
SAN MARCOS COMMUNITY FOUNDATION – GRANT FUNDING SUBCOMMITTEE MEETING AGENDA

Wednesday, February 13, 2019 – 6:00 PM
San Marcos Conference Room

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

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the Board Secretary at (760) 744-1050, ext. 3137. 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. 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.

Meeting Schedule: Regular San Marcos Community Foundation Grant Funding Subcommittee meetings are generally held on the second Wednesday of each month. The subcommittee does not meet in December. The Agenda's are posted on the City website at: www.san-marcos.net.

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. Any agenda-related writings or documents provided to a majority of the San Marcos Community Foundation Grant Funding Subcommittee after distribution of the agenda packet are available for public inspection at the same time at the Administration Department.

CALL TO ORDER

ROLL CALL

OLD BUSINESS

1. GRANT AWARD HISTORY

Recommendation: **NOTE & FILE**

NEW BUSINESS

2. MINI GRANT APPLICATION PROPOSALS – Consider five (5) Mini Grant proposals by a non-profit organization requesting funds from the Foundation.

(A) MEALS ON WHEELS - Request for funding in the amount of \$1,500 to assist in meal packaging costs for 707 meals for in home delivery for food insecure seniors. Will serve 140 San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

(B) COASTAL ROOTS FARM - Request for funding in the amount of \$1,500 to print 300 additional Spanish Farm Recipe Books. Will serve 150-400 San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

(C) SAN DIEGO WILDLIFE CENTER OF THE RANCHO COASTAL HUMANE SOCIETY – Request for funding in the amount of \$1,270 to cover the cost of community outreach in the form of a Baby Shower. The purpose of the shower is to bring awareness and raise funds to help care for injured, sick or orphaned wildlife. The center has saved 64 animals from San Marcos.

(D) NEW WEST BALLET - Request for funding in the amount of \$1,500 to offset the cost of professional choreographers, costumes, props/sets and travel. Will serve 10,000 San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

(E) CANINE COMPANIONS FOR INDEPENDENCE - Request for funding in the amount of \$1,000 to purchase television for professional development for trainers and skill building for puppy raisers. Will serve a handful of San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

3. REGULAR GRANT APPLICATION PROPOSALS – Consider seven (7) Regular Grant proposals by non-profit organizations requesting funds from the Foundation.

(A) CSU LATINO ASSOCIATION OF FACULTY & STAFF - Request for funding in the amount of \$10,000 to support The Lowrider Experience, a grassroots event to celebrate National Hispanic Heritage Month. Will serve 550 residents.

Recommendation: **CONSIDER/APPROVE**

(B) ZOOLOGICAL SOCIETY OF SAN DIEGO: Request for funding in the amount of \$10,000 to provide funds for 480 San Marcos middle school students to learn how STEM fields of study can be applied to conservation issues.

Recommendation: **CONSIDER/APPROVE**

(C) JUST IN TIME FOR FOSTER YOUTH: Request for funding in amount of \$5,000 to provide funds for 24 transition age foster youth for college/room and board expenses.

Recommendation: **CONSIDER/APPROVE**

(D) WOODLAND PARK MIDDLE SCHOOL MUSIC BOOSTER CLUB-SAN MARCOS - Request for funding in the amount of \$8,327 to provide funds for music coaching and the purchase of three additional instruments. Will serve 112 San Marcos students.

Recommendation: **CONSIDER/APPROVE**

(E) CASA DE AMPARO: Request for funding in the amount of \$5,000 to provide residential services for foster age youth. Will serve 100 San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

(F) SAN DIEGO CHILDREN'S MUSEUM: Request for funding in the amount of \$10,000 to provide funds for mobile educational workshops. Will serve 1,500 middle school students.

Recommendation: **CONSIDER/APPROVE**

(G) THE KID'S COLLEGE: Request for funding in the amount of \$7,000 to provide funds for one additional string instructor. Will serve 200 San Marcos residents.

Recommendation: **CONSIDER/APPROVE**

CONSENT CALENDAR

WAIVER OF TEXT – This item is to waive the reading of the text of all Resolutions and Policies adopted at this meeting. Resolutions and Policies shall be adopted by title.

Recommendation: **WAIVE**

APPROVAL OF MINUTES – SMCF Grant Funding Subcommittee Meeting, November 7, 2018.

Recommendation: **CONSIDER/APPROVE**

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 recommendation.

ITEMS FOR THE GOOD OF THE ORDER

NEXT MEETING DATE – The next meeting of the Grant Funding Committee is scheduled for Wednesday, April 10, 2019. The next meeting of the SMCF Board of Directors is scheduled for Tuesday, February 19, 2019.

MISCELLANEOUS

ADJOURNMENT

AFFIDAVIT OF POSTING

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

I, Julie Magee, hereby certify that I caused the posting of this Agenda in the glass display case at the north entrance of City Hall and on the City website on Thursday, February 7, 2019 prior to 5:30 pm.



Julie Magee, Recording Secretary – SMCF

SAN MARCOS COMMUNITY FOUNDATION
February 13, 2019 - YTD Grant Award History FY2018-2019

Name	Type	Amount	Date	Name of Project	Summary of Project
San Marcos High School Athletic Boosters	Mini	\$500.00	7/11/2018	Engineering and robotics training	To help cover the cost of STEM supplies for students to build a robot that will be presented at a number of school events. Serves 30+ San Marcos students.
Marine Corps Recruit Depot Museum Foundation	Mini	\$1,000.00	7/11/2018	Dialogues on the Experience of War	To provide funding for veterans to discuss their experiences in combat in order to inform history and address PTSD. Serves 4 San Marcos residents each cycle.
SPARC, Inc.	Mini	\$1,000.00	7/11/2018	SPARC Senior Art Program	To provide funding to collaborate with Charity Wings to bring a monthly art class to the senior communities. Will serve 100 residents.
Community Resource Center	Regular	\$3,000.00	8/21/2018	Food and Nutrition Distribution and Integrated Services	To provide trauma informed case management and resources for targeted needy populations. Serves over 300 San Marcos residents.
Palomar College Foundation	Regular	\$3,000.00	8/21/2018	Comets Affordable Learning Materials Program	To help convert courses to zero textbook cost or low textbook cost offerings. Serves 5,000 San Marcos residents.
The Elizabeth Hospice	Regular	\$4,500.00	8/21/2018	Bereavement Services	To provide bereavement services and training. Serves 252 San Marcos residents.
Interfaith Community Services	Regular	\$3,000.00	8/21/2018	North County Senior Connections	To provide funding for its North County Senior Connections program. Serves 150 unduplicated San Marcos residents.
Operation Hope	Mini Grant	\$300.00	10/10/2018	Homelessness Services	To provide funding to purchase consumable paper goods and 60 bus passes.
Brother Benno - North County San Diego	Mini Grant	\$1,500.00	11/7/2018	Homelessness Services	To provide funding to purchase diapers for homeless families. Serves ~45 San Marcos residents.
Woodland Park Middle School Booster Park	Mini Grant	\$1,500.00	11/7/2018	Musical Education	To provide funding for instructional music books and repairs to school-issued instruments.
North County Health Services	Regular Grant	\$5,000.00	11/7/2018	Diabetic Retinopathy Camera	To purchase camera for the provision of diabetic retinopathy screening to prevent blindness. Serves 2,334 low-income San Marcos residents.

Jacobs & Cushman San Diego Food Bank	Regular Grant	\$3,000.00	11/7/2018	Emergency Food Relief	To provide emergency food relief. Serves 4,502 San Marcos residents.
San Marcos Prevention Coalition Youth Group	Regular Grant	\$3,000.00	11/7/2018	SM Prevention Coalition Youth Group	To provide 50 t-shirts, 2 tablecloths, 2 poster boards, 2 computers, and 10 printer toners for youth outreach activities.
Total Grants Awarded FY18-19		\$30,300.00			

Wildlife Grant Award History FY2018-2019

Name	Type	Amount	Date	Name of Project	Summary of Project
Escondido Creek Conservancy	Wildlife	\$1,500.00	8/21/2018	Human-Coyote Coexistence	To create an interactive exhibit promoting the human-coyote coexistence. Serves approximately 1,000 San Marcos residents
Total Grants Awarded FY18-19		\$1,500.00			

Winter Quarter 2018-2019: Funding Recommendation Worksheet

Asset Balance on 6/30/2018:	\$1,255,190
Total Available for Distribution for FY18-19:	\$50,207-\$62,759
Total FY18-19 Distributions Year to Date:	\$30,300.00
Total Funds Available for Quarter if Awarding Grants at 4% of Assets:*	\$9,954
Total Funds Available for Quarter if Awarding Grants at 5% of Assets:*	\$16,230

Name	Requested Amount	Type	Name of Project	Summary of Project	GFC Funding Recommendation
Meals on Wheels	\$1,500.00	Mini	Packaging and meal delivery for seniors.	To assist in meal and packaging costs to produce 707 meals for in-home delivery for food insecure seniors. Will serve 140 residents.	
Coastal Roots Farm	\$1,500.00	Mini	Spanish Farm Recipe Books	To print 300 additional Spanish Farm Recipe Books to meet demand. Recipe books are bilingual, vegetable identification and recipe sheets. Will serve 150-400 residents.	
San Diego Wildlife Center of the Rancho Coastal Humane Society	\$1,240.00	Mini	Outreach/Baby Shower	To cover the cost of community outreach in the form of a Baby Shower. The purpose of the shower is to bring awareness and raise funds to help care for injured, sick or orphaned wildlife. The center has saved 64 animals in eight months of operation.	
New West Ballet	\$1,500.00	Mini	The Princess and the Pea	To help offset the costs of professional choreographers, costumes, props/set and travel (gas and mileage). Will serve \$10,000 residents.	
Canine Companions for Independence	\$1,000.00	Mini	TV for Training Room	To provide funds to purchase a television for our dog training room. Will serve a handful of San Marcos residents.	
CSU Latino Association of Faculty & Staff	\$10,000.00	Regular	The Lowrider Experience	To provide funds to support <i>The Lowrider Experience</i> , a grassroots event to celebrate National Hispanic Heritage Month. Will serve 550 residents.	
Zoological Society of San Diego	\$10,000.00	Regular	STEM Careers in Conservation	To provide funds for 480 San Marcos middle school students to learn how STEM fields of study can be applied to conservation issues.	
Just in Time for Foster Youth	\$5,000.00	Regular	College Bound	To provide 24 San Marcos transition age foster youth (18-26) enrolled in college with resources they need to achieve their higher education goals.	

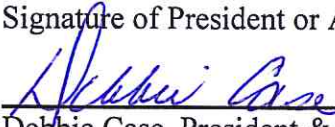
Woodland Park Middle School Music Boosters Club	\$8,327.00	Regular	WPMS Music Instruction and Instrument Purchase Support	To provide funds for music coaching and the purchase of three additional instruments. Will serve 112 San Marcos residents.	
Casa de Amparo	\$5,000.00	Regular	Residential Services	To provide funds for residential services. Residential Services provide 24-hour trauma-informed care for foster youth removed from their homes. Will serve 100 San Marcos residents.	
San Diego Children's Discovery Museum	\$10,000.00	Regular	Mobile Children's Museum Educational Workshops	To provide funds for mobile educational workshops for San Marcos and Richland Elementary school students. Will serve 1,500 students.	
The Kid's College	\$7,000.00	Regular	SMUSD/Kid's College Fortissimo Orchestral Music Program	To provide funds for one additional string instructor. Will serve 200 San Marcos residents.	
Total Grants Requested:	\$62,067.00			Total Amount Recommended:	\$0.00

Meeting Date: February 13, 2019



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

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

Project Name: Safety & Nutrition for At-Risk Seniors in San Marcos Date Submitted: 12.20.2018	Total # of people served: 140 Total # of San Marcos residents served: 140	Amount Requested: \$1,500
Non-Profit Organization Name and Address, Website Meals On Wheels Greater San Diego Inc., dba: Meals On Wheels San Diego County 2254 San Diego Avenue, Ste. 200 San Diego, CA 92110		Contact Person – Name, Title & Phone, email Ms. Debbie Case, President & CEO 619-260-6110; dcase@meals-on-wheels.org Mr. Matt Topper, CFO 619-260-6110; matt.topper@meals-on-wheels.org
<u>Briefly describe your request for funds (to be expanded upon in narrative for regular grant):</u> Meals On Wheels San Diego County (MOWSDC) delivers up to two meals a day to seniors who are homebound due to age, illness or disability. In-home delivery of meals will be accompanied by a safety check with referrals to other social service providers when concerns are noted. Social visits also provide seniors with a caring relationship that can diminish the negative impacts of isolation and loneliness. All seniors, regardless of ability to pay, will be offered a minimum of 60% subsidy on service costs, with those in extra financial need offered additional subsidies. Funds will be used to assist in meal and packaging costs for 707 meals and in-home meal delivery to food insecure at-risk seniors in the community of San Marcos.		
<u>Briefly describe the significance of your request to the San Marcos community:</u> With funding from the San Marcos Community Foundation last year, between October 1, 2017 and September 30, 2018 MOWSDC provided 18,068 nutritious, personally delivered meals to 137 (unduplicated) seniors in the City of San Marcos. MOWSDC volunteers and staff also provide safety and wellness checks for these seniors, ensuring prompt alerts are sent to family and social service agencies when signs of illness or safety-concerns are observed. MOWSDC volunteers personally ensure vital referrals are made while also providing daily social visits to ease the isolation often experienced by seniors living alone. The impact of daily meal delivery is significant, especially for seniors at-risk. Fifty-two percent of the San Marcos seniors receiving MOWSDC services live alone. Fifty-six percent of seniors served were over 81 years old. The second highest age group was between the ages of 71 and 80 years of age at 27%. Of all the seniors served, 24% were veterans and 34% were spouses of veterans. Sixty-seven percent of seniors served reported extremely low-income with monthly resources at less than 30% of the Area Median Income (AMI). An additional 23% fell under very low-income levels (between 30-50% of AMI). Of all seniors served, 63% were women and 37% were men. MOWSDC anticipates similar impact from this request.		
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: Signature of President or Authorized Officer:  Debbie Case, President & CEO 12.20.2018 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): jimagee@san-marcos.net

AGENDA ITEM

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>Food and Packaging costs @ \$2.12 per meal x 707 meals (rounded)</u>	\$ <u>1,500.00</u>
<u>Food Preparation labor @ .61 per meal x 707 (rounded)</u>	\$ <u>431.00</u>
<u>Meal Center Fixed Overhead @ 1.10 per meal x 707 (rounded)</u>	\$ <u>778.00</u>
<u>Distribution (Vans) @ .70 per meal x 707 (rounded)</u>	\$ <u>495.00</u>
<u>Volunteer Intake and Support @ 4.08 per meal x 707 (rounded)</u>	\$ <u>2,885.00</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: **\$ 6,089.00**

Grant Request Amount: **\$ 1,500.00**
(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).**

MOWSDC receives no government funding for the City of San Marcos nor has any restricted funding to serve the City of San Marcos – with the exception of funds received from the San Marcos Community Foundation. All conditional or pending funding at MOWSDC is assigned to be distributed across San Diego County, and those funds are that which we will use in conjunction with SMCF funding to complete this project.

MEALS ON WHEELS SAN DIEGO COUNTY

FISCAL YEAR 2019 BUDGET

Final Approved

A/C #	Line Item	2019 TOTALS
4300	Program service fees	\$ 1,770,533
4000	Contributions	1,291,143
4003	Gifts in Kind*	255,452
4050	Bequests	-
4100	Private Grants	556,768
4200	Government Grants	102,600
4900	Community Outreach	233,000
4910	Investment Income*	339,500
4750	Cause Marketing	18,000
4800	Special Events	574,925
4940	Other Income	39,100
	TOTAL REVENUE	\$ 5,181,021
5000	Salary & wage expense	\$ 2,098,830
5100	Employee benefits	229,914
5200	Pension expense	-
5300	Payroll taxes	181,291
5400	Workers compensation	76,385
5600	Fee for services (non-employee)	162,800
5500	Staff & Board development	5,500
	TOTAL HUMAN RESOURCES	2,754,721
7000	Food & Packaging	\$ 1,053,079
	TOTAL FOOD	\$ 1,053,079
6000	Supplies	34,767
6050	Contracts & leases	191,965
6100	Telecommunications	36,463
6200	Postage & shipping	68,950
6300	Occupancy	277,133
6400	Printing & copying	72,454
6500	Travel	71,693
6605	Donor development	1,500
6650	Volunteer program	9,049
6700	Advertising & marketing	11,320
6800	Equipment < \$1000	2,000
6900	Repair & maintenance	87,480
6920	Special Events	124,871
6925	Gifts in Kind Expense	255,452
6930	General Insurance	59,710
6950	Bank Charges	42,465
6980	Bad Debt Acct.	21,850
7200	Projects Materials & Supplies	-
	TOTAL OPERATING	\$ 1,369,119
	TOTAL EXPENSE	\$ 5,176,919
	NET REV + /< - > EXP	\$ 4,102

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: December 29, 2008

Person to Contact:

David Slaughter
ID# 0203346

MEALS-ON-WHEELS GREATER SAN DIEGO INC
2254 SAN DIEGO AVE STE 200
SAN DIEGO CA 92110-2944

Toll Free Telephone Number:

877-829-5500

Employer Identification Number:

95-2660509

Dear Sir or Madam:

This is in response to your request of December 17, 2008, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in January 1972 that recognized you as exempt from Federal income tax, and reflect that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your 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,



Cindy Westcott
Manager, Exempt Organizations
Determinations

Board of Trustees 2018-2019
Meals on Wheels San Diego County

Name	Committee	Email	Home Address	Years of Service	Current Term	Term Expiration	Company	Title
Barnes, Rosemary	Vice Chair & Board Development Chair	rosemarycbarnes@aol.com	440 San Antonio Avenue, #2 San Diego, CA 92106	3	Second	May 2021	Retired	Retired, RN
Belmer, Ryan	Audit Committee Member	ryan.belmer@ubs.com	358 N. Sierra Ave. Solana Beach CA. 92075	14	First	May 2021	UBS Financial	First VP Investments Portfolio Manager
Bojorquez, Leslie	Finance Chair	leslie.b@homeinstead.com auntpez@yahoo.com	6357 Lake Lomond Dr. San Diego, CA 92119	2	First	May 2019	Home Instead	Owner, La Mesa
Gramling, Gary	Board Development Committee Member	ggramling@aol.com	1150 J St., #506 San Diego, CA 92101	41	First	May 2019	In-Depth Real Estate Services CO.	President
Katsell, Noah	Audit Member	noah.katsell@dlapiper.com	5268 Pearlman Way San Diego, CA 92130	9	First	May 2020	DLA Piper	Partner
McMahon, Kevin	Audit Chair	kevin@mcmahonsteel.com	912 Rawhide Court Bonita, CA 91902	9	First	May 2019	McMahon Steel	Vice President/CO
Middleton, Antoinette	Secretary & Services Committee Member	am@lawofficesofam.com	8215 Station Village Lane #3102 San Diego, CA 92108	1	First	May 2020	Law Offices of	Attorney
North, Tom	Marketing & RDC Chair	tom@northprops.com	2143 Bacon St San Diego, CA 92107	4	Second	May 2020	North Properties	Owner/Realtor
Pavao, Peter	Finance Member	PPavao@semprautilities.com	1750 Plum St., San Diego, CA 92106	4	Second	May 2020	SDG & E	Technical Analysis Manager
Porter, Nanci	Board Development Member	nanciporter@gmail.com	1711 Calle de Cinco La Jolla, CA 92037	8	First	May 2021	TalentPort Consulting	Founder; Chief Talent Officer
Ramirez, Diana	Marketing & RDC Member	dianaramirez@gmail.com	3609 Wawona Dr. San Diego, CA 92106	5	Second	May 2019	Healthways	VP Strategic Marketing
Robertson, Kevin	Services Committee Chair	kevin.robertson@anthem.com	5248 Camino Playa Malaga San Diego, CA 92124	1	First	May 2020	Anthem, Inc	Lead EAP Consultant
Rodriguez, Tom	Immediate Past Chair	trrodriguez@tmw.com	710 Gretchen Rd Chula Vista, CA 91910	5	Second	May 2019	The Men's Wearhouse	General Manager

