: center;">14</td> <td style="width:5%; text-align: center;">15</td> </tr> <tr> <td style="width:5%; text-align: center;">16a</td> <td style="width:5%; text-align: center;">16b</td> <td style="width:5%; text-align: center;">17</td> </tr> <tr> <td style="width:5%; text-align: center;">18</td> <td style="width:5%; text-align: center;">19</td> <td style="width:5%; text-align: center;">20</td> </tr> </table>			13	14	15	16a	16b	17	18	19	20	
		13	14	15										
16a		16b	17											
18		19	20											
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%; text-align: center;">20</td> <td style="width:5%; text-align: center;">21</td> <td style="width:5%; text-align: center;">22</td> </tr> </table>			20	21	22									
20	21	22												
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%; text-align: center;">20</td> <td style="width:5%; text-align: center;">21</td> <td style="width:5%; text-align: center;">22</td> </tr> </table>			20	21	22									
20	21	22												

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	Colleen Lukoff Signature of officer	Date		
	Colleen Lukoff, President Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name Jim Comstock	Preparer's signature 	Date 11-13-2014	
	Firm's name Comstock & Associates	Check <input checked="" type="checkbox"/> if self-employed	PTIN P00044866	
	Firm's address 2755 Jefferson Street Suite 102 Carlsbad CA 92008	Phone no. 760-729-7444		

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2013)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

To assist San Marcos charities and public service organizations to enhance their service to meet the social needs of the community of San Marcos

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ **62,597** including grants of \$ **62,597**) (Revenue \$)

Support organizations specializing in programs for Children and Youth; Seniors; Arts and Culture; Education; Health and Well Being and Military Families.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **62,597**

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	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	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	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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	6	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	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; 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	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	X
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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?	24c	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26	X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
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	33	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
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	36	X
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	37	X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	0	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
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	0	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		
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
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		X
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		X
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. 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	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No"

response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in the Part VI ☒**Section A. Governing Body and Management**

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 7		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 7		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Did the organization have members or stockholders?	6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X	
13 Did the organization have a written whistleblower policy?	13	X	
14 Did the organization have a written document retention and destruction policy?	14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a The organization's CEO, Executive Director, or top management official	15a		X
b Other officers or key employees of the organization	15b		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► CA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

► **Laura Rocha (760)744-1050, 1 Civic Center Drive, San Marcos, CA 92069**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) Colleen Lukoff President	5.00			X				0	0	0
(2) Laura Rocha CFO	5.00			X				0	0	0
(3) Wendy Kaserman Secretary	5.00			X				0	0	0
(4) Lionel Burton Director				X				0	0	0
(5) Donald Hall Director				X				0	0	0
(6) Crystal Najera Director				X				0	0	0
(7) Ben Mical Director				X				0	0	0
(8) Terri Williams Director				X				0	0	0
(9) Michael Wasco Director				X				0	0	0
(10)										
(11)										
(12)										
(13)										
(14)										

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and director/trustee)						(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			
(15) -----	-----									
(16) -----	-----									
(17) -----	-----									
(18) -----	-----									
(19) -----	-----									
(20) -----	-----									
(21) -----	-----									
(22) -----	-----									
(23) -----	-----									
(24) -----	-----									
(25) -----	-----									
1b Sub-total								0	0	0
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								0	0	0

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

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 **3** ☐ Yes ☒ No

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 **4** ☐ Yes ☒ No

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person **5** ☐ Yes ☒ No

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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	5,195			
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f		5,195			
Program Service Revenue			Business Code				
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		45,505	45,505		
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	(i) Real					
		(ii) Personal					
		Gross rents					
		Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	(i) Securities					
		(ii) Other					
		Gross amount from sales of assets other than inventory					
		Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a			
		Less: direct expenses		b			
		Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities. See Part IV, line 19		a			
		Less: direct expenses		b			
Net income or (loss) from gaming activities							
10a	Gross sales of inventory, less returns and allowances		a				
	Less: cost of goods sold		b				
	Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See instructions			50,700	45,505	0	0

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).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(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 United States. See Part IV, line 21	62,597	62,597		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	595		595	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion	108		108	
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Investment Management Fees	6,855		6,855	
b Membership Fees	890		890	
c Taxes & Filing Fees	55		55	
d Domain Renewal 5 years	651		651	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	71,751	62,597	9,154	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	2,431	1	281
	2 Savings and temporary cash investments	1,193,972	2	1,300,541
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)		1,196,403	16	1,300,822
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25		0	26
Net Assets of Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets	1,196,403	29	1,300,822
	Organizations that do not follow SFAS 117 (ASC 958), 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 Total net assets or fund balances	1,196,403	33	1,300,822	
34 Total liabilities and net assets/fund balances	1,196,403	34	1,300,822	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	50,700
2	Total expenses (must equal Part IX, column (A), line 25)	2	71,751
3	Revenue less expenses. Subtract line 2 from line 1	3	(21,051)
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,196,403
5	Net unrealized gains (losses) on investments	5	125,938
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	(468)
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,300,822

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
c	If "Yes" to line 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
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?		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.**
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

San Marcos Community Foundation

Employer identification number

33-0259068

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: (For lines 1 through 11, check only one box.)

- 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).**
- 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).**
- 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-Non-functionally integrated
- 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 of 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 supported organization(s).

(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 monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

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

Schedule A (Form 990 or 990-EZ) 2013

EEA

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	8,549	3,359			5,195	17,103
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge		8,000	11,000	11,000	11,000	41,000
4 Total. Add lines 1 through 3	8,549	11,359	11,000	11,000	16,195	58,103
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)						
6 Public support. Subtract line 5 from line 4						58,103

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	8,549	11,359	11,000	11,000	16,195	58,103
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	28,806	41,076	37,416	73,785	45,505	226,588
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)				165		165
11 Total support. Add lines 7 through 10						284,856
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. 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 2013 (line 6, column (f) divided by line 11, column (f))	14	20.40	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15		%
16a 33 1/3% support test - 2013. 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 type="checkbox"/>			
b 33 1/3% support test - 2012. 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 10%-facts-and-circumstances test - 2013. 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 checked="" type="checkbox"/>			
b 10%-facts-and-circumstances test - 2012. 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 Private foundation. 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 or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or bus. under sec 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. 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** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2013. 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 - 2012. 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 ▶ ☐

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

San Marcos Community Foundation

Employer identification number

33-0259068

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ **Yes** ☐ **No**
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	See Grants Awarded FY 13-14							
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶
- 3 Enter total number of other organizations listed in the line 1 table ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

EEA

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

01. Monitoring procedures (Part I, line 2)

See Grants Awarded FY 13-14 (As of 6/30/2014)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**Open to Public
Inspection**

San Marcos Community Foundation

Employer identification number

33-0259068

01. Form 990 governing body review (Part VI, line 11)

The Governing body reviews the tax return prior to filing

02. Conflict of interest policy compliance (Part VI, line 12c)

Conflicts of Interest are reported to the Governing Body and appropriate review is ensured

03. Governing documents, etc, available to public (Part VI, line 19)

The tax return and other Governing documents are available to the public

04. Explanation of other changes in net assets or fund balances (Part XI, line

Adjust Beginning Fund Balance

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

Department of the Treasury
Internal Revenue ServiceFor calendar year 2013, or fiscal year beginning **07-01-2013**, and ending **06-30-2014**▶ **Do not send to the IRS. Keep for your records.**▶ **Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo.****2013**

Name of exempt organization

San Marcos Community Foundation

Employer identification number

33-0259068

Name and title of officer

Colleen Lukoff, President**Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a, or 5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a Form 990 check here	▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b	50,700
2a Form 990-EZ check here	▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here	▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here	▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here	▶ <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2013 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize **Comstock & Associates** to enter my PIN **59068** as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶

Date ▶ **11-15-2014****Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

338892 12345
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2013 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶

Date ▶ **11-13-2014**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.Form **8879-EO** (2013)