Board of Trustees 2018-2019
Meals on Wheels San Diego County

Schwarz, Andrew	Marketing & RDC	aschwarz@torreypin esbank.com turkscaicos29@yahoo.com	408 W. Thorn St San Diego, CA 92103	0	First	May 2021	Torrey Pines Bank	Vice President, Sr. Commercial Lender
Stauderman, Ken	Services	stauder1@cox.net ken@calcimedica.com	3615 Lotus Drive San Diego, CA 92106	0	First	May 2021	CalciMedica, Inc.	Co-Founder & Chief Scientific Officer
Strand, Peggy	Board Chair	strandpeggy@yahoo.com	3529 Browning St. San Diego, CA 92106	2	First	May 2019	Retired	Lawyer, Retired
Thomas, Peter	Finance Committee Member	prthomas1@yahoo.com	11098 Via Temprano San Diego, CA 92124	4	Second	May 2020	Retired	Physician
Woods, Hon. Margie G.	Audit Committee Member	margie.woods@sdcourt.ca	3582 Garrison St. San Diego, CA 92106	23	First	May 2019	San Diego Su	Judge

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Bilingual Farm Education Materials Date Submitted: 1-2-19	Total # of people served: 4,800 Total # of San Marcos residents served: 150-400	Amount Requested: \$1,500
Non-Profit Organization Name and Address, Website Coastal Roots Farm 441 Saxony Road, Encinitas, CA 92024 https://coastalrootsfarm.org	Contact Person – Name, Title & Phone, email Kesha Dorsey Spoor, Philanthropy and Communications Manager 760-452-8149 kesha@coastalrootsfarm.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Coastal Roots Farm (Farm) distributed bilingual vegetable identification and recipe sheets that was called the “Spanish Farm Recipe Book” at Vista Community Clinic (VCC) and Camp Pendleton with support from San Marcos Foundation. Produce donation recipients from VCC is expected to increase FY19 to 4,800 individuals from 3,588 individuals at the end of FY18. The Farm respectfully requests funding to print 300 additional “Spanish Farm Recipe Books” to meet the additional demand. By providing free, fresh produce in combination with educational materials, produce recipients not only receive the food they need to nourish their bodies but also discover new types of produce, learn how to prepare and store them, and have the necessary information to integrate them into their regular diet.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>One in six people in North County lived in poverty in 2015 (US Census) and struggle with food insecurity, including one in five children—they do not regularly have enough food to lead healthy, active lifestyles. Suffering is greatest among single-parent families, veterans and military families, migrant workers and senior citizens; their incomes often fall short of meeting San Diego’s cost of living. Regular, healthy nutrition is critical for children to succeed in school, develop normally and grow into healthy adults; and for adults to lead healthy, productive lives. The Farm’s Pay-What-You-Can Farm Stand at Vista Community Clinic (VCC) ensures 4,800 (300 conservatively estimated to be residents of San Marcos) struggling community members, many with families, can easily access fresh, healthy produce, in addition to vital services through VCC, at a single point of care. Having the recipe books in Spanish is an important example of the Farm’s commitment to food justice as we are making the information more accessible to the majority of VCC participants who are Spanish-speaking. In addition, VCC staff feedback on the recipe book distribution has been overwhelmingly positive, making the produce distribution process even more dignified for recipients. Likewise, participant feedback has been positive. Recipients report they are using the books, learning new recipes and finding them easy to make as well as tasty.</p>		
Please attach the following items. <u>Both</u> Mini-Grant & Regular: <ol style="list-style-type: none"> 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 	Expected date project will begin/end: 2/1/19 Date by which funds will be expended: 6/30/19 Signature of President or Authorized Officer	

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



1/2/19

Name, Title

Date

Javier Guerrero, 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): jimagee@san-marcos.net

Coastal Roots Farm 2018-19 Budget (DRAFT)

	Oct '18 - Sep 19
Ordinary Income/Expense	
Income	
Revenue	
Contributions	1,227,300.00
Fundraising	126,000.00
Social Enterprise Revenue	115,000.00
Earned Revenue	32,751.00
Total Revenue	1,501,051.00
Total Income	1,501,051.00
Gross Profit	1,501,051.00
Expense	
Operations	
Legal Expense	600.00
Audit and Tax	10,000.00
Consulting Fees	154,510.00
Auto Expense	11,730.00
Travel and Lodging Expense	9,500.00
Seminars and Conferences	28,370.00
Office Expense	37,186.00
Gifts	15,555.00
Publications & Subscriptions	3,225.00
Business Meals (50%)	5,303.00
Professional Membership Dues	1,230.00
Insurance	37,223.00
Equipment Rental	18,900.00
Uniform Rental	7,400.00
Gov. Permits, Fees & Licenses	5,779.00
Marketing	15,400.00
Business Meetings & Catering	15,580.00
Supplies	121,533.00
Maintenance & Repairs	57,240.00
Community Events/Sponsorship	27,000.00
Systems Support	22,850.00
Security	10,400.00
Research and Testing	9,600.00
Payroll Fees	10,400.00
Total Operations	636,514.00
Employee Compensation	863,537.00
Total Expense	1,500,051.00
Net Ordinary Income	1,000.00
Net Income	1,000.00

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

DEPARTMENT OF THE TREASURY

Date: DEC 8 - 2015

COASTAL ROOTS FARM
441 SAXONY RD
ENCINITAS, CA 92024

Employer Identification Number:
47-1570910
DLN:
17053212333035
Contact Person:
ROGER W VANCE ID# 31173
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
October 17, 2014
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

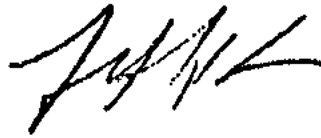
For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

AGENDA ITEM
#2B

COASTAL ROOTS FARM

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is stylized with a large, sweeping "J" and "C".

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

Letter 947

AGENDA ITEM
#2B



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0540

Entity Status Letter

Date:

ESL ID:

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID:

Entity Name:

1. The entity is in good standing with the Franchise Tax Board.
2. The entity is **not** in good standing with the Franchise Tax Board.
3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701
4. We do not have current information about the entity.

The above information does not necessarily reflect:

- The entity's status with any other agency of the State of California, or other government agency.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or the entity did business in California at a time when it was not qualified or not registered to do business in California:
 - The status or voidability of any contracts made in California by the entity at a time when the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
 - For entities revived under R&TC Section 23305b, any time limitations on the revivor or limitation of the functions that can be performed by the entity.

Internet and Telephone Assistance

Website: **ftb.ca.gov**

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

BOARD OF DIRECTORS, 2018-2019*

Adam Berman | Executive Director, Urban Adamah

Jim Farley, Vice Chair | President & CEO, Leichtag Foundation

Charlene Seidle, Chair | Executive Vice President, Leichtag Foundation

Leilani Rasmussen | Secretary of the Board and Non-Voting Member | Director of Finance and Grants Administration, Leichtag Foundation

STAFF, 2018-2019

Javier Guerrero | Executive Director

Gregg Cady | Community Farmer

Kesha Dorsey Spoor | Communications and Outreach Manager

Katherine Favor | Community Farmer

Megan Freeman | Education Coordinator

Ellie Honan | Vegetable Production Coordinator

Ricardo Lopez | Community Farmer

Dominique Mailloux | Distribution Coordinator

Adam McCurdy | Farm Manager

Chandrima Ornvold | Chicken and Compost Coordinator

Sharone Oren | Education Manager

Kelie Reimer | Community Farmer

Bill Stallcup | Community Farmer

Sara Telzer | Impact and Evaluation Manager

Damian Valdez | Assistant Operations Manager

Nikki Velch | Assistant Vegetable Production Coordinator

Laura Diede | Administration and Accounting Assistant

Vanessa Oshiro | Human Resources and Operations Manager

Leilani Rasmussen | Vice President, Finance and Operations

**Coastal Roots Farm Board will expand in calendar year 2019.*

Vista Community Clinic: Who are We Serving?

“Groceries are not always affordable for my family. So [this distribution] helps so that we are able to eat fresh vegetables daily.”



91%

Female clientele



46

Average age



4

Average household size



55%

Report being the main providers of their households



34.5%

Users of CalFresh EBT



43%

Report having a chronic health condition such as diabetes



44%

Report they cannot easily find fresh produce near home



100%

Of those who provided a reason for not regularly purchasing vegetables indicated grocery stores are too far away



90%

Report the distribution allows them eat fresh, organic produce they otherwise would not be able to afford.



81%

Purchase veggies from large grocery store chains (Ex: 99 Cents Store) or their neighborhood corner market



7%

Purchase veggies from a farmers market and/or directly from a Farm

“I come to this distribution because I am on a budget, but still want to consume nutritious food instead of relying on fast food, which has zero nutritional benefit for me and my family.”

AGENDA ITEM
#2B

COASTAL ROOTS FARM AT VISTA COMMUNITY CLINIC | 2018

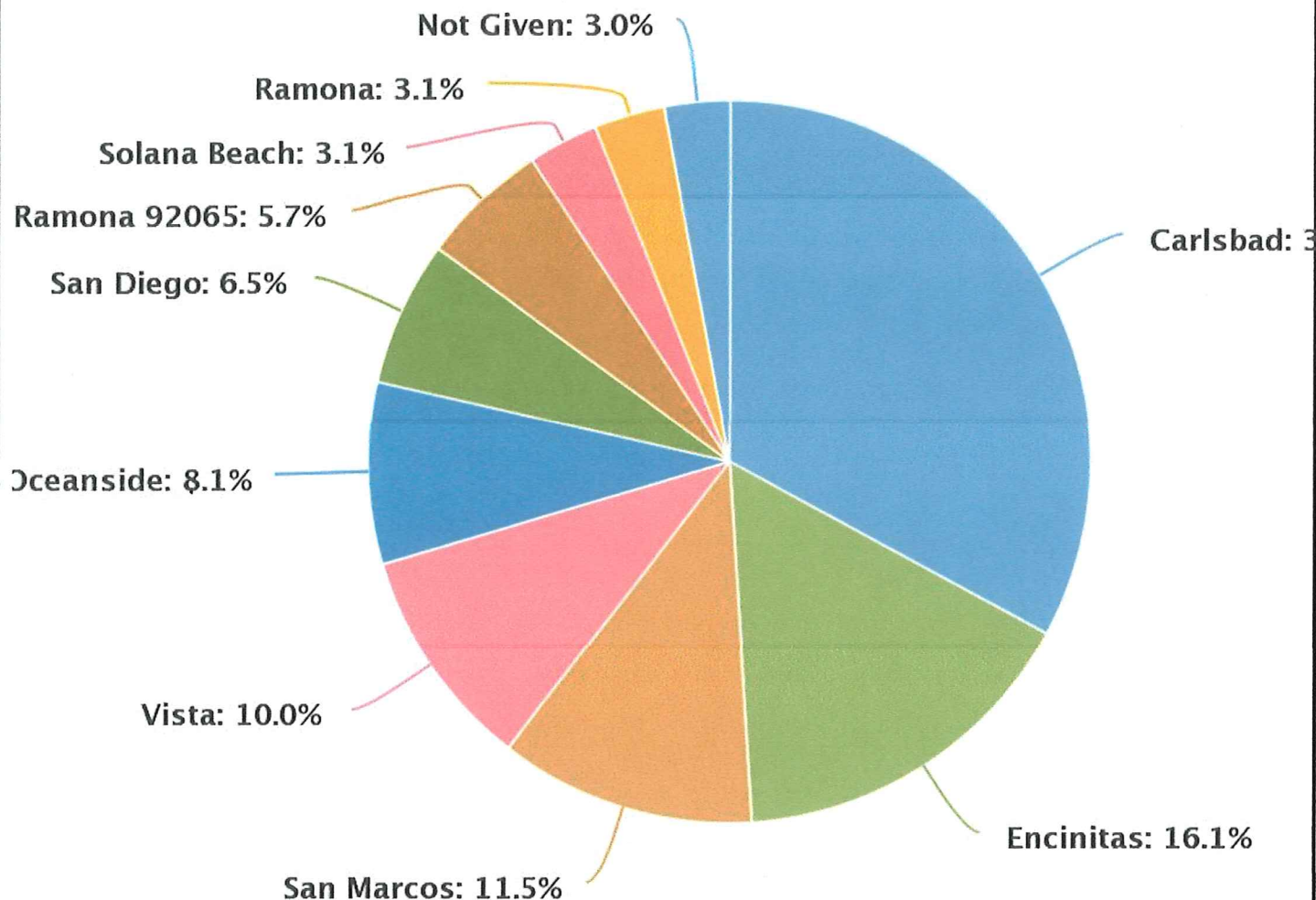


SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Outreach/Baby Shower Date Submitted: January 22, 2019	Total # of animals served: 64 animals in 2018 Total # of San Marcos residents served: Everyone who brought in an animal.	Amount Requested: \$1,270.00
Non-Profit Organization Name and Address, Website San Diego Wildlife Center is a program of Rancho Coastal Humane Society. The address is 2380 Camino Vida Roble Unit G, Carlsbad, CA 92011. Our website is: www.sdwildlife.org	Contact Person – Name, Title & Phone, email Lucie Berreby Communication/Philanthropy San Diego Wildlife Center A program of Rancho Coastal Humane Society www.sdwildlife.org Follow us on Facebook at www.facebook.com/SDWildlifeCenter/ Cell: (858)869-5321.	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The San Diego Wildlife Center is requesting a mini-grant in the amount of \$1,270.00 to cover the cost of community outreach along with the cost of an upcoming Baby Shower. The purpose of both is to bring awareness and raise funds to help us care for injured, sick or orphaned wildlife during the very busy baby season happening between March and September throughout San Diego County.</p> <p>Included is a copy of the flyer for the upcoming Baby Shower as well as our most recent newsletter about our achievements.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>The San Diego Wildlife Center has saved 64 animals brought in from San Marcos in 2018 with only 8 months in operations (We officially opened our doors on April 2, 2018). We anticipate an even larger number of animals coming in from the area this year (See chart below). The ability to increase our outreach will help better serve the habitants (both humans and animals) of San Marcos.</p>		



Please attach the following items.

Both Mini-Grant & Regular:

1. Budget for request (use SMCF Budget Worksheet)- ATTACHED.

Annual Operating budget for the organization or unit: Total is \$527,479.32 for the Wildlife Center. (can provide detail breakdown if needed).

2. Federal & State Tax ID numbers: 95-2151583
3. Board of Directors listing with affiliations:

President/CEO: Judi Sanzo

Board of Directors: Michael Berg - Chair
Vicki Armstrong - Secretary and Treasurer,
Allison Andrews-Canter, Jerry Cesak, Gina McBride, Louisa Porter, Sylvia Steding-Thieme.

Expected date project will begin/end:

February/September 2019.

Date by which funds will be expended: February 2019.

Signature of President or Authorized Officer

Judi Sanzo 1/22/19
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

Honorary Board Members:

Gail Hano, Pam Slater-Price.

San Marcos, CA 92069

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

4. 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

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)

Canopies \$80.00/Tables 2 x \$50.00 = \$180.00

Education wheel prizes for children 5 x \$20.00 = \$100.00

Activities for children (materials/construction): Wing span banner \$80.00 + Face masks stand \$40.00 + Art supplies (chalk, mural paper, crayons, pens) \$30.00 = \$150.00

Printed materials: Table runner \$70.00 + Sandwich board sign \$90.00 + Magnets and Brochures = \$390.00

Volunteer T-Shirts: 40 x \$7.50 = \$300.00

Donation boxes/Cash box: 3 x \$50.00 = \$150.00

Total budget for this PROJECT: \$1,270.00

Grant Request Amount: \$1,270.00

(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).**

\$ _____	(Name of source) _____	** _____
\$ _____	(Name of source) _____	** _____
\$ _____	(Name of source) _____	** _____
\$ _____	(Name of source) _____	** _____

San Diego Wildlife Center's 1st Annual Baby Shower

WHEN:

March 9th, 2019
Time: 10-2pm

WHERE:

San Diego Wildlife Center
parking lot
Palomar Business Park
2380 Camino Vida Roble
Carlsbad Ca 92011



FREE!

- * Booths
- * Kids-Zone
- * Animal Ambassadors
- * Tours of Center

Check Out Our WISH LIST

www.sdwildlife.org

760-621-6888

info@sdwildlife.org

Donations & Shower Gifts Appreciated



A Program of Rancho Santa Fe Humane Society

Grant Cover Page



Project Name: *The Princess and the Pea*
Date Submitted: 02/5/2019

Total # of people served: ~20,000
Total # of San Marcos residents served: ~10,000

Amount Requested:
\$1,500.00

Non-Profit Organization Name and Address, Website
New West Ballet, Inc.
1215 Linda Vista Dr. STE B
San Marcos, CA 92078
Website: www.newwestballet.com

Contact Person – Name, Title & Phone, email
Coral M. Bruni, President
(760)525-6738 newwestballet@gmail.com

New West Ballet, Inc. (NWB) is a non-profit 501(c)3 charitable organization that educates in the art of dance, with an emphasis in ballet. This includes, but is not limited to, outreach performances, school demonstrations, and educational materials made available outside of traditional ballet school training. In addition, New West Ballet Inc. also brings ballet to the community via participation in community events, workshops, and other community based activities. Each year, New West Ballet, Inc., in collaboration with New West Ballet School, puts on a ballet production with its advanced dancers and then brings this production to the community (e.g., retirement communities, street fairs, etc.). This March 2019, we are producing the ballet *The Princess & the Pea* and other ballet excerpts. To help offset the costs of our professional choreographers, costumes, props/set, and travel (e.g., gas and mileage) to allow us to bring this new production to the San Marcos community, we are pursuing a mini grant from the San Marcos Community Foundation in the amount of \$1,500.00.


Arts education refers to education in the disciplines of music, dance, theatre, and visual arts, and we at New West Ballet Inc. specialize in the education of ballet. According to CNN “Ballet is such a unique art form. You can say things through dance that you could never express in words, and ballet has the ability to touch people on a deep, abstract level. In some ways, ballet is more valuable now than ever. Everything today is so fast-paced and technologically overloaded -- people are constantly staring into computers or their phone screens for entertainment. But going to the theater to see a ballet is unique in that it's completely live and in the moment -- unfiltered and unedited. It's a real and tangible meditation.” (Flora Zhang, 2014). Ballet performance, not just dance, is an art form that is not readily available in San Marcos outside of our organization. We fulfill a gap in our community by providing not only strong training in ballet, but a quality product through which our community can be introduced to this beautiful art form. By funding our request, The San Marcos Community Foundation will provide much needed resources to a San Marcos non-profit 501(c)3 charitable organization to bring ballet, with traditional costumes, props, and sets, to the community of San Marcos through our production of *The Princess and the Pea* and other ballets.

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

Begin: 2/1/2019 End: 05/31/2019

Date by which funds will be expended: 05/31/2019

Signature of President or Authorized Officer


Coral M. Bruni, President

2/5/19
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): imagee@san-marcos.net

Additional Information:**1. Budget for request (use SMCF Budget Worksheet)**

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)

Materials for Costumes:

100 yards of fabric (100 yards @ 9.99 a yard including tax)	\$ 999.00
10 Spools of thread (10 @ 3.22 each and 10 @ 3.76 each including tax)	\$ 70.80
2 packages of sewing machine needles (2 @ 4.84 each including tax)	\$ 9.68
2 packages of hand sewing needles (2 @ 2.68 each including tax)	\$ 5.36
20 packages of hooks & eyes (20 @ 3.22 each including tax)	\$ 64.43
1 spool of 3/4" elastic (1 @ 79.72 each including tax)	\$ 79.72
100 yards of ribbon (100 yards @ 5.38 each including tax)	\$ 537.67
10 costume storage bins (10 @ 5.48 each including tax)	\$ 548.00

Materials for Props & Sets:

6 1/4 in. x 4 ft. x 8 ft. PureBond Birch Plywood (6 @ 30.44 each)	\$ 182.64
2 packages of 1 1/2" screws (2 @ 7.81 each)	\$ 15.62
2 packages of 2" screws (2 @ 6.01 each)	\$ 12.02
50 yards of canvas (50 yards @ 25.41 a yard)	\$ 1,270.50
20 gallons fabric paint (20 gallons 32.98/gallon)	\$ 659.60
3 American DJ 5 HEX lights (3 @ 171.32 each)	\$ 513.97
1 Lightweight Aluminum Lighting Stand (1 @ 107.74 including tax)	\$ 107.74
2 LED Spotlight (2 @ 159.99 including tax)	\$ 319.98

Choreographers Expenses:

35 x hour x 4 hours of rehearsal x 5 rehearsals x 3 choreographers	\$ 2,100.00
--	-------------

Travel Expenses:

100 miles (100 miles at .58 cents per mile)	\$ 58.00
---	----------

Total budget for this PROJECT: \$ 7,554.73

Grant Request Amount: \$ 1,500.00

(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).**

\$ 6,054.73	(Name of source) New West Ballet School	**P
\$	(Name of source)	**
\$	(Name of source)	**

2. Annual Operating Budget for the Organization or Unit:

Income		
<i>Production</i>		
Spring 2019 - <i>The Princess and the Pea</i> (Grant)	\$1,500.00	
Spring 2019 - <i>The Princess and the Pea</i> (NWB School)	\$6,054.73	
Spring 2019 – <i>The Princess and the Pea</i> (Front of House Donations)	175.00	
Summer 2019 – <i>Don Quixote</i> (Grant)	1,500.00	
Summer 2019 – <i>Don Quixote</i> (Front of House Donations)	250.00	
<i>Nutcracker</i> 2019 (Front of House Donations)	1000.00	
Subtotal Production		\$10,479.73
<i>Fundraisers</i>		
Parent's Night Out	150.00	
Dine Out Nights	500.00	
Subtotal Fundraisers		\$650.00
<i>Donations</i>		
Amazon Smile	30.00	
Individual Donations	1000.00	
Subtotal Donations		\$1030.00
Total Income		\$12,159.73
Expenses		
Spring 2019 – <i>The Princess and the Pea</i>	7,554.73	
Tax Preparation	459.00	
Office Expense	1,500.00	
Total Expense		\$9,513.73
Net Income		\$2,646.00

3. Federal & State Tax ID numbers:

Federal Tax ID: 47-3197777

California Corporate Number: C3755441

4. Board of Directors Listing with Affiliations

Name	Title	Affiliations
Coral M. Bruni, M.A.	President	New West Ballet School New West Ballet, Inc. Palomar College
Christina M. Wurz	Treasurer/Vice President	New West Ballet School New West Ballet, Inc. Mojalet Dance Collective
Heather LaForge, Ph.D.	Secretary	New West Ballet School New West Ballet, Inc. Tierra Bonita Elementary Foundation Christian Youth Theater
Steve Sibiski	Director (1)	New West Ballet School New West Ballet, Inc. Vista Industrial Products
Laurel Stevens	Director (2)	New West Ballet School New West Ballet, Inc. Famous Ramona Water
Robert Wurz	Director (3)	New West Ballet School New West Ballet, Inc. Vista Prime Management
Hope Fischer	Director (4)	New West Ballet School New West Ballet, Inc.

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: TV for Training Room Date Submitted: February 6, 2019	Total # of people served: 400 + Total # of San Marcos residents served: 4	Amount Requested: \$1,000
Non-Profit Organization Name and Address, Website Canine Companions for Independence, Southwest Regional Training Center 124 Rancho del Oro Drive, Oceanside, CA 92057 www.cci.org/southwest		Contact Person – Name, Title & Phone, email Erin Hoffman, Development Associate 760-901-4396 ehoffman@cci.org
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Canine Companions for Independence Southwest Regional Training Center respectfully requests \$1,000 to purchase a flat screen TV, wireless keyboard and mouse, and mounting hardware. This technology will be installed in our main training room – a space where professional dog trainers are working full-time to prime effective assistance dogs, where volunteer puppy raisers meet weekly for classes and workshops, and where our main program, Team Training, takes place four times a year. This mounted TV will be instrumental in professional development for trainers and skill-building for puppy raisers, all of whom are crucial parts of our mission to enhance the lives of people with disabilities by providing highly-skilled assistance dogs, free of charge to the recipient. Team Training is the two-week intensive course that each recipient goes through to be matched with their new assistance dog and learn to work together as a team. In total, students will learn 40+ commands, experience 100+ classroom hours, 17 hours of lectures, 50 practice sessions, 10-12 hours on field trips, 25 hours outside the classroom for study and testing and 1.5 days of final evaluations. The addition of this visual aid in the classroom will enhance learning for students and support successful human/canine partnerships for years to come.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>We have a handful of volunteer puppy raisers and program recipients that reside in San Marcos. These individuals are active supporters and advocates of Canine Companions, as well as being actively engaged in their local community. They act as ambassadors to help build tolerance, understanding and acceptance within their community. Each time a team is out in public, there is an opportunity to impact and educate people, and bring people together in a positive way.</p> <p>The presence of working dogs and their partners provides consistent disability education to the general public, resulting in a better understanding and acceptance of human diversity. The bonds developed through these human/canine partnerships create ripples that add meaning and enrichment to each of our lives and strengthens our communities.</p>		

<p>Please attach the following items.</p> <p>Both Mini-Grant & Regular:</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> 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 	<p>Expected date project will begin/end:</p> <p>Date by which funds will be expended:</p> <hr/> <p>Signature of President or Authorized Officer</p> <p><u>Erin Hoffman</u> <u>2/6/2019</u></p> <p>Name, Title Date</p> <p><u>Erin Hoffman, Development Associate</u></p> <hr/> <p>Submit Via Mail, In Person or Via Email to:</p> <p>San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): jimagee@san-marcos.net</p>
--	--



Canine Companions for Independence®
Southwest Regional Center
2019 Operating Budget

INCOME

Major Gifts/Solicited Individuals	\$	2,265,000
Special Events	\$	1,042,000
Foundation Grants	\$	760,000
Business/Corporate Gifts	\$	195,000
Direct Marketing (online/mail)	\$	644,800
United Way/Organizations/Clubs	\$	130,000
Fees/Proceeds	\$	26,000
		<hr/>
		5,062,800

EXPENSES

Personnel	\$	2,600,236
Occupancy and Equipment	\$	271,014
Printing and Postage	\$	64,000
Supplies	\$	175,160
Professional Fees	\$	254,720
Travel and Meetings	\$	143,000
Telecommunications	\$	62,016
Other	\$	24,000
National Support- Breeding/Research/Marketing	\$	1,464,654
		<hr/>
<i>Total Operating Expenses</i>		5,062,800

IRS Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248344558
May 18, 2015 LTR 4168C 0
94-2494324 000000 00

00019040
BODC: TE

CANINE COMPANIONS FOR INDEPENDENCE
2965 DUTTON AVE
SANTA ROSA CA 95407

Employer Identification Number: 94-2494324
Person to Contact: Mr. Burns
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your May 07, 2015, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in February 1979.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your 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.

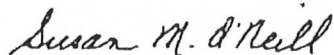
Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248344558
May 18, 2015 LTR 4168C 0
94-2494324 000000 00
00019041

CANINE COMPANIONS FOR INDEPENDENCE
2965 DUTTON AVE
SANTA ROSA CA 95407

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

Sincerely yours,



Susan M. O'Neill, Department Mgr.
Accounts Management Operations

Internal Revenue Service

Date: January 17, 2007

CANINE COMPANIONS FOR
INDEPENDENCE
2965 DUTTON AVE
SANTA ROSA CA 95407

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Ms. Jackie Johnson 31-07453
Customer Service Representative

Toll Free Telephone Number:

877-829-5500

Federal Identification Number:

94-2494324

Dear Sir or Madam:

This is in response to your request of January 17, 2007, regarding your organization's tax-exempt status.

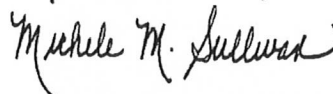
In February 1979 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

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

Sincerely,



Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1

STATE OF CALIFORNIA
FRANCHISE TAX BOARD
SACRAMENTO, CALIFORNIA 95867



November 30, 1978

In reply refer to
344:GWH:bv:g

Canine Companions for Independence, Inc.
4945 Grange Road
Santa Rosa, CA 95404

Purpose : Charitable
Form of Organization : Corporation
Accounting Period Ending: December 31
Organization Number :

On the basis of the information submitted and provided your present operations continue unchanged or conform to those proposed in your application, you are exempt from state franchise or income tax under Section 23701d, Revenue and Taxation Code. 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 also must be reported.

You are required to file Form 199 (Exempt Organization Annual Information Return) or Form 199B (Exempt Organization Annual Information Statement) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. See annual instructions with forms for requirements.

You are not required to file state franchise or income tax returns unless you have income subject to the unrelated business income tax under Section 23731 of the Code. In this event, you are required to file Form 109 (Exempt Organization Business Income Tax Return) by the 15th day of the 3rd month (2 1/2 months) after the close of your annual accounting period.

If the organization is incorporating, this approval will expire unless incorporation is completed with the Secretary of State within 60 days.

Exemption from federal income or other taxes and other state taxes requires separate applications.

Anderson Scott, Manager
Exempt Organization Section
Telephone (800) 852-0370

cc: J. K. Derham
Secretary of State
Registrar of Charitable Trusts



**Canine Companions for Independence
2019 Southwest Regional Board**

<i>Abramowitz, Paul</i> Investor Encino, California loriabramo@yahoo.com	<i>Haydel, Kim</i> Western Zone, Canon Business Solutions Canine Companions Graduate Gardena, California kim.haydel@xerox.com
<i>Aron, Simon ESQ.</i> Philanthropist Los Angeles, California	<i>Hollenstein, Tommy</i> Artist Canine Companions Graduate Canoga Park, California
<i>Bauce, Bill</i> Philanthropist Rancho Santa Fe, California wmbauce@gmail.com	<i>Ishizaki, Sheryl</i> Ritz Carlton Laguna Niguel San Diego, California sheryl.ishizaki@ritzcarlton.com
<i>Gackstetter, Tim</i> Program Manager/Engineer Canine Companion Graduate San Diego, California tgack@san.rr.com	<i>Peluso, Jack</i> Financial Advisor San Diego, California dow10@aol.com
<i>Susan Tancredi</i> Lt. Col. (Ret). Philanthropist La Jolla, CA susantan@marykay.com	<i>Ryan, Susan M.D.</i> Emergency Room Doctor Volunteer Puppy Raiser Denver, Colorado jocdoc2000@gmail.com
<i>Hennessy, Leslie</i> National Board Member Business Executive, Industry Council Colorado Springs, Colorado catalyst.rk@gmail.com	<i>Street, Bob</i> National Board Member Business Owner/Civic Leader Colorado Springs, Colorado bastreet@comcast.net
<i>Rieger, Jane</i> Sr. V.P. Intuit San Diego, California janerieger@mac.com	<i>Thiederman, Sondra, PhD., President</i> Business Owner Volunteer Puppy Raiser San Diego, California stphd@thiederman.com

It is Canine Companions' policy not to disclose individual board member addresses or telephone numbers.

If you would like to contact a board member, we would be happy to facilitate the communication. Our board meets four times a year.



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

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

Project Name: The Lowrider Experience Date Submitted: 12/21/2018	Total # of people served: 650 Total # of San Marcos residents served: 550	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website California State University San Marcos Latino Association of Faculty & Staff (LAFS) 333 S. Twin Oaks Valley Road San Marcos, CA 92096 https://www.csusm.edu/lafs/thelowriderexperience/		Contact Person – Name, Title & Phone, email Herman Hernandez Patrol Sergeant, University Police Department California State University San Marcos 760-750-3681 hhermand@csusm.edu
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The Latino Association of Faculty & Staff (LAFS) at California State University San Marcos (CSUSM) requests funds to support its annual <i>The Lowrider Experience</i>, a grassroots event where the CSUSM Community, including the University Police Department (UPD), and the surrounding San Marcos community will unite to celebrate National Hispanic Heritage Month. The event will highlight the Lowrider Culture, which traditionally reflects a great part of the Mexican Culture. Through <i>The Lowrider Experience</i> we strive to foster a culture where the UPD interacts with its community in a non-enforcement environment in order to strengthen community relations amongst the CSU San Marcos community, the UPD and other public organizations. Establishing valuable relationships amongst various organizations will potentially increase our quality of life, which will in turn produce a safer community for generations of community leaders, artists and entrepreneurs, while at the same time bringing awareness and respect for the time-honored cultural traditions of lowriding.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p><i>The Lowrider Experience</i> event is significant because it creates a setting where our local police departments and first responders interact with the community in a non-enforcement environment, providing a positive interaction with public safety. It is also an opportunity for the Latino and San Marcos youth to visit the CSUSM campus and be exposed to a higher education environment.</p>		
<p>Please attach the following items.</p> <p>Both Mini-Grant & Regular:</p> <ol style="list-style-type: none">1. Budget for request (use SMCF Budget Worksheet)2. Annual Operating budget for the organization or unit3. Federal & State Tax ID numbers4. Board of Directors listing with affiliations <p>5. Regular Grants Only:</p> <ol style="list-style-type: none">a. 1-2 page narrativeb. First 2 pages of Federal 990c. Most recent year-end Statement or Audit including any management letters associated with Audit.d. Signature of President or Authorized Officer on Applicatione. Optional: letters of support		<p>Expected date project will begin/end: 02/01/2019</p> <p>Date by which funds will be expended: 1/31/2020</p> <p>Signature of President or Authorized Officer</p> <div style="border-top: 1px solid black; margin-top: 10px;"><div style="display: flex; justify-content: space-between;"><div style="width: 60%;">Name, Title</div><div style="width: 40%;">Date</div></div></div> <p>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): jimagee@san-marcos.net</p>

The Lowrider Experience

The Lowrider Experience (TLE) is a grass-roots collaboration between California State University San Marcos (CSUSM), the CSUSM Latino Association of Faculty & Staff (LAFS) and the CSUSM University Police Department (UPD). LAFS promotes Latino culture by sponsoring and officially supporting campus activities and functions that celebrate the richness and traditions of the culture. In addition, LAFS sponsors forums that invite inquiry of and education about Latino customs, history and languages. LAFS serves the San Marcos community by participating in community events and efforts, by offering expertise and resources for meeting community needs, by involving the community in University sponsored activities, and by communicating with Latino youth to promote the importance of higher education.

The success of the inaugural event in 2017 and the success in 2018 has created a space at CSU San Marcos to host the event annually. For example, the event hosted 300 participants in 2017 and over 600 in 2018, demonstrating a 50% increase in participation and interest. TLE will take place on Saturday, September 21, 2019 at CSU San Marcos on the University Plaza and at the University Student Union, where we expect to welcome approximately over 600 San Marcos community members to join us in celebrating National Hispanic Heritage Month. The event will feature the time-honored Lowrider car culture, which reflects a great aspect of traditional Mexican culture. Car owners will be carefully selected and invited to bring their unique vehicles to CSUSM for a static art exhibit. There will also be an information/resource/safety fair that will include on campus organizations, as well as local public safety personnel and various San Marcos businesses and organizations. The resource/safety fair will offer free activities to the children in attendance. Other activities will include face painting, live cultural entertainment such as ballet folklórico and live regional musicians, as well as prizes for the public at no cost to our guests. In support of one of the event's goals, a large part of the safety fair will include representatives from local police and fire departments. In 2017 and 2018, along with our CSUSM University Police Department, we successfully hosted several public safety agencies, which included the San Marcos Fire Department, the Palomar Community College Police, MiraCosta College Police, the California Highway Patrol, the San Diego Police Department, interactive K9 demonstrations and the California Rescue Dog Association. The youth in attendance clearly enjoyed themselves based on their enthusiasm, smiles and positive interactions captured in photos during the event.

The objectives of TLE are: 1) to develop positive relationships between local law enforcement entities and the general public in a non-enforcement and family-friendly environment; 2) to enhance and expand partnerships and alliances to strengthen TLE outreach potential in San Marcos; 3) to establish the event as a well-known and welcomed annual tradition at CSU San Marcos.

Through TLE we will help address the sometimes uncomfortable divide between law enforcement and the general public by creating a welcoming and inclusive space for all. Previous TLE events initiated positive interactions between the CSUSM University Police Department and other local agencies. The continuation of this annual event will further strengthen community relations among CSUSM, LAFS, the UPD, local law enforcement and other organizations within our community. We believe establishing valuable interactions among these various local organizations will improve the quality of life in San Marcos. In turn it can produce a safer community for local leaders, artists and

The Lowrider Experience

entrepreneurs, while at the same time bringing awareness and respect for the time-honored cultural tradition of Lowriding. Furthermore, as an institution of higher learning, we will have the opportunity to engage the community in an educational setting. The population we are serving is primarily San Marcos, Vista, Oceanside and Escondido residents, for they are the neighboring cities of CSUSM. Based on 2015 census data, these cities are almost 50% populated by Latinos, with a high number of residents of Mexican Heritage – a historically under-represented group in higher education. TLE provides an opportunity for families of this demographic to have easy and inviting access to CSUSM and its resources.

A dedicated established committee will continue to strategically design the 2019 TLE by further identifying community partnerships with local stakeholders, such as small businesses and national corporations. For example, partnerships already include CSUSM student organizations and departments, as well as Soapy Joe's Car Wash, The Habit Burger, Ralphs Supermarket and the Lakeshore Learning Centers, to name a few. This approach will be carried out throughout the entirety of the planning process. The committee will promote and market the event via social media, live radio broadcasting, grass-root promotion, literature, publications, as well as information and educational presentations.

TLE will highlight the positive qualities found in the San Marcos region by establishing itself as an informative, educational and all-inclusive event oriented around community values, which already exist in both the law enforcement community and the Lowrider community. It will bring together local government agencies and public entities within San Marcos, creating a core group of investors who will help establish a stronger sense of community. By bridging the gap between the law enforcement community and the Lowrider community, TLE will help demonstrate that public and local stakeholders truly value civic duty and unity. Funding from the San Marcos Community Foundation would catalyze this celebration of community, higher education and vintage Lowriding, while creating positive relationships between these local stakeholders. Building this bridge has the potential to create positive relationships between all community members, including the Lowriding community, and local public safety to strengthen San Marcos.

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)

Item	Quantity	Unit Price	Total
Children's Activity Supplies/services	50	\$ 50.00	\$ 2,500.00
Live Musicians & ballet folklorico	2	\$ 500.00	\$ 1,000.00
DJ Equipment Rental	1	\$ 500.00	\$ 500.00
Event Banners	2	\$ 500.00	\$ 1,000.00
Marketing (flyers)	1	\$ 200.00	\$ 200.00
Marketing Vinyl Posters	30	\$ 10.00	\$ 300.00
Office Supplies	4	\$ 100.00	\$ 400.00
Parking Structure Reservation for free guest parking	1	\$ 150.00	\$ 150.00
Safety/Resource Fair Participation Prizes	40	\$ 5.00	\$ 200.00
Special Event Insurance	1	\$ 280.00	\$ 280.00
Special Event Security Fencing for auto exhibit	20	\$ 20.00	\$ 400.00
Special Event T-shirts	80	\$ 10.00	\$ 800.00
Spider Box Electrical equipment	2	\$ 35.00	\$ 70.00
Stage, stairs and podium	1	\$ 700.00	\$ 700.00
Tables for safety fair	40	\$ 10.00	\$ 400.00
Vehicle exhibit participants plaques	50	\$ 22.00	\$ 1,100.00
Total			\$ 10,000.00

Total budget for this PROJECT:

\$ 10,000

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).**

\$ 8,982 (Name of source) San Diego County Neighborhood Reinvestment Program ** C

\$ 150 (Name of source) National Latino Peace Officers Association (NLPOA) ** P

\$ 150 (Name of source) San Diego Sheriff's Deputy Sheriff Association ** P

\$ 400 (Name of source) State University Police Association ** P

\$ 500 (Name of source) CSUSM Office of Community Engagement ** P



University Police Department
California State University San Marcos

December 11, 2018

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

Dear Grant Funding Committee:

I am writing in support of the grant application submitted by California State University San Marcos Latino Association of Faculty & Staff (LAFS) and University Police Department (UPD), for the San Marcos Community Foundation funding for The Lowrider Experience 2019. The partnership between UPD and LAFS has been effective in supporting the surrounding community. The success of *The Lowrider Experience* has been spectacular.