EEA

City of San Marcos Community Foundation
FY 14/15 Summary of Transactions

204-160100

Date	Check #	Payee	Description	Revenues	Expenditures	Balance
7/1/2014				Beginning Balance		1,295,461.88
<u>SM Community Foundation</u>						
7/2/2014	119098	SM Chamber	2014 Membership Renewal		(145.00)	
7/2/2014	119087	North County Philanthropy Council	Membership Renewal		(100.00)	
8/19/2014	119987	Foundation for Seniors Well Being	SMCF Grant Award		(1,200.00)	
8/19/2014	119960	Alzheimer's Association San Diego/Imperial Chapter	SMCF Grant Award		(1,500.00)	
8/25/2014	120125	San Marcos Boys & Girls Club	SMCF Grant Award		(4,153.00)	
8/25/2014	120044	Casa de Amparo	SMCF Grant Award		(3,000.00)	
8/25/2014	120038	The Angel's Depot	SMCF Grant Award		(500.00)	
8/26/2014	120106	Partnerships with Industry	SMCF Grant Award		(2,000.00)	
8/26/2014	120097	North County Health Services	SMCF Grant Award		(4,315.00)	
9/15/2014	120521	Kiwanis Club of San Marcos	SMCF Grant Award		(1,500.00)	
9/16/2014	120542	Positive Action Community Theatre	SMCF Grant Award		(1,500.00)	
		Interest Earnings Qtr Ended 9/30/14	Cash held at City	-		
		Interest Earnings Qtr Ended 9/30/14	SD Jewish Foundation	2,996.99		
		SD Jewish Foundation	Qtr Ended 9/30/14 Management Fee		(1,271.44)	
		Unrealized Gain/(Loss) Qtr ended 9/30/14			(23,623.89)	
				2,996.99	(44,808.33)	
<u>SM Wildlife Fund</u>						
				-	-	
						Balance of Wildlife Fund: 5,407.49
<u>25th Anniversary Event</u> 204-250001						
				-	-	
						Balance of 25th Anniversary Event Fund: 34.55
<u>Now & Forever</u> 204-250550						
8/22/2014	CR #39753	Terri Williams	Now & Forever donation	200.00		
				200.00	-	
						Balance of Now & Forever Fund: 5,525.00
				Ending Balance 9/30/14		<u>1,253,650.54</u>

(1) The management fee is calculated based on the average balance for the quarter. The fee is 0.5% of the average balance up to the first \$1,000,000 plus 0.25% of the average balance above \$1,000,000.

(2) The Jewish Foundation allocates interest received on a monthly basis.

SAN MARCOS COMMUNITY FOUNDATION
TREASURER'S INVESTMENT REPORT
SEPTEMBER 30, 2014

TYPE OF INVESTMENT	INSTITUTION	YIELD	MATURITY DATE	MARKET/FAIR VALUE	% OF PORTFOLIO
Cash and Investments - Pooled with the City	Various	0.70%	(1)	(3,113)	-0.25%
Deposit with Jewish Community Foundation - Endowment	Various	(2)	(1)	3,632	0.29%
Deposit with Jewish Community Foundation - Now & Forever Fund	Various	(2)	(1)	<u>1,258,691</u>	99.96%
Total Cash and Investments:				<u>\$ 1,259,210</u>	100.00%

(1) Liquid and currently available.

(2) See attached reports provided by the Jewish Community Foundation.



Wendy Kaserman
San Marcos Community Foundation
1 Civic Center Drive
San Marcos, CA 92069-2918

FUND STATEMENT

**San Marcos Community Foundation Fund
For the Quarter Ending 9/30/2014**

How To Read This Fund Statement

Enclosed please find the statement for the ***San Marcos Community Foundation Fund*** of the Jewish Community Foundation. To help you navigate through this statement, below please find a few definitions.

Assets and Liabilities

Outlines the financial position of the Fund as of the statement date. This section details total assets (how your fund is invested) as well as outstanding liabilities, if any. New contributions to your fund may be held temporarily in one of the Foundation's operating accounts (displayed as "US Bank Gifts" or "US Bank Grants"). Items in Transit, if any, represent uncollected fees.

Fund Activity Summary

Recounts quarter-to-date and year-to-date activity for the Fund, including contributions, income, grants and expenses.

Definitions In This Section:

Contributions

- **Gifts / Additions:** Contributions to the Fund.
- **Transfers In:** Transfers from another Fund administered by the Foundation.

Investment Activity

- **Interests & Dividends:** Income from the investments of the Fund.
- **Realized Gains (Losses):** The difference between the value of the asset on the date it is gifted to the Foundation and the fair market value on the date an asset is sold.
- **Unrealized Gains (Losses):** Changes in the value of the Fund related to investments.
- **Investment Expenses:** Costs related to the sale of an asset, such as brokerage fees and commissions, and consultant and custodian fees for Funds invested in the pools.

Disbursements

- **Grants:** Distributions to charitable organizations from the Fund.
- **Transfers Out:** Transfers to another Fund administered by the Foundation.
- **Foundation Support:** The Foundation's fee for administering the Fund which supports operations and programs for the community.

Please know how very honored the Foundation is to assist you. If you have any questions regarding your statement, please call us at (858) 279-2740. Thank you for your support.



4950 Murphy Canyon Road
San Diego, CA 92123
(858) 279-2740 tel
(858) 279-6105 fax
www.jcfsandiego.org

San Marcos Community Foundation Fund
Fund ID: Sanm
For the Quarter Ending 9/30/2014

ASSETS AND LIABILITIES

Market Value as of 09/30/2014

Long Term Pool	\$ 1,258,691.05
----------------	-----------------

Total Assets	\$ 1,258,691.05
---------------------	------------------------

Liabilities and Fund Balance

Fund Balance	\$ 1,258,691.05
--------------	-----------------

Total Liabilities and Fund Balance	\$ 1,258,691.05
---	------------------------

FUND ACTIVITY SUMMARY

	Current Period 07/01/2014 - 09/30/2014	Year-To-Date 07/01/2014 - 09/30/2014
BEGINNING FUND BALANCE	\$ 1,300,541.17	\$ 1,300,541.17
Contributions		
Additions	\$ 0.00	\$ 0.00
Total Contributions	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Investment Activity		
Interest & Dividends	\$ 2,685.87	\$ 2,685.87
Realized Gains (Losses)	302.37	302.37
Unrealized Gains (Losses)	(23,569.06)	(23,569.06)
Investment Expenses	(315.04)	(315.04)
Total Investment Activity	<u>\$ (20,895.86)</u>	<u>\$ (20,895.86)</u>
Disbursements		
Custodial Withdrawals	(20,000.00)	(20,000.00)
Foundation Support	(954.26)	(954.26)
Total Disbursements	<u>\$ (20,954.26)</u>	<u>\$ (20,954.26)</u>
Net Change	(41,850.12)	(41,850.12)
ENDING FUND BALANCE	<u><u>\$ 1,258,691.05</u></u>	<u><u>\$ 1,258,691.05</u></u>



4950 Murphy Canyon Road
San Diego, CA 92123
(858) 279-2740 tel
(858) 279-6105 fax
www.jcfsandiego.org

San Marcos Community Foundation Fund
Fund ID: Sanm
For the Quarter Ending 9/30/2014

FUND ACTIVITY DETAIL

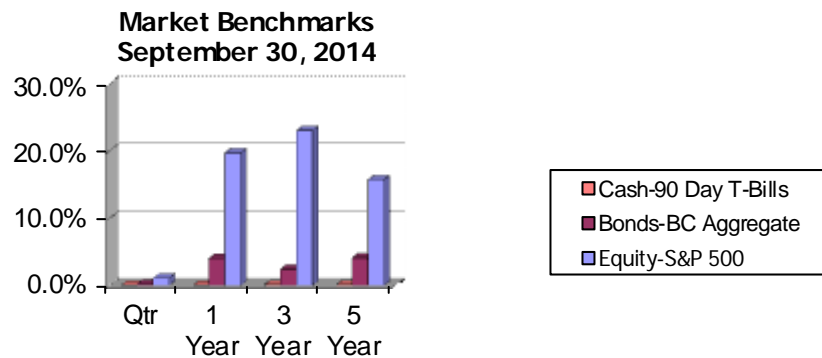
Custodial Withdrawals

08/15/2014	San Marcos Community Foundation	\$	20,000.00
	Total Custodial Withdrawals	\$	<u>20,000.00</u>

San Marcos Community Foundation Fund Investment Summary

This Fund's Performance *

3 Mos.	YTD	12 Mos.	3 Yrs.	5 Yrs.
-1.64	-1.64	7.28	11.16	7.58



* Expressed in percentage terms, the calculation of total return is determined each month by taking net income received plus change in value and dividing by the starting investment balance. Values for periods longer than one year represent average annual returns.

There may be a slight difference between the rate of return shown for your fund and that reported for the pools, due to timing and variations in the method of calculation.

The total returns reflect all investment management costs deducted from fund assets. Other investment costs are defined on Page 1.