UPD is committed to continue its support of the partnership. We view this project as an important step in developing powerful options and educational opportunities for our diverse community. UPD is excited about the possibility of continuing a program that provides a safe platform for various public safety entities, the lowriding community and the general public to come together and celebrate cultural traditions.

We strongly urge the San Marcos Community Foundation to extend support of this event for your funding will allow LAFS and the CSUSM University Police department to continue to host and organize such a valuable event.

Thank you in advance for your consideration of this request. If you have any questions, please feel free to contact me at 760-750-4581

Sincerely yours,

A handwritten signature in black ink, appearing to read "J. Flores", with a long horizontal flourish extending to the right.

Jesus A. Flores
Police Lieutenant



Office of the Vice President California State University San Marcos 333 S. Twin Oaks Valley Road San Marcos, CA 92096
Tel: 760.750.8700 Fax: 760.750.3537 pprado@csusm.edu www.csusm.edu/ce

December 4, 2018

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

Dear Grant Funding Committee:

I am writing in support of the grant application submitted by California State University San Marcos Latino Association of Faculty & Staff (LAFS) and University Police Department for the San Marcos Community Foundation Funding for The Lowrider Experience 2019. This collaborative project is a cultural event that serves to bridge the gap between the lowriding community and law enforcement and also serves to engage a broader community with CSU San Marcos.

The Lowrider Experience strives to foster a culture where the CSUSM University Police Department interacts with community members in a non-enforcement environment. This will strengthen community relations among LAFS, the UPD and other public organizations. Establishing valuable relationships among various organizations will increase our quality of life, which will in turn produce a safer community for generations of community leaders, artists and entrepreneurs, while at the same time bringing awareness and respect for time-honored cultural traditions of lowriding.

Support for this grant application will allow LAFS and the CSUSM University Police department to continue to host and organize a valuable event.

Thank you in advance for your consideration of this request. If you have any questions, please feel free to contact me at 760-750-8700

Sincerely,

Patricia L. Prado-Olmos, Ph.D.
Vice President, Community Engagement
California State University San Marcos

PPO:mj



California State University
SAN MARCOS

Latin@ Center -USU 3300 California State University San Marcos 333 S. Twin Oaks
Valley Road San Marcos, CA 92096-0001
Tel: 760.750.3671 rlara@csusm.edu

December 19, 2018

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

Dear Grant Funding Committee:

The California State University San Marcos Latin@ Center is delighted to support the project proposal for The Lowrider Experience. This project is a collaboration effort on the part of The Latino Association of Faculty & Staff (LAFS) and the University Police Department (UPD). This alliance is committed to enhancing the quality of life and the education of San Marcos youth and the general community. We value the fact that the effort of The Lowrider Experience brings together groups that do not traditionally gather. The Lowrider Experience provides a safe environment for the community to gather on a college campus while celebrating culture.

The Latin@ Center at CSUSM is committed to participate in events where the youth and their families will have the opportunity to become familiar with higher education. Not only does The Lowrider Experience provide this opportunity for the community, but they also provide the opportunity for diverse groups of people to safely gather in celebration of culture and education.

I look forward to the continued partnership between LAFS and UPD for it has created a unique opportunity for youth to interact with law enforcement and other public safety entities in a friendly environment – a valuable and unmet need in our community.

If you have questions regarding our commitment to this effort, please contact my office at 760-750-3671.

Sincerely Yours,

Dr. Renzo Lara
Associate Director
Latin@ Center

November 27, 2018

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

Dear Grant Funding Committee:

I am writing in support of the grant application submitted by California State University San Marcos Latino Association of Faculty & Staff (LAFS) and University Police Department for the San Marcos Community Foundation for The Lowrider Experience 2019. This collaborative project will focus on bridging the gap that exists between the lowriding community and law enforcement by offering a cultural event

The Lowrider Experience will strive to foster a culture where our University Police Department interacts with its community in a non-enforcement environment. This will strengthen community relations among LAFS, the UPD and other public organizations. Establishing valuable relationships among various organizations will increase our quality of life, which will in turn produce a safer community for generations of community leaders, artists and entrepreneurs, while at the same time bringing awareness and respect for time - honored cultural traditions of lowriding.

This year's grant application will allow LAFS and the CSUSM University Police department to continue to host and organize such a valuable event.

Thank you in advance for your consideration of this request. If you have any questions, please feel free to contact me at 916-690-7280.

Sincerely yours,



Jeff Solomon
President



MIRA COSTA COLLEGE POLICE DEPARTMENT

One Barnard Drive, Oceanside, CA 92056 ♦ (760) 795-6640 ♦ Fax (760) 795-6683
Robert Norcross, Chief of Police

November 27, 2018

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

Dear Grant Funding Committee:

I am writing in support of the grant application submitted by California State University San Marcos Latino Association of Faculty & Staff (LAFS) and University Police Department for the San Marcos Community Foundation for The Lowrider Experience 2019. This collaborative project will focus on bridging the gap that exists between the lowriding community and law enforcement by offering a cultural event

The Lowrider Experience will strive to foster a culture where our University Police Department interacts with its community in a non-enforcement environment. This will strengthen community relations among LAFS, the UPD and other public organizations. Establishing valuable relationships among various organizations will increase our quality of life, which will in turn produce a safer community for generations of community leaders, artists and entrepreneurs, while at the same time bringing awareness and respect for time-honored cultural traditions of lowriding.

This year's grant application will allow LAFS and the CSUSM University Police department to continue to host and organize such a valuable event.

Thank you in advance for your consideration of this request. If you have any questions, please feel free to contact me at 760-795-6643

Sincerely yours,

Benny Perez
Police Sergeant
MiraCosta College Police Department
One Barnard Drive
Oceanside, Ca. 92056

OCEANSIDE CAMPUS

One Barnard Drive, Oceanside, CA 92056
(760) 795-6640 ♦ Fax (760) 795-6683

SAN ELIJO CAMPUS

3333 Manchester Ave, Cardiff-by-the-Sea, CA, 92007
(760) 934-7899 ♦ Fax (760) 634-7893

COMMUNITY LEARNING CENTER

1831 Mission Ave., Oceanside, CA 92054
(760) 757-2121 x 6699 ♦ Fax (760) 795-8729

AGENDA ITEM
#3A



1951 E. Valley Parkway, Escondido, CA 92027 • (760) 744-1150 Ext. 2362 • www.palomar.edu

NORTH COUNTY EDUCATIONAL OPPORTUNITY CENTER

December 19, 2018

Joi Lin Blake, Ed.D.
Superintendent/President

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

Governing Board
Paul P. McNamara
Board President
John Halcón, Ph.D.
Vice President
Mark Evilsizer
Secretary of the Board
Nina Deerfield
Trustee
Nancy Ann Hensch
Trustee
Amber Bancroft
Student Trustee

Olga Diaz
Acting Dean
Counseling Services

Nellie H. Martinez
Project Director
RIO/Educational Opportunity Center
TRIO/Upward Bound
TRIO/Educational Talent Search

Dear Grant Funding Committee:

It is with great enthusiasm that I support the proposed project "*The Lowrider Experience*." Palomar College was a part of the inaugural even in 2017 due to its potential to improve community-university relationships by honoring and celebrating lowrider culture. Palomar College Grant Funded Programs distinguish themselves through involving students in collaborative projects in our north county region. As a unit that has been established to serve under-represented populations in North County, our programs understand the vital importance of community engagement in creating ties between institutions of higher education and the surrounding communities.

The proposed objectives of establishing the event as an annual tradition at CSU San Marcos and the potential for growth in partnerships and alliances to strengthen the *Lowrider Experience* is dependent on support from distinguished foundations such as yours. I strongly feel that the project shows great potential in meeting the important outcome of developing nurturing relationships between law enforcement entities and the community in north county San Diego. It is without hesitation that I encourage the San Marcos Community Foundation to support this proposal.

Please do not hesitate to contact me at 760-744-1150, Ext. 2362 if I can answer questions regarding this letter of my support of the proposal.

Sincerely Yours,



Nelida H. Martinez
Project Director

December 10, 2018

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

Dear Grant Funding Review Committee Members,

I have been asked to provide this letter of support by members of the Cal State San Marcos University Latino Association of Faculty & Staff and the University Police Department. I am more than willing to help this great cause by relaying to you how important this event truly is to San Marcos and the entire North County San Diego community.

I am in full support of the committee for several reasons. First, the Lowrider Experience committee took their vision of unity; by taking on the endeavor of putting together a grass-roots event with little time and minimal resources, all to see their work come to realization. I have been a part of the first two events along with all of the Slow Lane Familia members, relatives and friends and got to see firsthand what positive work a handful of people can accomplish. I was taken back by seeing all the youngsters smile from ear to ear at the sight of classic lowrider cars, fire trucks, safety booths, live music, free raffles and dozens of police officers.

I have known Sergeant Herman Hernandez for many years now. I have worked with him in several capacities, as he is a member of Slow Lane Familia and regularly aids in our philanthropy duties. Continuing efforts to closing that gap between the law enforcement community and the lowrider community is an issue that has been overlooked. I have witnessed community members San Marcos and neighboring communities come together at The Lowrider Experience community events and I would love to see all these community members benefit from this type of unique family friendly event in the future.

As a newly retired United States Border Patrol Agent and Inland Empire Chapter President of the Slow Lane Familia classic car club, I humbly ask that your review committee strongly consider supporting this cause. Please help aid The Lowrider Experience event committee in bringing their vision to fruition and having local classic car enthusiasts with their rolling art pieces, bring people together from all walks of life, for the benefit of our communities.

Thank you,
Julio "Sarge" Tydingco
Chapter President, Inland Empire
Slow Lane Familia
tydingcojm@aol.com
(951) 813-6263



Elizabeth Canavan

From: Donna Day
Sent: Wednesday, December 19, 2018 8:01 AM
To: Graham Oberem; Lorena Checa; Patricia Prado-Olmos; Neal Hoss; Jennifer Williams; Tina Bell; Lori Brockett; Kyle Button; Margaret Chantung
Cc: Cathy Baur; Viviana Garcia; Maria Shterew; Pia Bombardier; Elizabeth Canavan; Angelica Tennent; Alan Brian; Lesley Rankin; Candace Bebee; Arlene Cratsa; Jessica Halsey; Melinda Jones; Kristin Haygood; Gina Mainprize
Subject: Delegation of Authority: VP Cathy Baur: December 19, 2018 - January 7, 2019

Greetings Executive Council and University Advancement Leadership Team,

Vice President Cathy Baur will be away from campus today, December 19, 2018 – January 7, 2019.

In her absence, Vice President Baur has delegated authority, including signature authority to Associate Vice President for Development, Kyle Button.

All documents requiring Vice President Baur's review and/or signature should be routed through the Vice President's office. We will forward as appropriate. If you have an urgent matters that require immediate attention, please contact extension 4400.

Thank you!

Donna Day

Sr. Executive Assistant to Vice President
Secretary to the CSUSM Foundation Board
California State University San Marcos
University Advancement
dday@csusm.edu | 760-750-7307 | www.csusm.edu/advancement



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: STEM Careers in Conservation Date Submitted: 12/20/2018	Total # of people served: 480 Total # of San Marcos residents served: 480	Amount Requested: \$10,000										
Non-Profit Organization Name and Address, Website: Zoological Society of San Diego dba San Diego Zoo Global P.O. Box 120551 San Diego, CA 92112-0551 www.sandiegozoo.org	Contact Person – Name, Title & Phone, email: Karen Isaacs Senior Corporate and Foundation Relations Officer (619) 744-3310, kisaacs@sandiegozoo.org											
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Science, Technology, Engineering and Math (STEM) fields of study are valuable for students to grasp as they move into their future careers. The STEM Careers in Conservation program will provide 480 middle school students in the San Marcos community a unique opportunity to learn about the ways that these disciplines are being applied to real-world conservation issues around the globe. Through this three-part program, students will interface directly with conservation researchers, learn about the importance of interdisciplinary collaboration, and practice solving present day conservation challenges.</p>												
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Many students feel disengaged in STEM subject areas as they move towards high school and do not pursue higher education or careers in STEM fields. This exciting program will engage students with professionals who are saving species using a frozen zoo, flying surveillance drones to stop poachers and programming artificial intelligence systems to identify and track endangered big cats. We believe that this program will inspire students to have greater engagement in STEM subjects, and will encourage some to pursue a career in these critical fields.</p>												
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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Expected date project will begin/end: 3/1/2019 – 12/15/2019</td> </tr> <tr> <td colspan="2">Date by which funds will be expended: 12/15/2019</td> </tr> <tr> <td colspan="2">Signature of President or Authorized Officer</td> </tr> <tr> <td style="text-align: center;"> Name, Title </td> <td style="text-align: center;"> 12-15-18 Date </td> </tr> <tr> <td colspan="2"> 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): jimagee@san-marcos.net </td> </tr> </table>		Expected date project will begin/end: 3/1/2019 – 12/15/2019		Date by which funds will be expended: 12/15/2019		Signature of President or Authorized Officer		Name, Title	12-15-18 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): jimagee@san-marcos.net	
Expected date project will begin/end: 3/1/2019 – 12/15/2019												
Date by which funds will be expended: 12/15/2019												
Signature of President or Authorized Officer												
Name, Title	12-15-18 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): jimagee@san-marcos.net												

Budget Worksheet

Provide an itemized list of expenses for this project:

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

Program Evaluation: \$37.50 x 24 hours	\$900
--	-------

Program Implementation: \$37.50 x 216 hours	\$8,100
---	---------

Student Project Supplies: \$25 x 16 classes	\$400
---	-------

SDZG Researcher Labor: \$37.50 x 16	\$600
-------------------------------------	-------

Program Administration: \$37.50 x 80 hours	\$3,000
--	---------

Reservations Support: \$37.50 x 40 hours	\$1,500
--	---------

Vehicle Mileage: $\$0.545 \times 400$ miles	\$218
---	-------

Total budget for this PROJECT: \$14,718

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).

\$4,718	(Indirect Costs covered by SDZG)	**	C
---------	----------------------------------	----	---

\$_____ (Name of source) **

\$	(Name of source)	**
----	------------------	----

\$ _____ (Name of source) **

Zoological Society of San Diego
dba San Diego Zoo Global

2018 BUDGET

(in millions)

	Fiscal Year 2018
Revenues and support:	
Admissions and memberships	\$ 115.4
Auxiliary activities	123.3
Contributions	49.3
Grant revenue for services	6.9
Tax revenue and other	16.1
Total revenues and support	311.0
Expenses:	
Exhibition facility operations	229.7
Research and conservation activities	28.8
Educational programs	3.7
Administration	34.4
Actuarial charges for pension	2.8
Total expenses	299.4
Change in net assets from operating activities	\$ 11.6
Projected capital expenditures	\$ 40.0

Cumulative List of Organizations

Revised to
September 30, 2009

described in Section 170(c) of the
Internal Revenue Code of 1986

O-Z

Vol. Three of Three



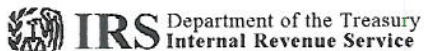
Department of the Treasury
Internal Revenue Service

Publication 78 (Rev.12-2009)
Catalog Number 70390R

Zoe Life Institute, Mission Viejo, CA
 Zoe Life International Ministries Inc., Broken Arrow, OK
 Zoe Life Ministries, Newport News, VA
 Zoe Life Ministries, St. Charles, MO
 Zoe Life Ministries, Weatherford, TX
 Zoe-Life Ministries Inc., Cochran, GA
 Zoelife Ministries Incorporated, Baton Rouge, LA
 Zoe Life Outreach Incorporated, Denison, TX
 Zoeller Ministries Inc., Fort Myers, FL
 Zoellner Foundation, Denver, CO (4)
 Zoellner-Eckert Foundation, New York, NY (4)
 Zoe Ministries, Chicago, IL
 Zoe Ministries, Colfax, IA
 Zoe Ministries, Wildwood, MO
 Zoe Ministries Inc., Boca Raton, FL (4)
 Zoe Ministries Inc., Boulder, CO
 Zoe Ministries Inc., Missoula, MT
 Zoe Ministries Inc., New York, NY
 Zoe Ministries Incorporated, Wshngtn Ct Hs, OH
 Zoe Ministries International, Bowie, MD
 Zoe Ministries International, Memphis, TN
 Zoe Ministries International Inc., Sarasota, FL
 Zoe Ministries the God Kind of Life Inc., Willingboro, NJ
 Zoe Ministries Worldwide Inc., Plano, TX
 Zoe Ministry, Miami, FL³
 Zoe Miracle Church, Baltimore, MD
 Zoe Missionary Church, Capitol Hgts, MD
 Zoe Music Ministries Inc., Coral Springs, FL (4)
 Zoe Outreach Ministries, Bowie, MD (1)
 Zoe Outreach Ministries, Tupelo, MS
 Zoe Pentecostal Church, Edmonds, WA
 Zoe Pregnancy Center, Las Vegas, NM
 Zoe-Ros Foundation Corp, Doral, FL
 Zoe Rose Memorial Foundation, Athens, GA
 Zoes Best Friend Inc., Cheshire, CT (4)
 Zoes Bone Marrow Buddies Inc., Westfield, IN
 Zoes Haven Animal Rescue Inc., New Braunfels, TX
 Zoes Jourey Inc., Lakeland, FL
 Zoes Place Inc., Teaneck, NJ
 Zoe Sky Ranch & Rescue Inc., Larkspur, CO
 Zoe Streams Foundation, Torrance, CA (4)
 Zoe Tabernacle Corporation, Poplarville, MS
 Zoetic Dance Ensemble, Atlanta, GA
 Zoetime Ministries Inc., Charleston, IL
 Zoenun Church, Fullerton, CA
 Zoe University Incorporated, Jacksonville, FL
 Zoe Winds of Life, Chico, CA
 Zoe Work Force Program Inc., Lawton, OK (4)
 Zoe Worship Training Center Inc., Moore, OK
 Zoeza Institute, Philadelphia, PA
 Zofias Choice Inc., North Miami, FL
 Zogchen Pema Choling Meditation Centre Inc., Woodstock, NY
 Zoglin Family Foundation, Los Altos, CA (4)
 Zohar Dance Company, Palo Alto, CA
 Zohar Education Project Inc., Chicago, IL (4)
 Zohar Hatorah Inc., New York, NY
 Zoie Foundation, Anthony, KS
 Zoie Magazine Inc., Trophy Club, TX
 Zois Animal Rescue Inc., Claremore, OK
 Zoja Performance Group, Eden, WI
 Zola Desmond Scholarship Trust, Topeka, KS (4)
 Zola Levitt Ministries Inc., Dallas, TX
 Zola Parker White Trust 323410, Phoenix, AZ (4)
 Z Olen and Inez G Pumphrey Foundation Inc., Ft Branch, IN (4)
 Zolfo Foundation, Treasure is, FL (4)
 Zoline Foundation, Santa Monica, CA (4)
 Zolla Family Foundation, Santa Monica, CA (4)
 Zoller Family Foundation, Huntington Wd, MI (4)
 Zollner Foundation Trust, Omaha, NE (4)
 Zolo Foundation, Gold Canyon, AZ (4)
 Zomi Christian Fellowship Inc., Tulsa, OK
 Zomi Innkuan USA Inc., Tulsa, OK
 Zona and Jack Loomis Platte School District No 1 Scholarship, Wheatland, WY (4)
 Zona Juvenil, Fort Worth, TX
 Zona Seca, Santa Barbara, CA
 Zona Volleyball Club Inc., Tucson, AZ
 Zonamerica Foundation, New York, NY
 Steven K Zonas Tr 29977, Pittsburgh, PA (4)
 The Zone, Howard, SD (4)
 Zone Busters LLC, Cartersville, GA
 Zone Charter School and Nutrition Center, Dallas, TX

Zone Club, Menlo Park, CA
 Zone Coalition, Phillips, ME
 Zone Community Center Inc., Bedford, VA
 Zone Five Regional Law Enforcement Training Center Inc., Troy, NY
 Zone Inc., Kuna, ID
 Zone Productions Inc., Imlay City, MI
 The Zone Spartanburg Sc Inc., Spartanburg, SC
 Zones of Peace International Foundation, Federal Way, WA
 Zongomundo, Chicago, IL
 Zonta Cares Inc., Tallahassee, FL
 Zonta Charities of Suffolk Inc., Hauppauge, NY
 Zonta Club Foundation of Glens Falls New York Inc., Glens Falls, NY
 Zonta Club of Austin Foundation Inc., Austin, TX
 Zonta Club of Boca Raton Foundation Inc., Boca Raton, FL
 Zonta Club of Boise Foundation Inc., Boise, ID
 Zonta Club of Buffalo Foundation Inc., Buffalo, NY
 Zonta Club of Burbank Area Foundation Corporation, Porter Ranch, CA
 Zonta Club of Cape Girardeau Area Foundation, Cpe Girardeau, MO
 Zonta Club of Charlevoix Area Foundation, Charlevoix, MI
 Zonta Club of Cleveland Foundation, South Euclid, OH
 Zonta Club of Dallas I Charitable Trust, Dallas, TX
 Zonta Club of Denver Foundation, Englewood, CO
 Zonta Club of Detroit I-Diane Foundation, Detroit, MI
 Zonta Club of Downriver Foundation, Brownstown, MI
 Zonta Club of East Lansing Area Foundation, East Lansing, MI
 Zonta Club of Everett Foundation, Elerett, WA
 Zonta Club of Flint II - Charitable Fund Inc., Flint, MI
 Zonta Club of Fort Worth Foundation Inc., Fort Worth, TX
 Zonta Club of Grants Pass Oregon Foundation, Grants Pass, OR
 Zonta Club of Hanalei Foundation, Hanalei, HI
 Zonta Club of Houston Educational & Charitable Fund, Houston, TX
 Zonta Club of Jefferson County Foundation, Lakewood, CO
 Zonta Club of Johnson County Foundation Inc., Rio Vista, TX
 Zonta Club of Kauai Foundation, Lihue, HI
 Zonta Club of Lansing Foundation, Lansing, MI
 Zonta Club of Laramie, Laramie, WY (4)
 Zonta Club of Leelanau County Foundation, Suttons Bay, MI
 Zonta Club of Longview Foundation Inc., Longview, TX
 Zonta Club of Marathon Foundation Inc., Marathon, FL
 Zonta Club of Melbourne Inc., Melbourne, FL
 Zonta Club of Metro Detroit Foundation, Detroit, MI
 Zonta Club of Minneapolis Service Fund Inc., Saint Paul, MN
 Zonta Club of New Orleans Foundation, New Orleans, LA
 Zonta Club of Newport Harbor Foundation, Costa Mesa, CA
 Zonta Club of Pasadena Foundation, Pasadena, CA
 Zonta Club of Petoskey Area Charitable Fund, Petoskey, MI
 Zonta Club of Pittsburgh Foundation, Pittsburgh, PA
 Zonta Club of Pocatello Service Foundation Inc., Pocatello, ID
 Zonta Club of Savannah Service Fund Inc., Savannah, GA
 Zonta Club of Southfield Area Foundation, Southfield, MI
 Zonta Club of St. Paul Charitable Foundation, Shoreview, MN
 Zonta Club of Tacoma Foundation, Federal Way, WA
 Zonta Club of the Michigan Capitol Area Foundation, Lansing, MI
 Zonta Club of the Scv Foundation, Valencia, CA
 Zonta Club of Toledo I Service Foundation, Perrysburg, OH
 Zonta Club of Traverse City Service Fund, Traverse City, MI
 The Zonta Club of Washington Foundation, Washington, DC
 Zonta Foothills Foundation, Boulder, CO
 Zonta Foundation Inc., Shorewood, WI
 Zonta Foundation of Charleston Inc., Charleston, SC

Zonta Foundation of Columbia Inc., Columbia, SC (4)
 Zonta Foundation of Key West Inc., Key West, FL
 Zonta Foundation of Myrtle Beach, N Myrtle Beach, SC
 Zonta Foundation of Nogales, Nogales, AZ
 Zonta Foundation of Portland, Portland, OR
 Zonta Foundation of Southwest Florida Inc., Sanibel, FL
 Zonta Foundation of the East Valley, Tempe, AZ
 Zonta International, Clearwater, FL
 Zonta International, Sandusky, OH
 Zonta International District 10 Foundation Inc., Austin, TX
 Zonta International Foundation, Chicago, IL
 Zonta Madison Foundation Inc., Madison, WI
 Zonta Oak Park Foundation, Oak Park, IL
 Zonta of South Puget Sound Foundation, Olympia, WA
 Zonta Pittsburgh North Foundation, Wexford, PA
 Zonta Rochester Foundation, Rochester, NY
 Zonta Service Foundation of Corvallis, Corvallis, OR
 Zonta Service Foundation of Eugene, Eugene, OR
 Zonta Service Foundation of Olympia, Olympia, WA
 Zonta Service Foundation of Roseburg Area, Roseburg, OR
 Zonta Service Fund of Aberdeen, Aberdeen, SD
 Zonta Service Fund of Cincinnati Inc., Cincinnati, OH
 Zonta Teaneck-Bergenfield Foundation Inc., Bergenfield, NJ
 Zonta West-Illinois, St. Charles, IL
 Zonta Yellow Rose Foundation, Anchorage, AK
 Zonta-Abc Foundation, Fairlawn, OH
 Zoo Conservation Outreach Group, Silver Spring, MD
 Zoo Corporation, Lubbock, TX (4)
 Zoo District, Los Angeles, CA
 Zoofari Incorporated, Bonsall, CA
 Zoo Foundation Inc., Gulf Shores, AL
 Zoo Friends of Houston, Houston, TX
 Zooh Corner Rabbit Rescue, San Gabriel, CA
 The Zoo Inc., Ely, NV
 Zoo Lam Boo, Winchendon, MA
 Zoological & Ecological Research Foundation Inc., Easton, CT
 Zoological Foundation of Georgia Inc., Atlanta, GA
 Zoological Kingdom Inc., Bronx, NY
 Zoological Registrars Association, Tacoma, WA
 Zoological Society of Buffalo Foundation Inc., Buffalo, NY
 Zoological Society of Buffalo Inc., Buffalo, NY
 Zoological Society of Cincinnati, Cincinnati, OH
 Zoological Society of Florida, Miami, FL
 Zoological Society of Milwaukee County, Milwaukee, WI
 Zoological Society of Milwaukee County Endowment Tr, Milwaukee, WI
 Zoological Society of New Jersey, West Orange, NJ
 Zoological Society of Philadelphia, Philadelphia, PA
 Zoological Society of Pittsburgh, Pittsburgh, PA
 Zoological Society of San Diego, San Diego, CA
 Zoological Society of San Luis Obispo County, Atascadero, CA
 Zoological Society of Sioux Falls Great Plains Zoo & Museum, Sioux Falls, SD
 Zoological Society of the Palm Beaches Inc., W Palm Beach, FL
 Zoological Society of Washington, Issaquah, WA
 Zoom Foundation, Greenwich, CT (4)
 Zoom in Awards Inc., New York, NY
 Zoom Mission, Lso Angeles, CA
 Zoom Track Club Inc., Littleton, CO
 Zoomer Foundation Inc., Natick, MA
 Zoomers Inc., Dillon, CO
 Zoomontana Foundation, Billings, MT
 Zoomontana Inc., Billings, MT
 Zoomungus World Foundation, Los Angeles, CA
 Zoo Outreach Organization, High Springs, FL
 Zoopendous, Los Angeles, CA
 Zoo Peru Inc., Auburn, CA
 Zoos Ferret Sanctuary N F P, Kirkland, IL
 Zoo Safari Inc., Locust Grove, OK
 Zoot, Heyworth, IL
 Zoo to You Wildlife Education, Paso Robles, CA
 Zootopia, Beaumont, CA
 Zootown Arts Community Center, Missoula, MT
 Zoo World Ministries, San Clemente, CA
 Zooworld Zoological and Botanical Conservatory Inc., Panama City Beach, FL
 Zoos Inc., Brooklyn, NY
 The Zora Ellis Scholarship Fund Inc., Talladega, AL



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

In reply refer to: 0248462390
Feb. 21, 2013 LTR 4168C E0
95-1648219 000000 00

00024258

BODC: TE

ZOOLOGICAL SOCIETY OF SAN DIEGO
% PAULA BROCK CFO
PO BOX 120551
SAN DIEGO CA 92112-0551

Employer Identification Number: 95-1648219
Person to Contact: MR. PATTERSON
Toll Free Telephone Number: 1-877-829-5500

Dear TAXPAYER:

This is in response to your Feb. 11, 2013, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in APRIL 1942.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your 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.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

092425290
Feb. 21, 2013 LTR 4168C E0
92-1648219 000000 00
00024259

0248462390
Feb. 21, 2013 LTR 4168C E0
95-1648219 000000 00
00024259

ZOOLOGICAL SOCIETY OF SAN DIEGO
% PAULA BROCK CFO
PO BOX 120551
SAN DIEGO CA 92112-0551

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

Sincerely yours,

Richard McKee

Richard McKee, Department Manager
Accounts Management Operations



Entity Status Letter

Date: 9/24/2012

ESL ID: 6895646071

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 0083432

Entity Name: ZOOLOGICAL SOCIETY OF SAN DIEGO

- ☒ 1. The entity is in good standing with the Franchise Tax Board.
- ☐ 2. The entity is **not** in good standing with the Franchise Tax Board.
- ☒ 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 d.
- ☐ 4. We do not have current information about the entity.

The above information does not necessarily reflect:

- The entity's status with any other agency of the State of California, or other government agency.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or the entity did business in California at a time when it was not qualified or not registered to do business in California:
 - The status or voidability of any contracts made in California by the entity at a time when the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
 - For entities revived under R&TC Section 23305b, any time limitations on the revivor or limitation of the functions that can be performed by the entity.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

1491M-Mar. 1942



OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

IT:P:T:1

MMC

The San Diego Zoological Society,
Balboa Park,
San Diego, California.

Sirs:

It is the opinion of this office, based upon the evidence presented, that you are exempt from Federal income tax under the provisions of section 101(6) of the Internal Revenue Code and corresponding provisions of prior revenue acts, as it is shown that you are organized and operated exclusively for educational, etc. purposes.

Accordingly, you will not be required to file returns of income unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the collector of internal revenue for your district in order that their effect upon your exempt status may be determined.

Since any organization which is exempt from Federal income tax under the provisions of section 101 of the Internal Revenue Code also is exempt from the capital stock tax pursuant to the express provisions of section 1201(a)(1) of the Internal Revenue Code, you will not be required to file capital stock tax returns for future years so long as the exemption from income tax is effective.

Furthermore, under substantially identical authority contained in sections 1426 and 1607 of the Code and/or corresponding provisions of the Social Security Act, the employment taxes imposed by such statutes are not applicable to remuneration for services performed in your employ so long as you meet the conditions prescribed above for retention of an exempt status for income tax purposes.

You will be required, however, to file annually, beginning with your current accounting period, an information return on Form 990 with the collector of internal revenue for your district so long as this exemption remains in effect. This form may be obtained from the collector and is required to be filed on or before the first day of the third month following the close of your annual accounting period.

FOR DEFENSE



APR 12 1942

- 2 -

The San Diego Zoological Society.

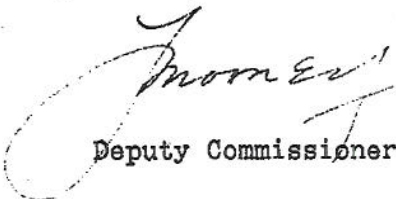
Contributions made to you are deductible by the donors in arriving at their taxable net income in the manner and to the extent provided by section 23(o) and (q) of the Internal Revenue Code and corresponding provisions of prior revenue acts.

Bequests, legacies, devises or transfers, to or for your use are deductible in arriving at the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 812(d) and 861(a)(3) of the Code and/or corresponding provisions of prior revenue acts. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004(a)(2)(B) and 1004(b)(2) and (3) of the Code and/or corresponding provisions of prior revenue acts.

The collector of internal revenue for your district is being advised of this action.

By direction of the Commissioner.

Respectfully,


Deputy Commissioner.

BOARD OF TRUSTEES
(Confidential)

Officers

Chairman: Steven G. Tappan, President, Tappan Enterprises

Vice Chairman: Javade Chaudhri, Partner, Jones Day

Secretary: Linda J. Lowenstine DVM, PhD, DipACVP, Professor (Emerita) of Veterinary Pathology, Pathology, Microbiology and Immunology, University of California Davis, School of Veterinary Medicine

Treasurer: Richard B. (Rick) Gulley, Retired, Alliant Insurance Services, Inc.

Trustees

Rolf Benirschke, Co-Founder and Chief Patient Officer, Legacy Health Strategies

Cliff Hague, Former member of executive management team, MiniMed, Inc.

Robert B. Horsman, Chief Banking Officer, Endeavor Bank

Steven (Steve) S. Simpson, Managing Partner, CoastEdge Partners, LLC

Ryan Sullivan, CEO, Intensity

Judy Wheatley, Retired, Qualcomm

REV 4/3/18 - pb

San Marcos Community Foundation – Grant Narrative

STEM Careers in Conservation, San Diego Zoo Global

Program Description:

Many of the challenges facing conservationists today require creative, collaborative solutions to help save endangered habitats around the globe. More than ever, professionals from across the STEM fields are applying novel technological solutions to protect both animals and plants. San Diego Zoo Global (SDZG) employs the world's largest Zoo-based research team, including field researchers, geneticists, social scientists and technology specialists. Through an exciting new three-part program, we will bring wildlife right to the classroom and put middle school students in the role of SDZG conservation scientists; challenging participants to use creativity and teamwork to successfully keep species from reaching the brink of extinction.

Before our first classroom visit, we will arrange a Skype chat in the classroom with one of our SDZG researchers to talk about their career and why they chose a STEM field of study. It will also be an opportunity for students to ask questions directly to our research team.

In our first session, we will use real-world conservation case studies to introduce students to some of the many applications of STEM concepts in conservation science. Students will hear from our researchers about their role in conservation, and how they navigated to their career. After a visit from a Safari Park Animal Ambassador, students will help researchers identify wildlife in trail camera photos from SDZG field projects. Using computers, students will access a web portal and catalogue their observations into an online database. Students will also use technology to track the movements of endangered species.

Our second visit puts students' problem-solving skills to the test by focusing on some of today's biggest conservation challenge, with each issue corresponding to an endangered species SDZG is working to protect. In teams, students will design a practical, yet creative solution to one of the challenges and present the concept to their peers. Their final product will include a poster outlining their problem, solution, and relevant STEM concepts they utilized. This collaborative approach will engage students in a unique learning process and will encourage participation from each member of the team.

Funding:

There will be no cost for the schools to participate in this program. A generous grant from SMCF will cover all direct labor costs to implement this program. All indirect costs will be covered by SDZG, such as program management, vehicle mileage and reservation staff support. This grant will also allow us to offer this program at no cost to the teachers or the school. All three visits – the Skype chat and both classroom programs – will be included for sixteen total classes.

We have submitted similar proposals for this program to other funding agencies for work in other school districts and have received funding from the Coastal Community Foundation to bring this opportunity to middle schools in Carlsbad.

Timeline:

February: Purchase necessary supplies and begin reservations.

March-May: Implement programs for eight classes during the spring.

June-August: Make any necessary modifications to the program based on our spring visits.

September-December: Make reservations and implement remaining programs during the fall.

Outcomes and Evaluation:

We will use an integrated evaluation process throughout the program to measure impacts on students, with results detailed in our final report. Our expected outcomes after program participation include, students' ability to:

- Identify at least three ways STEM fields are being applied to current conservation work
- Describe at least three STEM career options
- Demonstrate a more positive attitude toward pursuing a career in a STEM field

California Common Core Standards Alignment:

The California Common Core Standards are designed to develop skills like problem solving, creativity, collaboration, and innovation – all critical abilities in STEM fields of study. This program focuses on the complex world of wildlife conservation to engage students in applying these skills. Students will participate in a range of collaborative discussions and interactions throughout all elements of our program. They will also do research to build their understanding of multifaceted conservation issues, and present their findings to their peers. We believe that this hands-on approach to STEM concepts will directly link with the work of classroom teachers and the Common Core Standards they need to address.

Participant Selection:

We believe that 8th grade students are an ideal audience for this kind of program, primarily because they are at an age when they are beginning to think more deeply about their future career path. Before making the jump into high school, this program will give them an opportunity to learn about the diverse career choices within STEM fields, and what educational experience can help them achieve those jobs down the road. We are working with San Marcos Unified School District to determine which schools would be the best fit for this program.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2017
Open to Public Inspection

A For the 2017 calendar year, or tax year beginning and ending																												
B Check if applicable: Address change Name change Initial return Final return/terminated Amended return Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization ZOOLOGICAL SOCIETY OF SAN DIEGO</td> <td>D Employer identification number 95-1648219</td> </tr> <tr> <td colspan="2">Doing business as SAN DIEGO ZOO GLOBAL</td> <td rowspan="4">E Telephone number 619-231-1515</td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> </tr> <tr> <td colspan="2">POST OFFICE BOX 120551</td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code SAN DIEGO, CA 92112-0551</td> </tr> <tr> <td colspan="3"> F Name and address of principal officer: DOUGLAS G MYERS PRES/CEO SAME AS C ABOVE </td> </tr> <tr> <td colspan="2"> G Gross receipts \$ 385,438,081. </td> <td> H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ </td> </tr> <tr> <td colspan="3"> I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527 </td> </tr> <tr> <td colspan="3"> J Website: WWW.SANDIEGOZOO.ORG </td> </tr> <tr> <td colspan="2"> K Form of organization: <input checked="" type="checkbox"/> Corporation Trust Association Other ▶ </td> <td> L Year of formation: 1916 M State of legal domicile: CA </td> </tr> </table>	C Name of organization ZOOLOGICAL SOCIETY OF SAN DIEGO		D Employer identification number 95-1648219	Doing business as SAN DIEGO ZOO GLOBAL		E Telephone number 619-231-1515	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	POST OFFICE BOX 120551		City or town, state or province, country, and ZIP or foreign postal code SAN DIEGO, CA 92112-0551		F Name and address of principal officer: DOUGLAS G MYERS PRES/CEO SAME AS C ABOVE			G Gross receipts \$ 385,438,081.		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" 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) 501(c) () (insert no.) 4947(a)(1) or 527			J Website: WWW.SANDIEGOZOO.ORG			K Form of organization: <input checked="" type="checkbox"/> Corporation Trust Association Other ▶		L Year of formation: 1916 M State of legal domicile: CA
C Name of organization ZOOLOGICAL SOCIETY OF SAN DIEGO		D Employer identification number 95-1648219																										
Doing business as SAN DIEGO ZOO GLOBAL		E Telephone number 619-231-1515																										
Number and street (or P.O. box if mail is not delivered to street address)	Room/suite																											
POST OFFICE BOX 120551																												
City or town, state or province, country, and ZIP or foreign postal code SAN DIEGO, CA 92112-0551																												
F Name and address of principal officer: DOUGLAS G MYERS PRES/CEO SAME AS C ABOVE																												
G Gross receipts \$ 385,438,081.		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" 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) 501(c) () (insert no.) 4947(a)(1) or 527																												
J Website: WWW.SANDIEGOZOO.ORG																												
K Form of organization: <input checked="" type="checkbox"/> Corporation Trust Association Other ▶		L Year of formation: 1916 M State of legal domicile: CA																										

Part I Summary				
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>SAN DIEGO ZOO GLOBAL IS COMMITTED TO SAVING SPECIES WORLDWIDE (CONTINUED ON SCHEDULE O)</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)	11	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	11	
	5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	3581	
	6	Total number of volunteers (estimate if necessary)	1940	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	4,797,095.	
	b Net unrelated business taxable income from Form 990-T, line 34	-338,410.		
Revenue			Prior Year	Current Year
	8	Contributions and grants (Part VIII, line 1h)	81,806,457.	134,343,678.
	9	Program service revenue (Part VIII, line 2g)	184,309,960.	180,262,230.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,066,934.	7,532,887.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	20,122,108.	19,956,440.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	288,305,459.	342,095,235.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,609,833.	1,968,864.
	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)	145,569,368.	147,923,141.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	304,080.	353,446.
Expenses	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 8,589,674.			
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	116,207,578.	118,410,277.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	263,690,859.	268,655,728.
	19	Revenue less expenses. Subtract line 18 from line 12	24,614,600.	73,439,507.
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	592,578,250.	682,457,047.
	21	Total liabilities (Part X, line 26)	219,622,146.	217,511,454.
	22	Net assets or fund balances. Subtract line 21 from line 20	372,956,104.	464,945,593.