Wendy Kaserman
San Marcos Community Foundation
1 Civic Center Drive
San Marcos, CA 92069-2918

FUND STATEMENT

**S.M. Community Found - Now & Forever Fund
For the Quarter Ending 9/30/2014**



4950 Murphy Canyon Road
San Diego, CA 92123
(858) 279-2740 tel
(858) 279-6105 fax
www.jcfsandiego.org

S.M. Community Found - Now & Forever Fund
Fund ID: Sanma
For the Quarter Ending 9/30/2014

How To Read This Fund Statement

Enclosed please find the statement for the ***S.M. Community Found - Now & Forever Fund*** of the Jewish Community Foundation. To help you navigate through this statement, below please find a few definitions.

Assets and Liabilities

Outlines the financial position of the Fund as of the statement date. This section details total assets (how your fund is invested) as well as outstanding liabilities, if any. New contributions to your fund may be held temporarily in one of the Foundation's operating accounts (displayed as "US Bank Gifts" or "US Bank Grants"). Items in Transit, if any, represent uncollected fees.

Fund Activity Summary

Recounts quarter-to-date and year-to-date activity for the Fund, including contributions, income, grants and expenses.

Definitions In This Section:

Contributions

- **Gifts / Additions:** Contributions to the Fund.
- **Transfers In:** Transfers from another Fund administered by the Foundation.

Investment Activity

- **Interests & Dividends:** Income from the investments of the Fund.
- **Realized Gains (Losses):** The difference between the value of the asset on the date it is gifted to the Foundation and the fair market value on the date an asset is sold.
- **Unrealized Gains (Losses):** Changes in the value of the Fund related to investments.
- **Investment Expenses:** Costs related to the sale of an asset, such as brokerage fees and commissions, and consultant and custodian fees for Funds invested in the pools.

Disbursements

- **Grants:** Distributions to charitable organizations from the Fund.
- **Transfers Out:** Transfers to another Fund administered by the Foundation.
- **Foundation Support:** The Foundation's fee for administering the Fund which supports operations and programs for the community.

Please know how very honored the Foundation is to assist you. If you have any questions regarding your statement, please call us at (858) 279-2740. Thank you for your support.



4950 Murphy Canyon Road
San Diego, CA 92123
(858) 279-2740 tel
(858) 279-6105 fax
www.jcfsandiego.org

S.M. Community Found - Now & Forever Fund
Fund ID: Sanma
For the Quarter Ending 9/30/2014

ASSETS AND LIABILITIES

Market Value as of 09/30/2014

Long Term Pool	\$	3,631.78
Total Assets	\$	3,631.78

Liabilities and Fund Balance

Fund Balance	\$	3,631.78
Total Liabilities and Fund Balance	\$	3,631.78

FUND ACTIVITY SUMMARY

	Current Period 07/01/2014 - 09/30/2014	Year-To-Date 07/01/2014 - 09/30/2014
BEGINNING FUND BALANCE	\$ 0.00	\$ 0.00
Contributions		
Additions	\$ 3,680.00	\$ 3,680.00
Total Contributions	<u>\$ 3,680.00</u>	<u>\$ 3,680.00</u>
Investment Activity		
Interest & Dividends	\$ 7.85	\$ 7.85
Realized Gains (Losses)	0.90	0.90
Unrealized Gains (Losses)	(54.83)	(54.83)
Investment Expenses	(0.79)	(0.79)
Total Investment Activity	<u>\$ (46.87)</u>	<u>\$ (46.87)</u>
Disbursements		
Foundation Support	(1.35)	(1.35)
Total Disbursements	<u>\$ (1.35)</u>	<u>\$ (1.35)</u>
Net Change	3,631.78	3,631.78
ENDING FUND BALANCE	<u><u>\$ 3,631.78</u></u>	<u><u>\$ 3,631.78</u></u>



4950 Murphy Canyon Road
San Diego, CA 92123
(858) 279-2740 tel
(858) 279-6105 fax
www.jcfsandiego.org

S.M. Community Found - Now & Forever Fund
Fund ID: Sanma
For the Quarter Ending 9/30/2014