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				Date
	PAULA BROCK, CFO <i>Paula Brock</i>				
Paid Preparer Use Only	Print/Type preparer's name LISA M. CUMMINGS		Preparer's signature <i>Lisa M. Cummings</i>	Date 8/8/2018	Check if self-employed <input type="checkbox"/> PTIN P00043433
	Firm's name ▶ COHNREZNICK LLP			Firm's EIN ▶ 22-1478099	
	Firm's address ▶ 400 CAPITOL MALL, SUITE 1200 SACRAMENTO, CA 95814-4424			Phone no. 916-442-9100	

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

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:

SAN DIEGO ZOO GLOBAL IS COMMITTED TO SAVING SPECIES WORLDWIDE BY
UNITING OUR EXPERTISE IN ANIMAL CARE AND CONSERVATION SCIENCE WITH OUR
DEDICATION TO INSPIRING PASSION FOR NATURE.

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 \$ 200,520,791. including grants of \$) (Revenue \$ 185,571,167.)

EXHIBITION AND ANIMAL CARE FACILITY OPERATIONS: AN IMPORTANT PART OF
SAN DIEGO ZOO GLOBAL'S MISSION OF SAVING SPECIES IS OUR ABILITY TO
REACH A WIDE AUDIENCE ALLOWING THEM TO LEARN AND CARE ABOUT ENDANGERED
SPECIES. AS PART OF THIS EFFORT OUR TWO WILDLIFE SANCTUARIES HOST MORE
THAN 4.5 MILLION GUESTS EACH YEAR INCLUDING MORE THAN 350,000 SCHOOL
CHILDREN THAT RECEIVE FREE OR DISCOUNTED EDUCATION PROGRAMS. THE SAN
DIEGO ZOO & SAN DIEGO ZOO SAFARI PARK ARE ACCREDITED AND LICENSED TO
CARE FOR CRITICALLY ENDANGERED PLANTS AND ANIMALS. THE 100 ACRE ZOO IS
HOME TO MORE THAN 3,700 ANIMALS REPRESENTING MORE THAN 700 RARE AND
ENDANGERED SPECIES WITH MORE THAN 700,000 PLANTS OF MORE THAN 600
SPECIES AND SUBSPECIES. THE 1,800 ACRE SAFARI PARK AND BIODIVERSITY
RESERVE IS HOME TO MORE THAN 2,600 ANIMALS REPRESENTING 300 SPECIES.

4b (Code:) (Expenses \$ 24,676,575. including grants of \$ 1,968,864.) (Revenue \$ 2,269,598.)

RESEARCH AND CONSERVATION ACTIVITIES: CONSERVATION PROGRAMS
THROUGH THE ZOOLOGICAL SOCIETY OF SAN DIEGO'S INSTITUTE FOR
CONSERVATION RESEARCH, ONE OF THE LARGEST ZOO-BASED
MULTI-DISCIPLINARY RESEARCH TEAMS IN THE WORLD. THE MISSION OF
THE INSTITUTE FOR CONSERVATION RESEARCH IS TO GENERATE, SHARE AND
APPLY SCIENTIFIC KNOWLEDGE VITAL TO THE CONSERVATION OF ANIMALS,
PLANTS AND HABITATS. THE INSTITUTE HAS GROWN TO INCLUDE
INTERNATIONAL FIELD CONSERVATION PROGRAMS IN MORE THAN 35
COUNTRIES WORLDWIDE.

4c (Code:) (Expenses \$ 5,205,874. including grants of \$) (Revenue \$ 5,386,556.)

EDUCATIONAL PROGRAMS: SERVICES TO OVER 350,000 STUDENTS AND
EDUCATORS THROUGH SCHOOL FIELD TRIPS, ASSEMBLY & CLASSROOM
PROGRAMS, CLASSROOM TEACHING KITS, CURRICULUM & ACTIVITIES,
TEACHER WORKSHOPS AND VIDEOCONFERENCING. AN ADDITIONAL 60,000
GUESTS ARE REACHED THROUGH SLEEPOVERS, CAMP PROGRAMS, ART &
PHOTOGRAPHY CLASSES, TEAM BUILDING PROGRAMS & SCAVENGER HUNTS AND
SPECIAL TOURS. FINALLY, PANDA NARRATORS SHARE EDUCATIONAL
INFORMATION ABOUT PANDAS TO OVER 1.8 MILLION GUESTS.

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

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

4e Total program service expenses 230,403,240.Form **990** (2017)

**Zoological Society of San Diego
dba San Diego Zoo Global**

**Consolidated Financial Statements
and Independent Auditor's Report**

December 31, 2017 and January 1, 2017

COHN  REZNICK
ACCOUNTING • TAX • ADVISORY

Page

Independent Auditor's Report	2
Consolidated Financial Statements	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities and Changes in Net Assets	5
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8

Independent Auditor's Report

To the Board of Trustees
Zoological Society of San Diego
dba San Diego Zoo Global

We have audited the accompanying consolidated financial statements of Zoological Society of San Diego dba San Diego Zoo Global ("SDZ Global"), which comprise the consolidated statements of financial position as of December 31, 2017, and January 1, 2017, the related consolidated statements of activities and changes in net assets, the consolidated statements of cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of SDZ Global as of December 31, 2017 and January 1, 2017, 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.

CohnReznick LLP

San Diego, California
April 24, 2018

	<u>Assets</u>	
	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 144,025	\$ 136,644
Accounts receivable, net	11,174	9,409
Inventories, net	2,459	2,471
Prepaid expenses and other assets	8,243	7,457
Investments	159,234	130,998
Split-interest agreements	37,575	32,450
Bequests and contributions receivable, net	33,863	29,305
Property and equipment, net	285,884	243,844
Total assets	<u>\$ 682,457</u>	<u>\$ 592,578</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 37,701	\$ 37,809
Accrued salaries and salary-related expenses	26,437	26,247
Deferred support and revenue	19,226	18,041
Liability for pension benefits	83,773	85,173
Debt, net	50,374	52,352
Total liabilities	<u>217,511</u>	<u>219,622</u>
Commitments and contingencies		
Net assets		
Unrestricted	292,003	253,777
Temporarily restricted	109,802	71,193
Permanently restricted	63,141	47,986
Total net assets	<u>464,946</u>	<u>372,956</u>
Total liabilities and net assets	<u>\$ 682,457</u>	<u>\$ 592,578</u>

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support				
Admissions and memberships	\$ 113,966	\$ -	\$ -	\$ 113,966
Auxiliary activities	119,498	-	-	119,498
Contributions	26,493	45,346	15,155	86,994
Grant revenue for services	6,725	-	-	6,725
Tax revenue and other	18,962	-	-	18,962
Net assets released from restrictions	20,134	(20,134)	-	-
Total revenues and support	305,778	25,212	15,155	346,145
Expenses				
Exhibition and animal care facility operations	211,928	-	-	211,928
Research and conservation activities	24,677	-	-	24,677
Educational programs	5,206	-	-	5,206
Administration	32,303	-	-	32,303
Actuarial charges for pension	3,587	-	-	3,587
Total expenses	277,701	-	-	277,701
Change in net assets from operations	28,077	25,212	15,155	68,444
Investment income	13,486	10,319	-	23,805
Change in value of split-interest agreements	-	3,078	-	3,078
Interest expense	(1,968)	-	-	(1,968)
Unrealized gain on swap transaction	697	-	-	697
Pension-related changes other than net periodic pension cost	(2,066)	-	-	(2,066)
Change in net assets	38,226	38,609	15,155	91,990
Net assets, beginning	253,777	71,193	47,986	372,956
Net assets, end	\$ 292,003	\$ 109,802	\$ 63,141	\$ 464,946

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support				
Admissions and memberships	\$ 111,401	\$ -	\$ -	\$ 111,401
Auxiliary activities	123,057	-	-	123,057
Contributions	12,401	24,383	2,886	39,670
Grant revenue for services	6,336	-	-	6,336
Tax revenue and other	19,008	-	-	19,008
Net assets released from restrictions	36,781	(36,781)	-	-
Total revenues and support	308,984	(12,398)	2,886	299,472
Expenses				
Exhibition and animal care facility operations	212,552	-	-	212,552
Research and conservation activities	23,604	-	-	23,604
Educational programs	5,298	-	-	5,298
Administration	29,207	-	-	29,207
Actuarial charges for pension	3,728	-	-	3,728
Total expenses	274,389	-	-	274,389
Change in net assets from operations	34,595	(12,398)	2,886	25,083
Investment Income	4,560	4,231	-	8,791
Loss on sale of other assets	(4)	-	-	(4)
Change in value of split-interest agreements	-	743	-	743
Interest expense	(2,027)	-	-	(2,027)
Unrealized gain on swap transaction	877	-	-	877
Pension-related changes other than net periodic pension cost	(10,677)	-	-	(10,677)
Change in net assets	27,324	(7,424)	2,886	22,786
Net assets, beginning	226,453	78,617	45,100	350,170
Net assets, end	\$ 253,777	\$ 71,193	\$ 47,986	\$ 372,956

	2017	2016
Cash flows from operating activities		
Change in net assets	\$ 91,990	\$ 22,786
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	27,556	24,485
Amortization of debt issuance costs	23	23
Accretion of discount on bequests and contributions receivable	(1,144)	(1,032)
Provision for uncollectible receivables	744	103
Net realized loss (gain) on sale of investments and investment income	(4,316)	408
Net loss on sale of other assets	-	4
Net (gain) loss on disposal of property and equipment	(1)	54
Interest earned on beneficial interest in perpetual trust	(337)	(288)
Change in value of split-interest agreements	(3,078)	(743)
Net unrealized gain on investments	(16,836)	(7,213)
Unrealized gain on swap transaction	(697)	(877)
Restricted contributions for endowments and capital improvements	(53,265)	(16,672)
Changes in operating assets and liabilities		
Accounts receivable, net	(2,516)	(919)
Inventories, net	12	(47)
Prepaid expenses and other assets	(786)	(154)
Split-interest agreements	(1,710)	519
Bequests and contributions receivable, net	(3,407)	(816)
Accounts payable and accrued expenses	(10,519)	(2,014)
Accrued salaries and salary-related expenses	190	1,958
Deferred support and revenue	1,185	201
Liability for pension benefits	(1,400)	15,021
Net cash provided by operating activities	21,688	34,787
Cash flows from investing activities		
Proceeds from sale of marketable securities	33,368	29,833
Purchases of marketable securities	(40,452)	(26,655)
Purchases of property and equipment	(58,487)	(39,055)
Net cash used in investing activities	(65,571)	(35,877)
Cash flows from financing activities		
Payments on bonds payable	(1,315)	(1,255)
Payments on loan	(686)	(664)
Restricted contributions for endowments	15,155	2,886
Restricted contributions for capital improvements	38,110	13,786
Net cash provided by financing activities	51,264	14,753
Net increase in cash and cash equivalents	7,381	13,663
Cash and cash equivalents, beginning	136,644	122,981
Cash and cash equivalents, end	\$ 144,025	\$ 136,644
Supplemental disclosure of cash flow information		
Interest paid	\$ 1,947	\$ 2,004
Supplemental disclosure of noncash investing activities		
Construction in progress activities incurred but not yet paid	\$ 11,108	\$ 12,278

Note 1 - Nature of operations

The Zoological Society of San Diego dba San Diego Zoo Global ("SDZ Global") was incorporated in 1916 as a private, nonprofit corporation directed by a Board of Trustees (the "Board"). SDZ Global operates two exhibition and animal care facilities, the San Diego Zoo and the San Diego Zoo Safari Park, and conducts worldwide conservation and research programs through the San Diego Zoo Institute for Conservation Research. These programs are supported largely through admissions, memberships, donations and grants, and sales at both facilities. SDZ Global exhibits animals and plants in natural botanical settings for the education and entertainment of visitors; generates, shares, and applies scientific knowledge vital to the conservation of animals, plants, and habitats worldwide; and is dedicated to bringing endangered species back from the brink of extinction.

SDZ Global formed the Foundation of the Zoological Society of San Diego (the "Foundation") in 2007. The Foundation is a related supporting organization which conducts fund-raising activities for SDZ Global. Funds raised by the Foundation are received directly by SDZ Global and recorded as contribution revenue in SDZ Global's consolidated statements of activities and changes in net assets. The Foundation has no employees and is supported by volunteers.

SDZ Global formed San Diego Zoo Global - Peru ("SDZG Peru") in 2012. SDZG Peru is a related nonprofit association incorporated in Cusco, Peru. The purpose of SDZG Peru is to perform, in the Republic of Peru, the promotion and development of programs for the protection and conservation of the environment, including operating and managing the Cocha Cashu Biological Field Research Station.

The activities of the Foundation and SDZG Peru are included in SDZ Global's consolidated financial statements. All significant intercompany balances and transactions are eliminated in consolidation.

Note 2 - Basis of presentation and summary of significant accounting policies

Accounting period

SDZ Global reports on a 52-week fiscal year ending on a Sunday. A 53-week fiscal year is utilized every six to seven years as a catch up to keep the year end close to December 31. The fiscal years ended December 31, 2017 ("2017") and January 1, 2017 ("2016") included 52 and 53 weeks, respectively, and have been designated as 2017 and 2016, respectively, in the accompanying consolidated financial statements.

Fund accounting and net asset classification

To ensure compliance with restrictions placed on the resources available to SDZ Global, SDZ Global's accounts are maintained in accordance with the principles of fund accounting, a procedure by which resources are classified for accounting and reporting into funds established according to their nature and purpose. In the consolidated financial statements, funds that have similar characteristics are combined into three net asset categories:

- Unrestricted net assets are not restricted by donors or the donor-imposed restrictions have expired.
- Temporarily restricted net assets contain donor-imposed restrictions that permit SDZ Global to use or expend the assets only as specified. These restrictions are satisfied either by the passage of time or by SDZ Global's expenditure for the specified purpose.

- Permanently restricted net assets contain donor-imposed restrictions and stipulate that the resources be maintained permanently but permit SDZ Global to use or expend part or all the income derived from the donated assets for either specified or unspecified purposes.

Revenue recognition

SDZ Global records admissions, auxiliary activities, and grants as earned. Tickets sold in advance to travel and tourism companies are deferred until used. Membership revenue is deferred over the term of the membership, typically one year.

SDZ Global records gifts of long-lived assets as revenue at their fair value when they are received. Donations with donor-imposed restrictions are reported as temporarily or permanently restricted revenue. SDZ Global reports contributions of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. Temporarily restricted net assets are reclassified to unrestricted net assets when an event occurs which satisfies the donor-imposed restriction. When a donor restriction expires, the related temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. Temporarily restricted income which is received and expended in the current year is recorded as unrestricted income.

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is received and, therefore, are reported as temporarily restricted until the payment is received unless the contribution is received with permanent restrictions. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

Auxiliary activities

SDZ Global's auxiliary activities include retail merchandise, food and beverage, transportation operations, educational activities, Safari Park parking, and other similar support activities.

Tax revenue and other

SDZ Global receives partial funding from property taxes due to a voter-approved section of the San Diego City Charter ("Section 77a"). Section 77a was originally approved in 1934 and amended in 1941. Section 77a monies are used exclusively for the maintenance of zoological exhibits at the San Diego Zoo facility. SDZ Global recognized \$13,458 and \$12,056 in Section 77a revenue in 2017 and 2016, respectively. Tax revenue and other includes Section 77a property tax allocation, revenues from advisory services, sponsorships, advertising and other miscellaneous activities.

Animal and horticultural collections

In accordance with customary practice among zoological organizations, animal and horticultural collections are recorded at the nominal amount of one dollar, as there is no objective basis for establishing value. Additionally, animal and horticultural collections have numerous attributes, including species, age, sex, relationship and value to other animals, endangered status, and

breeding potential, whereby it is impracticable to assign value. Expenditures related to animal and horticultural acquisitions are expensed in the period of acquisition.

In an ongoing commitment to enhance the worldwide reproduction and preservation of animals, SDZ Global shares animals with other organizations. Consistent with industry practice, SDZ Global does not record any asset or liability for such sharing arrangements.

Cash and cash equivalents

SDZ Global considers short-term investments with a maturity date of 90 days or less from the date of purchase to be cash equivalents.

Accounts receivable and allowance for doubtful accounts

Accounts receivable primarily consists of trade receivables and grants receivable. Trade receivables consist of outstanding balances from travel and tourism companies that purchase and then resell admission tickets to SDZ Global's facilities. Grants receivable consist of amounts billed and unbilled from government agencies and various foundations. The allowance for doubtful accounts totals \$223 and \$200 at year end 2017 and 2016, respectively, which represents SDZ Global's estimate of uncollectible accounts receivable based on historical experience. Write-offs are deducted from the allowance for doubtful accounts, and subsequent recoveries are added.

At year end 2017 and 2016, SDZ Global has a receivable of \$5,731 and \$4,678, respectively, of Section 77a property tax proceeds held by the City of San Diego (the "City").

Investments

Investments with readily determinable fair values are measured at fair value in the consolidated statements of financial position. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the consolidated statements of activities and changes in net assets. Investments without readily determinable fair values are measured using valuations provided by external investment managers. These investments are generally less liquid than other investments, and the values reported by the general partner or investment manager may differ from the values that would have been reported had a ready market for these securities existed. SDZ Global exercises due diligence in assessing the policies, procedures and controls implemented by its external investment managers and believes the carrying amount of these assets is a reasonable estimate of fair value.

Concentration of credit risk

Financial instruments that potentially subject SDZ Global to concentrations of credit risk consist primarily of cash and cash equivalents, investments, accounts receivable, split-interest agreements, and bequests and contributions receivable. SDZ Global maintains its cash and cash equivalents with various financial institutions and may be exposed from time to time to credit risk with bank deposits in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits. Investments are managed within guidelines established by the Board which, as a matter of policy, limits the amounts which may be invested with one issuer.

SDZ Global had cash and cash equivalents which exceeded FDIC insured limits at certain financial institutions totaling \$144,250 as of year end 2017.

Approximately 51% and 50% of accounts receivable were from one payor as of year end 2017 and 2016, respectively. Approximately 56% of bequests and contributions receivable was from three

donors as of year end 2017. Approximately 48% of bequests and contributions receivable was from three donors as of year end 2016.

SDZ Global had approximately 31 and 28 government contracts in 2017 and 2016, respectively, from federal sources. The largest contract was for the federally funded program for the U.S. Army Corps of Engineers totaling approximately \$1,122 and \$1,141 during 2017 and 2016, respectively.

Inventories

SDZ Global's inventories are valued at the lower of cost or market, and accounted for using a weighted-average cost basis.

Property and equipment

Property and equipment with an acquisition cost of \$5 or greater are capitalized at cost and depreciated using the straight-line method over the estimated useful lives of the related assets, which are generally from 3 to 25 years. No depreciation is taken on assets until they are placed in service. Assets acquired under capital leases are recorded at the net present value of the minimum lease payments. Amortization expense is computed using the straight-line method over the shorter of the estimated useful lives of the assets or the period of the related lease.

Impairment of long-lived assets and long-lived assets to be disposed of

SDZ Global assesses potential impairment to any of its long-lived assets when there is evidence that events or changes in circumstances have made full recovery of the asset's carrying value unlikely. An impairment loss would be recognized when the sum of the expected future undiscounted net cash flows is less than the carrying value of the asset. Should impairment exist, the impairment loss would be measured based on the excess of the carrying value of the asset over the asset's fair value. No impairment charges were recognized on long-lived assets during 2017 or 2016.

Split-interest agreements

SDZ Global is licensed by the State of California Department of Insurance as a Grants and Annuities Society. As such, SDZ Global may issue charitable gift annuity contracts. SDZ Global had 83 and 84 outstanding annuity contracts entered into with 58 and 61 separate donors as of year end 2017 and 2016, respectively. The present value of the life annuities associated with these contracts is included in accounts payable and accrued expenses in the consolidated statements of financial position.

For charitable gift annuity agreements, SDZ Global receives cash or marketable securities from a donor in exchange for an annuity to be distributed for a fixed amount over the lifetime or lifetimes of the donor or other beneficiaries. Upon the death of the annuitant or survivor of the annuitant, SDZ Global is entitled to full use of the remainder. The issuance of gift annuities is regulated under the California Insurance Code. Pursuant to charitable gift annuity regulations, amounts held are invested in a trust account segregated from other assets and are within investment limitations, with equities allowed to comprise up to 50% of the reserve fund, and mutual funds allowed within that 50%. In addition, the reserves on the outstanding annuity agreements are at least equal to the reserves present value of annuity liabilities calculated using the proscribed mortality table and discount rate assumptions. Charitable gift annuity assets are recorded at fair value. A liability is then recorded for the amount of the annuity payments payable to the donor based on the actuarial life of the donor. The liability for charitable gift annuity agreements is included in accounts payable and accrued expenses in the consolidated statements of financial position and totaled \$7,764 and

\$7,411 at year end 2017 and 2016, respectively. Changes in charitable gift assets and liabilities are included in the change in value of split-interest agreements in the consolidated statements of activities and changes in net assets.

SDZ Global is the beneficiary of assets held in two irrevocable split-interest agreement pooled income funds administered by bank trustees. The assets of the pooled income funds are recorded at fair value. The difference between the fair market value of the assets in the pooled income fund and the present value of estimated future contributions to be received has been recorded as deferred revenue. The amortization of discount and changes in actuarial assumptions are included in the change in value of split-interest agreements in the consolidated statements of activities and changes in net assets.

SDZ Global is the beneficiary in 33 irrevocable charitable trusts both in 2017 and 2016 for which SDZ Global is not the trustee. Each trust names SDZ Global as a residual beneficiary following the death of one or more life income beneficiaries. The fair value of the assets to be received under each trust, discounted for the estimated time until receipt, is recorded in beneficial interest in charitable remainder trusts included in split-interest agreements in the consolidated statements of financial position and in temporarily restricted net assets until trust termination. The current year change in the valuation of beneficial interest in charitable remainder trusts is included in the change in value of split-interest agreements in the consolidated statements of activities and changes in net assets.

SDZ Global estimates fair value of split-interest agreements by using net present value calculations with discount rates of 3.5% to 2.8% for 2017 and 2016 and estimated life expectancies based upon the mortality rate tables published by the Internal Revenue Service.

SDZ Global has a beneficial interest in perpetual trusts held by a third-party trustee. Under the perpetual trust arrangements, SDZ Global has recorded the assets and has recognized permanently restricted contribution revenue at the fair value of SDZ Global's beneficial interest in the trusts' assets. Distributions received on the trusts' assets are recorded as temporarily restricted investment income in the consolidated statements of activities and changes in net assets. Subsequent changes in fair value of the beneficial interest in the trusts' assets are included in the change in value of split-interest agreements on the consolidated statements of activities and changes in net assets.

Bequests and contributions receivable

Bequests and contributions receivable are primarily comprised of bequest agreements, which include irrevocable trusts, and pledged gift agreements, which are both conditional and unconditional promises to give. Bequests and contributions receivable are recorded as revenue upon the receipt of the unconditional promise to give. Conditional promises to give are recognized when conditions are substantially met.

Bequests and contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Bequests and contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectability of individual promises.

Operating agreements

SDZ Global operates the San Diego Zoo and the San Diego Zoo Safari Park pursuant to lease and operating agreements with the City. The agreements provide that title to SDZ Global's collections, property, equipment and exhibits is vested in the City. However, SDZ Global's assets are recorded on the books of SDZ Global as the organization is permitted to pledge these assets. The San Diego Zoo lease agreement expires in 2034.

The San Diego Zoo Safari Park operates under a renewable short-term operating agreement with the City of San Diego Water Utilities Department. Every five years, the fair rental value of the land is evaluated and the annual rent amount adjusted. SDZ Global paid \$159 as annual rent in both 2017 and 2016.

Consistent with prior years, the fair values of the leases have not been reflected in the accompanying consolidated financial statements because objective valuation information is not available due to the unique characteristics and public park locations of the facilities.

Income taxes

SDZ Global, a California nonprofit public benefit corporation, is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, and the Revenue and Taxation Code of the State of California.

In accordance with accounting standards for income taxes, income tax benefits and/or liabilities are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. SDZ Global has analyzed the tax positions taken in its filings with the Internal Revenue Service and the California Franchise Tax Board. SDZ Global believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on SDZ Global's consolidated financial condition, change in net assets or cash flows. Accordingly, SDZ Global has not recorded any reserve or related accruals for interest and penalties for uncertain income tax positions at year end 2017 and 2016.

SDZ Global's U.S. federal and state income tax returns prior to fiscal years 2014 and 2013, respectively, are closed. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Management is not aware of any pending reviews or examinations.

Debt issuance costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the debt to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

Interest rate swaps

SDZ Global utilizes interest rate swap contracts to manage the risk associated with fluctuations in interest rates on its variable rate debt. Pursuant to these agreements, SDZ Global makes periodic payments to the swap counterparty at a fixed interest rate and receives payments at a variable rate computed in accordance with the contractual formula. SDZ Global's policy is not to utilize financial instruments for trading or speculative purposes. Accordingly, it designates its interest rate swap

agreements as hedges of the underlying debt. Interest expense on the debt is adjusted to include the payments made or received under the interest rate swaps.

A substantial portion of SDZ Global's interest-bearing debt carries a floating interest rate. Therefore, in the normal course of business, SDZ Global is exposed to changes in short-term interest rates that can create uncertainty and variability in its cash flows. To mitigate this exposure, in June 2004, SDZ Global entered into a 30-year interest rate swap agreement converting a notional \$30,000 of floating-rate debt into fixed-rate debt that bears interest at 3.905%, covering approximately two-thirds of the outstanding debt. In May 2010, SDZ Global entered into another interest rate swap agreement converting the remaining one-third of outstanding floating-rate debt into fixed-rate debt that bears interest at 2.81%. After giving effect to these interest rate swaps, SDZ Global's outstanding debt is effectively at fixed rates at year end 2017.

For the valuation of the interest rate swaps, SDZ Global used significant other observable inputs as of the valuation date (Level 2), including prices of instruments of similar maturities and characteristics. The fair value of the interest rate swaps is recorded within the consolidated statements of financial position at each period end. Changes in the fair value of the interest rate swaps are reported as unrealized gain or loss on interest rate swaps on the consolidated statements of activities and changes in net assets. The valuation of the swaps remaining at year end resulted in an unrealized gain of \$697 and \$877 in 2017 and 2016, respectively. The fair value of the interest rate swap is included in accounts payable and accrued expenses in the consolidated statements of financial position and totaled \$5,333 and \$6,030 as of year end 2017 and 2016, respectively. Providing that SDZ Global holds the swap to maturity, the value of the derivative will be zero. The swap agreements can be terminated at the market rate at any time during the term of the agreement.

Advertising costs

Advertising costs are expensed as incurred and totaled \$11,106 and \$11,469 for 2017 and 2016, respectively. This includes transactions for bartered admission tickets valued at \$1,865 and \$2,021 for 2017 and 2016, respectively.

Barter transactions

SDZ Global enters into barter transactions with certain vendors to receive goods or services in exchange for admission tickets to the San Diego Zoo or the San Diego Zoo Safari Park facilities. Fair market value ("FMV") is determined based upon the value of the goods or services received. If the FMV of goods or services received is not readily determinable, then the FMV of the admissions tickets is used as the basis for valuing the transaction. Barter transactions are recognized in the period in which they occur. For the years ended 2017 and 2016, SDZ Global recorded barter transactions totaling \$2,651 and \$2,548, respectively, in admissions and memberships, exhibition and animal care facility operations, and administration in the consolidated statements of activities and changes in net assets.

Contributed services

Contributed services are reflected in the accompanying consolidated financial statements at the fair value of the services received, if the services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would otherwise need to be purchased if not provided by donation. Contributed services totaling \$17 and \$20 were recorded for 2017 and 2016, respectively, primarily for specialty veterinary care.

SDZ Global also receives contributed services through various volunteer programs at the facilities and on certain conservation projects. Volunteers contributed approximately 208,500 and 184,000 hours in 2017 and 2016, respectively. Contributed services through volunteers are not recorded in the consolidated statements of activities and changes in net assets as they generally do not meet the criteria described above.

Fundraising expenses

Fundraising expenses are included in administration expense in the consolidated statements of activities and changes in net assets and totaled \$8,551 and \$7,823 in 2017 and 2016, respectively.

Use of estimates

In accordance with its established practices, management of SDZ Global has made a number of estimates and assumptions relating to the reporting of assets, liabilities, revenue and expenses, and the disclosure of contingent assets and liabilities in order to prepare its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates.

Subsequent events

In preparing the consolidated financial statements, SDZ Global evaluated subsequent events through April 24, 2018, the date that these consolidated financial statements were available to be issued, and determined that there are no events requiring disclosure in the consolidated financial statements.

Note 3 - Fair value

Fair value of financial instruments

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is practicable to estimate fair value:

- The carrying values of cash and cash equivalents and accounts and other receivables approximate the fair value of these financial instruments.
- Investments reported as Level 1 assets are reported at fair value based on quoted market prices. Investments reported as Level 2 assets are reported at fair value based on inputs other than Level 1 that are observable. Investments reported as Level 3 assets are reported at fair value based on unobservable inputs that are supported by little or no market activity.
- The interest rate swaps are reported at fair value based on other observable inputs.
- The carrying values of split-interest agreements and bequests and contributions receivable approximate fair value because these contributions, which are anticipated to be collected in cash, are either short-term receivables or are recorded at the net present value of the amounts pledged.
- The carrying value of the bonds payable obligation approximates fair value because the obligation is recorded based on adjustable rates that approximate market value.
- The carrying value of the term loan obligation approximates fair value because the obligation is recorded based on a fixed rate that determines market value.

- The carrying value of the line of credit obligation approximates fair value because the obligations are recorded at the net present value of future payments at market interest rates.

Fair value measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value under accounting principles generally accepted in the United States of America, and enhance disclosures about fair value measurements. Fair value is defined under this standard as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under this standard must maximize the use of observable inputs and minimize the use of unobservable inputs. The guidance describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the tables below:

- a. Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- b. Cost approach: Amount that would be required to replace the service capacity of an asset (replacement cost).
- c. Income approach: Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

Asset classes

SDZ Global invests across a broad range of asset classes, including domestic common stocks, foreign stocks, mutual funds - equity, mutual funds - fixed income, and partnerships and other. SDZ Global may invest directly in the securities of these asset classes, or indirectly through interests in funds and limited partnerships. Securities held directly by SDZ Global are valued at their observable market prices. The value of holdings in funds and limited partnerships are in accordance with valuations provided by their investment managers. Funds and limited partnerships may make investments in securities that are publicly traded, which are generally valued based on observable market prices, unless a restriction exists. Managers of investment funds and limited partnerships value those investments based upon the best information available for a given circumstance and may incorporate assumptions that are the investment manager's best estimates after consideration of a variety of internal and external factors. If no public market exists for the investments, the fair

value is determined by the investment manager taking into consideration, among other things, the cost of the investment, prices of recent significant placements of similar investments of the same issuer and subsequent developments concerning the companies to which the investments relate.

Investments held by SDZ Global's investment pool are categorized as follow:

Domestic common stocks - This category includes investments in publicly traded equity securities of U.S. companies. These investments bring diversity to SDZ Global's portfolio with the objective of long-term growth in SDZ Global's endowment funds. The majority of these investments are highly liquid with settlements from 1 to 30 days.

Foreign stocks - This category includes investments in publicly traded equity securities of international entities including entities in emerging markets. The investments follow a value-based stock selection approach, buying companies whose shares appear under-valued on the basis of long-term earning power or asset backing. The majority of these investments are highly liquid with settlements from 1 to 30 days.

Mutual funds - equity - This category includes investments in funds that invest primarily in publicly traded equity securities of U.S. based as well as international companies. These investments bring diversity to SDZ Global's portfolio with the objective of long-term growth in SDZ Global's endowment funds. The majority of these investments are highly liquid with settlements from 1 to 30 days.

Mutual funds - fixed income - This category includes investments in bond funds that invest in domestic instruments and sovereign debt instruments of global markets. These investments are both highly liquid with settlements from 1 to 30 days.

Partnerships and other - This category include investments in hedge funds, partnerships, and private equity funds that invest in many different holdings in a wide variety of industries. This category is intended to reduce volatility of the overall portfolio as well as provide for long-term growth. Investment redemptions within this category are varied, ranging from monthly to annually, with prior notification. Certain partnerships and private equity fund investments require long-term commitment of funds, usually over 10 years. SDZ Global does not have any redemption rights in these investments and the investments have remaining lives between 1 and 10 years.

The following tables provide the method used to measure the fair value of certain assets and liabilities as of December 31, 2017. Only assets and liabilities measured at fair value are shown on the three-tier value hierarchy.

	Balance as of December 31, 2017	Fair value measurements at reporting date using			Valuation techniques (a,b,c)
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments					
Domestic common stocks	\$ 32,317	\$ 32,317	\$ -	\$ -	a
Foreign stocks	7,446	7,446	-	-	a
Certificates of deposit	5,025	5,025	-	-	a
Mutual fund - equity	56,342	-	56,342	-	a
Mutual fund - fixed income	27,402	-	27,402	-	a
Partnerships and other	30,702	-	-	30,702	c
Total investments	\$ 159,234	\$ 44,788	\$ 83,744	\$ 30,702	
Split-interest agreements					
Pooled income fund	\$ 5,270	\$ -	\$ 5,270	\$ -	a
Charitable gift annuities	13,247	13,062	185	-	a
Beneficial interest in perpetual trust	9,795	-	-	9,795	c
Beneficial interest in charitable remainder trusts	9,263	-	-	9,263	c
Total split-interest agreements	\$ 37,575	\$ 13,062	\$ 5,455	\$ 19,058	
Liabilities					
Charitable gift liabilities ⁽¹⁾	\$ 7,764	\$ -	\$ 7,764	\$ -	c
Interest rate swap ⁽¹⁾	5,332	-	5,332	-	c
Total liabilities	\$ 13,096	\$ -	\$ 13,096	\$ -	

(1) Included as a component of accounts payable and accrued expenses on the accompanying consolidated statement of financial position.

The following tables provide the method used to measure the fair value of certain assets and liabilities as of January 1, 2017. Only assets and liabilities measured at fair value are shown on the three-tier value hierarchy.

	Balance as of January 1, 2017	Fair value measurements at reporting date using			Valuation techniques (a,b,c)
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments					
Domestic common stocks	\$ 28,978	\$ 28,978	\$ -	\$ -	a
Foreign stocks	5,287	5,287	-	-	a
Mutual fund - equity	46,907	-	46,907	-	a
Mutual fund - fixed income	24,065	-	24,065	-	a
Partnerships and other	25,761	-	-	25,761	c
Total investments	\$ 130,998	\$ 34,265	\$ 70,972	\$ 25,761	
Split-interest agreements					
Pooled income fund	\$ 5,588	\$ -	\$ 5,588	\$ -	a
Charitable gift annuities	12,091	11,906	185	-	a
Beneficial interest in perpetual trust	6,348	-	-	6,348	c
Beneficial interest in charitable remainder trusts	8,423	-	-	8,423	c
Total split-interest agreements	\$ 32,450	\$ 11,906	\$ 5,773	\$ 14,771	
Liabilities					
Charitable gift liabilities ⁽¹⁾	\$ 7,411	\$ -	\$ 7,411	\$ -	c
Interest rate swap ⁽¹⁾	6,030	-	6,030	-	c
Total liabilities	\$ 13,441	\$ -	\$ 13,441	\$ -	

(1) Included as a component of accounts payable and accrued expenses on the accompanying consolidated statement of financial position.

The following table sets forth a summary of changes in the fair value of SDZ Global's Level 3 assets for 2017:

	Beneficial interest in a perpetual trust	Charitable remainder trusts	Partnerships and other	Total
Balance, beginning	\$ 6,348	\$ 8,423	\$ 25,761	\$ 40,532
Realized gains	-	-	128	128
Unrealized gains related to instruments still held at the reporting date	-	-	2,334	2,334
Purchases	-	-	14,386	14,386
Contributions	2,359	-	-	2,359
Sales	-	-	(11,907)	(11,907)
Distributions	(337)	(431)	-	(768)
Losses included in change in net assets	1,425	1,271	-	2,696
Balance, end	\$ 9,795	\$ 9,263	\$ 30,702	\$ 49,760

The following table sets forth a summary of changes in the fair value of SDZ Global's Level 3 assets for 2016:

	Beneficial interest in a perpetual trust	Charitable remainder trusts	Partnerships and other	Total
Balance, beginning	\$ 6,125	\$ 7,894	\$ 24,650	\$ 38,669
Realized gains	-	-	675	675
Unrealized gains related to instruments still held at the reporting date	-	-	103	103
Purchases	-	-	3,158	3,158
Contributions	-	-	-	-
Sales	-	-	(2,825)	(2,825)
Distributions	(288)	(8)	-	(296)
Losses included in change in net assets	511	537	-	1,048
Balance, end	<u>\$ 6,348</u>	<u>\$ 8,423</u>	<u>\$ 25,761</u>	<u>\$ 40,532</u>

The following table represents SDZ Global's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs for 2017:

Instrument	Fair value	Principal valuation technique	Unobservable inputs	Significant input values	Weighted average
Partnerships and other	\$ 30,702	Valuation of underlying assets as provided by issuer	Base price	N/A	N/A
Beneficial interest in charitable remainder trusts	\$ 9,263	Present value of expected cash flows	Investment yield Discount rate	3.52% 3.52%	N/A
Beneficial interest in perpetual trust held by others	\$ 9,795	Valuation of underlying assets as provided by trustee	Base price	N/A	N/A

The following table represents SDZ Global's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs for 2016:

Instrument	Fair value	Principal valuation technique	Unobservable inputs	Significant input values	Weighted average
Partnerships and other	\$ 25,761	Valuation of underlying assets as provided by issuer	Base price	N/A	N/A
Beneficial interest in charitable remainder trusts	\$ 8,423	Present value of expected cash flows	Investment yield Discount rate	4.07% 4.07%	N/A
Beneficial interest in perpetual trust held by others	\$ 6,348	Valuation of underlying assets as provided by trustee	Base price	N/A	N/A

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent)

SDZ Global determines the fair value of investments that do not have a readily determinable fair value and has all the attributes of an investment company by estimating fair value using the investment's net asset value ("NAV") per share. The NAV should be calculated at the reporting

entity's measurement date and, if not, the NAV must be adjusted for significant market events since its calculation. This precludes a reporting entity from using a practical expedient if it is probable that it will sell the investment at a price other than NAV.