FUND ACTIVITY DETAIL

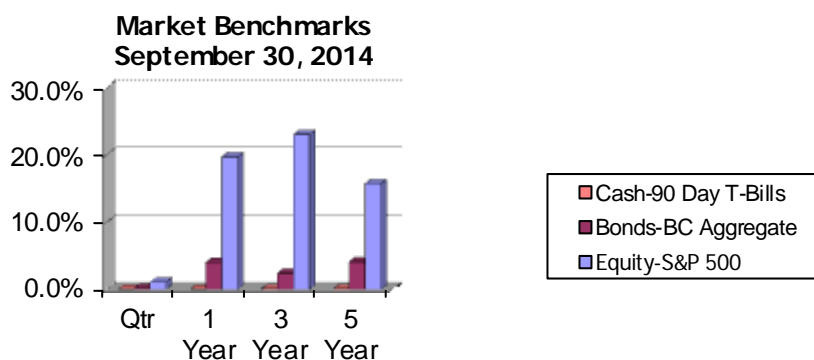
Additions

07/01/2014	Wendy Kaserman	\$	3,680.00
	Total Additions	\$	<u>3,680.00</u>

S.M. Community Found - Now & Forever Fund Investment Summary

This Fund's Performance *

3 Mos.	YTD	12 Mos.	3 Yrs.	5 Yrs.
N/A	N/A	N/A	N/A	N/A



* Expressed in percentage terms, the calculation of total return is determined each month by taking net income received plus change in value and dividing by the starting investment balance. Values for periods longer than one year represent average annual returns.

There may be a slight difference between the rate of return shown for your fund and that reported for the pools, due to timing and variations in the method of calculation.

The total returns reflect all investment management costs deducted from fund assets. Other investment costs are defined on Page 1.

2015 Schedule

Grant Application Deadline for Mini Grants
Winter Quarter
*Wednesday, January 7, 2015
Wednesday, February 04, 2015
Spring Quarter
3/5/2015
Wednesday, April 01, 2015
Wednesday, May 06, 2015
Summer Quarter
Wednesday, June 03, 2015
Wednesday, July 01, 2015
Wednesday, August 05, 2015
Fall Quarter
Wednesday, September 02, 2015
Wednesday, October 07, 2015
Wednesday, November 04, 2015

Grant Application Deadline for Regular Grants
Winter Quarter
*Wednesday, January 7, 2015
Spring Quarter
Wednesday, April 01, 2015
Wednesday, April 15, 2015
Arts & Cultural Grants
Summer Quarter
Wednesday, July 01, 2015
Fall Quarter
Wednesday, October 07, 2015

* City offices will be closed from December 25, 2014 through January 2, 2015

Grant Application Period for San Marcos Arts & Cultural Grant Program

Application Period is from February 2, 2015 through April 15, 2015, at 5:30 PM.

Grant Application Deadline for Wildlife Fund
Follows the same deadlines as the mini grant and regular grant calendar.

Grant Funding Committee Meetings
Winter Quarter
Wednesday, January 14, 2015
Wednesday, February 11, 2015
Spring Quarter
Wednesday, March 11, 2015
Wednesday, April 8, 2015
Wednesday, May 13, 2015
Including Arts & Cultural Grants
Summer Quarter
Wednesday, June 10, 2015
Wednesday, July 08, 2015
Wednesday, August 12, 2015
Fall Quarter
Wednesday, September 09, 2015
Wednesday, October 14, 2015
Wednesday, November 11, 2015

Quarterly Board Meetings
Winter Quarter
Tuesday, February 17, 2015
Spring Quarter
Tuesday, May 19, 2015
Including Arts & Cultural Grants
Summer Quarter
Tuesday, August 18, 2015
Fall Quarter
Tuesday, November 17, 2015

GENERAL INFORMATION

All Grant Applications must be received by *5:30 PM on the deadline date. "Mini Grants" are requests for \$1,500 or less: "Regular Grants" are requests for more than \$1,500 - up to a maximum of \$10,000. All "Mini Grants" received by the first Wednesday of the month will be reviewed by the Grant Funding Committee on the second Wednesday of the month. The Grant Funding Committee has Board authority to award "Mini Grants." "Regular Grants" are reviewed by the Grant Funding Committee on a quarterly basis. The Foundation's Board of Directors will determine the awards for the "Regular Grants" by a majority vote at its regular public meeting held on the dates noted above. All Grant Funding Committee and Board meetings are open to the public and begin at 6:00 PM. The Grant Funding Committee meets in the San Marcos Room (second floor), and the Board Meetings are held in the Council Chambers, both located at the address given below.

Please direct all inquiries and grant proposals to:

SAN MARCOS COMMUNITY FOUNDATION

1 Civic Center Drive
San Marcos, CA 92069
760-744-1050 Ext 3125

wkaserman@san-marcos.net