The following table lists investments in investment companies that are valued at NAV at December 31, 2017:

Asset category	NAV in funds	No. of funds	Redemption terms	Redemption instructions	Redemption restrictions in place at year end	Unfunded commitments at year end
Partnerships and other	\$ 25,633	14	Monthly to semi-annual	30 to 90 days notice	None	\$ -
Partnerships and other	\$ 5,069	9	Closed end funds not eligible for redemption	Not redeemable	Not redeemable	\$ 7,132

The following table lists investments in investment companies that are valued at NAV at January 1, 2017:

Asset category	NAV in funds	No. of funds	Redemption terms	Redemption instructions	Redemption restrictions in place at year end	Unfunded commitments at year end
Partnerships and other	\$ 22,010	25	Monthly to semi-annual	30 to 90 days notice	None	\$ -
Partnerships and other	\$ 3,751	6	Closed end funds not eligible for redemption	Not redeemable	Not redeemable	\$ 6,432

Note 4 - Accounts receivable, net

Accounts receivable consist of the following at year end 2017 and 2016:

	2017	2016
Trade receivables	\$ 1,033	\$ 1,252
City of San Diego (Section 77a) receivable	5,731	4,678
Grants receivable	3,406	2,079
Other	1,227	1,600
	11,397	9,609
Less allowance for doubtful accounts	(223)	(200)
Total accounts receivable, net	<u>\$ 11,174</u>	<u>\$ 9,409</u>

Note 5 - Inventories, net

Inventories consist of the following at year end 2017 and 2016:

	2017	2016
Merchandise	\$ 956	\$ 1,442
Food service	1,460	888
Animal food and other	283	343
	2,699	2,673
Less inventory reserve	(240)	(202)
Total inventories, net	<u>\$ 2,459</u>	<u>\$ 2,471</u>

Note 6 - Investments

Investment income consists of the following for 2017:

	Unrestricted	Temporarily restricted	Total
Interest income and dividends	\$ 1,803	\$ 1,400	\$ 3,203
Net realized gain	2,411	1,918	4,329
Net unrealized gain	9,569	7,256	16,825
Investment advisory and custodial fees	(297)	(255)	(552)
	<u>\$ 13,486</u>	<u>\$ 10,319</u>	<u>\$ 23,805</u>

Investment income consists of the following for 2016:

	Unrestricted	Temporarily restricted	Total
Interest income and dividends	\$ 1,364	\$ 1,110	\$ 2,474
Net realized loss	(156)	(252)	(408)
Net unrealized gain	3,622	3,592	7,214
Investment advisory and custodial fees	(270)	(219)	(489)
	<u>\$ 4,560</u>	<u>\$ 4,231</u>	<u>\$ 8,791</u>

Note 7 - Split-interest agreements

Split-interest agreements consist of the following at year end 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Pooled income funds	\$ 5,270	\$ 5,588
Charitable gift annuities	13,247	12,091
Charitable remainder trusts	9,263	8,423
Beneficial interest in perpetual trusts	<u>9,795</u>	<u>6,348</u>
Total split-interest agreements	<u>\$ 37,575</u>	<u>\$ 32,450</u>

Note 8 - Bequests and contributions receivable, net

Bequests and contributions receivable consist of the following at year end 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Irrevocable trusts	\$ 1,105	\$ 1,897
Pledged gift agreements	<u>34,565</u>	<u>28,494</u>
	35,670	30,391
Allowance for uncollectible amounts	<u>(1,807)</u>	<u>(1,086)</u>
Total bequests and contributions receivable, net	<u>\$ 33,863</u>	<u>\$ 29,305</u>

Contributions receivable in the form of pledge gift agreements are unconditional promises to give. Pledges are recorded at the applicable risk-adjusted discount rates, which range from 2.76% to 10.66%, established in the year the gift was received and commensurate with the duration of the donor's payment plan.

Bequests and contributions receivable are expected to be collected as follows:

	2017	2016
Due in one year	\$ 7,801	\$ 7,436
Due in two to five years	17,580	17,660
Due in more than five years	25,695	14,588
	51,076	39,684
Unamortized discount	(15,406)	(9,293)
	35,670	30,391
Net present value	(1,807)	(1,086)
Allowance for uncollectible accounts		
Total bequests and contributions receivable, net	<u>\$ 33,863</u>	<u>\$ 29,305</u>

At December 31, 2017, SDZ Global has one conditional pledge in the amount of \$1,754. SDZ Global expects to record contribution revenue related to this pledge as the conditions are met within the next three years.

Note 9 - Property and equipment

Property and equipment consist of the following at year end 2017 and 2016:

	2017	2016
Buildings, exhibits and improvements	\$ 521,237	\$ 449,327
Transportation and equipment	87,213	62,238
Construction in progress	16,660	47,988
	625,110	559,553
Less accumulated depreciation and amortization	(339,226)	(315,709)
Total property and equipment, net	<u>\$ 285,884</u>	<u>\$ 243,844</u>

Depreciation expense totaled \$27,556 and \$24,485 for 2017 and 2016, respectively.

Note 10 - Debt

Tax-exempt bonds

Series 2012 Bonds: On October 1, 2012, SDZ Global issued \$40,165 in tax-exempt variable rate demand bonds ("Series 2012 Bonds") through the California Municipal Finance Authority for the purpose of refinancing the outstanding principal of the Series 2004 Bonds. Under a financing agreement with a bank, the Series 2012 Bonds bear a variable interest rate, payable monthly to the

bank, of 65.1% of one-month LIBOR plus 72 basis points (1.61% at year end 2017 and 1.20% at year end 2016). Principal payments are due on October 1 each year based on an amortization schedule through October 1, 2034, the maturity date. SDZ Global has an outstanding balance of \$34,140 and \$35,455 at year end 2017 and 2016, respectively.

The bank has a put option on October 1, 2019, and each seventh anniversary thereafter.

SDZ Global was in compliance with all financial covenants under the financing agreement at year end 2017 and 2016.

Debt issuance costs, net of accumulated amortization, totaled \$40 and \$63 at year end 2017 and 2016, respectively, and are related to the Series 2012 Bonds. Amortization of debt issuance costs on the Series 2012 Bonds is calculated using the straight-line method, which does not materially differ from the amortization that would be reported under the imputed interest method. The costs have been deferred and included in debt in the consolidated statements of financial position and amortized over the first seven-year put option term using the effective interest method.

Line of credit

SDZ Global has an unsecured financing agreement with its primary bank that permits multiple borrowings at variable rates of interest up to \$10,000. The financing agreement, which expires on December 1, 2019, provides that SDZ Global may elect for each individual borrowing on the line of credit to have interest calculated using the LIBOR Daily Floating Rate plus 0.90% (2.33% as of year end 2017 and 1.59% as of year end 2016) or using an optional LIBOR rate plus 0.90% for a specific fixed time period. Any amounts not drawn under the line of credit are subject to an unused commitment fee of 0.15% payable monthly. There was no outstanding balance at year end 2017 and 2016. The line of credit contains certain covenants with which SDZ Global was in full compliance at year end 2017 and 2016. SDZ Global has outstanding letters of credit for \$3,551 under this agreement at year end for both 2017 and 2016, which reduce the amount available for borrowing. There were no amounts drawn on the letters of credit at year end 2017 and 2016.

Term loan

On June 2, 2014, SDZ Global amended the loan agreement to include an additional loan for \$18,000. The loan proceeds were used to construct certain onsite improvements that were completed in July 2015. The loan carries a fixed rate of 3.17%. Interest is paid monthly. Principal payments are made monthly and began July 1, 2015, utilizing an amortization schedule over 20 years. The financing agreement expires on June 1, 2021, at which time the remaining balance must be paid in full or refinanced. The outstanding balance was \$16,274 and \$16,960 at year end 2017 and 2016, respectively.

Maturities of long-term debt in each of the five years subsequent to year end 2017 and thereafter are as follows:

2018	\$	2,101
2019		2,184
2020		2,273
2021		15,596
2022		1,640
Thereafter		<u>26,620</u>
		50,414
Less unamortized debt issuance cost		<u>40</u>
	\$	<u><u>50,374</u></u>

Note 11 - Temporarily restricted net assets

Temporarily restricted net assets are available for the following purposes at year end 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Restricted for capital investment		
San Diego Zoo exhibits and equipment	\$ 30,020	\$ 509
San Diego Zoo Safari Park exhibits and equipment	<u>5,940</u>	<u>5,588</u>
Total restricted for capital investment	<u>35,960</u>	<u>6,097</u>
Restricted for programs		
Facility programs	5,900	6,834
Education	872	1,063
Conservation and research	<u>5,612</u>	<u>4,200</u>
Total restricted for programs	<u>12,384</u>	<u>12,097</u>
Temporarily restricted portion of donor-restricted endowments	19,807	10,968
Bequests and contributions receivable and split-interest agreements, net of obligations to beneficiaries under split-interest agreements	39,301	39,681
Donated property	<u>2,350</u>	<u>2,350</u>
Total temporarily restricted net assets	<u><u>\$ 109,802</u></u>	<u><u>\$ 71,193</u></u>

Note 12 - Endowment funds

Endowment funds: SDZ Global's endowment funds were established by donor-restricted contributions to provide a permanent endowment, which is to provide a permanent source of income. The portion of a permanent endowment that must be maintained permanently - not used, expended, or otherwise exhausted - is classified as permanently restricted assets. In addition, the Board has earmarked a portion of SDZ Global's unrestricted net assets as Board-designated endowment funds to be invested to provide income for a long but unspecified period. These designations include a fund for the San Diego Zoo Institute for Conservation Research to provide for conservation and research of rare and endangered species. In addition, the Board has designated amounts for an emergency reserve and a strategic reserve. The emergency reserve is to provide for unexpected or unanticipated expenditures when other sources of funds are not available. The strategic reserve is to provide for future operating needs. The Board-designated endowment funds that result from an internal designation are not donor restricted and are classified as unrestricted net assets.

Donor-restricted endowment funds are restricted for the following purposes:

	2017	2016
Conservation	\$ 26,435	\$ 25,555
Education	10,380	10,340
Facilities	26,326	12,091
Total donor-restricted endowment funds	<u>\$ 63,141</u>	<u>\$ 47,986</u>

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires SDZ Global to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were \$0 and \$192 as of year end 2017 and 2016, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board.

Interpretation of relevant law: SDZ Global has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, SDZ Global classifies as permanently restricted net assets (1) the original value of the gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations of 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 as permanently restricted net assets is characterized as temporarily restricted net assets until those amounts are appropriated for expenditure as prescribed by UPMIFA.

In accordance with UPMIFA, SDZ Global 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 purpose of SDZ Global and the donor-restricted endowment fund
3. General economic conditions
4. The possible effects of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of SDZ Global
7. SDZ Global's investment policy

Return objectives and risk parameters: SDZ Global has adopted investment and spending policies for endowment assets that are meant to ensure that the endowment's purchasing power is maintained over time by keeping the long-term rate of annual spending from the endowment equal to or less than the long-term real (inflation-adjusted) investment return of the endowment fund.

Endowment assets include those assets of donor-restricted funds that SDZ Global must hold in perpetuity or for a donor-specified period as well as Board-designated funds.

The investment objectives of the assets are long-term in nature with an investment horizon of at least 7 to 10 years. The long-term objective is to earn a total rate of return (income plus capital gains) that will exceed the demands placed on the portfolio to support SDZ Global's goals in addition to exceeding the rate of inflation, as measured by the U.S. Consumer Price Index ("CPI"). The overall rate of return objective is a reasonable "real" rate consistent with the assumed level of risk. The return objective shall be to exceed the return of a custom index, net of fees. The custom index is defined as a blended benchmark portfolio that reflects the asset allocation targets. The minimum acceptable rate of return is that which equals or exceeds CPI by average spending over a market cycle of 5 to 7 years. It is expected that the level of risk as measured by the annualized standard deviation of returns shall be no greater than that of the custom index as defined above. Spending is based on a total return strategy, which includes both income and appreciation (both realized and unrealized gains). The annual withdrawal target is 5% of the fund's value, based generally on an expected annual total return of approximately 8%, offset by estimated inflation of 3%. Actual returns in any given year may vary from this amount.

Strategies employed for achieving objectives: The asset allocation policies are designed to be consistent with the objectives of return and risk. These policies, which consider the historic relationships of return and risk among asset classes, are designed to provide the highest probability of meeting or exceeding the return objectives at the lowest possible risk.

The table below indicates the allowable ranges for each of the major asset categories:

	<u>Range</u>
Domestic common stocks	25 - 50%
Foreign stocks	15 - 40%
Mutual fund - equity	0 - 25%
Mutual fund - fixed income	10 - 40%
Cash	0 - 10%
Partnerships and other	10 - 40%

In order to maintain the risk and return characteristics of the asset allocation plan, it is the policy to rebalance the portfolio towards target allocations when contributions to or distributions from the portfolio are made or when the asset class allocations have fallen outside the allowable ranges established or if allocations have deviated from their target allocations by more than 20% or by more than five percentage points on an absolute basis.

The endowment net asset composition by type of fund consists of the following as of year end 2017:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 19,807	\$ 63,141	\$ 82,948
Board-designated endowment funds	<u>76,627</u>	<u>-</u>	<u>-</u>	<u>76,627</u>
Total endowment funds	<u><u>\$ 76,627</u></u>	<u><u>\$ 19,807</u></u>	<u><u>\$ 63,141</u></u>	<u><u>\$ 159,575</u></u>

The endowment net asset composition by type of fund consists of the following as of year end 2016:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ (192)	\$ 10,968	\$ 47,986	\$ 58,762
Board-designated endowment funds	<u>69,226</u>	<u>-</u>	<u>-</u>	<u>69,226</u>
Total endowment funds	<u><u>\$ 69,034</u></u>	<u><u>\$ 10,968</u></u>	<u><u>\$ 47,986</u></u>	<u><u>\$ 127,988</u></u>

The following table sets forth a summary of changes in endowment net assets for 2017:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning	\$ 69,034	\$ 10,968	\$ 47,986	\$ 127,988
Investment return				
Investment income	1,031	1,400	-	2,431
Net appreciation (realized and unrealized)	8,854	10,008	-	18,862
Total investment income	9,885	11,408	-	21,293
Contributions	-	-	15,155	15,155
Appropriation of endowment assets for expenditure	(2,292)	(2,569)	-	(4,861)
Endowment net assets, end	\$ 76,627	\$ 19,807	\$ 63,141	\$ 159,575

The following table sets forth a summary of changes in endowment net assets for 2016:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, beginning	\$ 67,598	\$ 8,945	\$ 45,100	\$ 121,643
Investment return				
Investment income	855	1,110	-	1,965
Net depreciation (realized and unrealized)	2,843	3,343	-	6,186
Total investment income	3,698	4,453	-	8,151
Contributions	-	-	2,886	2,886
Appropriation of endowment assets for expenditure	(2,262)	(2,430)	-	(4,692)
Endowment net assets, end	\$ 69,034	\$ 10,968	\$ 47,986	\$ 127,988

Note 13 - Pension and benefit plans

SDZ Global has defined benefit pension plans that cover substantially all of its full-time employees. The plans provide benefits based upon years of service and earnings. SDZ Global recognizes the overfunded or underfunded status of its defined pension plans as an asset or liability in its consolidated statements of financial position and recognizes changes in that funded status in the year in which the changes occur as changes in unrestricted net assets arising from defined benefit plans but not yet included in net periodic benefit cost in the consolidated statements of activities and changes in net assets.

The funded status of SDZ Global's pension plans was as follows:

	2017	2016
Plan assets at fair value	\$ 186,238	\$ 149,555
Projected benefit obligation	(270,011)	(234,728)
Funded status	<u>\$ (83,773)</u>	<u>\$ (85,173)</u>
Accumulated benefit obligation	<u>\$ 240,254</u>	<u>\$ 205,826</u>

Weighted-average assumptions were as follow:

	2017	2016
Discount rate	3.82%	4.37%
Expected return on plan assets	6.75%	7.00%
Rate of compensation increase	3.00%	3.00%

The discount rate is the estimated rate at which the obligation for pension benefits could effectively be settled. The expected return on plan assets reflects the average rate of earnings that SDZ Global estimates will be generated on the assets of the plans. The rate of compensation increase reflects SDZ Global's best estimate of the future compensation levels of the individual employees covered by the plans.

As plan sponsor, SDZ Global oversees and administers the assets held by the pension plan entities. Certain disclosures of pension plan assets are included in the consolidated financial statements, but pension plan assets are not included in the consolidated statements of financial position. Plan assets are invested in equity and debt securities using separate investment funds. SDZ Global's management and the Board's investment committee monitor performance against benchmark indices.

Return objectives and risk parameters: SDZ Global has adopted investment policies for pension assets that are meant to provide funding for pension retirement payments to current and future retirees of SDZ Global's pension plans. The primary objectives are to maximize long-term growth and minimize risk of loss of principal. In addition, SDZ Global seeks to limit the year-to-year volatility of fluctuations in market valuations, which can impact the cash contributions required to maintain certain funding levels.

Strategies employed for achieving objectives: To meet the objectives, SDZ Global maintains a diversified and balanced portfolio for pension investments. The amount of risk that can be controlled by allocating assets among different asset classes depends both on the risk level of each asset class and the degree of correlation between each asset class. An asset allocation model that recognizes the risk and return characteristics, as well as the correlation of each asset class, to create an "efficient" asset allocation target is utilized to develop the asset allocation for an efficient mix to provide the greatest return at each level of risk. The investment strategy utilizes several different asset classes with varying risk/return characteristics. The returns of the asset classes are not expected to move in parallel, which will allow the plan to take part in different parts of the global

economic cycle. Equity investments range from 50% to 85% of the total portfolio, utilizing several investment advisors. Holdings include U.S. and foreign securities diversified across numerous industries. Fixed income investments range from 15% to 50% of the total portfolio. These include government and corporate debt securities.

The following table shows the asset allocation percentages for pension investments at year end:

	2017	2016
Cash and cash equivalents	2.27%	1.00%
Mutual fund - equity	18.13%	19.00%
Mutual fund - fixed income	11.77%	11.00%
Marketable equity securities	10.28%	10.00%
Collective investment fund	57.08%	58.00%
Partnerships and other	0.47%	1.00%
	<u>100.00%</u>	<u>100.00%</u>

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the tables below:

- Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach: Amount that would be required to replace the service capacity of an asset (replacement cost).
- Income approach: Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following tables provide the method used to measure the fair value of certain assets as of year end 2017 and 2016. Only assets measured at fair value are shown on the three-tier value hierarchy.

Pension assets measured at fair value on a recurring basis are as follows as of year end 2017:

		Fair value measurements at reporting date using			Valuation techniques (a,b,c)
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	Total				
Money market funds	\$ 4,227	\$ -	\$ 4,227	\$ -	a
Domestic common stocks	13,859	13,859	-	-	a
Foreign stocks	5,291	5,291	-	-	a
Mutual fund - equity	33,762	-	33,762	-	a
Mutual fund - fixed income	21,928	-	21,928	-	a
Collective investment fund	106,298	-	-	106,298	c
Partnerships and other	873	-	-	873	c
Total assets	<u>\$ 186,238</u>	<u>\$ 19,150</u>	<u>\$ 59,917</u>	<u>\$ 107,171</u>	

Pension assets measured at fair value on a recurring basis are as follows as of year end 2016:

		Fair value measurements at reporting date using			Valuation techniques (a,b,c)
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	Total				
Money market funds	\$ 1,677	\$ -	\$ 1,677	\$ -	a
Domestic common stocks	10,973	10,973	-	-	a
Foreign stocks	3,360	3,360	-	-	a
Mutual fund - equity	27,949	-	27,949	-	a
Mutual fund - fixed income	17,144	-	17,144	-	a
Collective investment fund	87,390	-	-	87,390	c
Partnerships and other	1,062	-	-	1,062	c
Total assets	<u>\$ 149,555</u>	<u>\$ 14,333</u>	<u>\$ 46,770</u>	<u>\$ 88,452</u>	

The following table sets forth a summary of changes in the fair value of the plan's Level 3 assets for 2017:

	Collective investment fund	Partnerships and other	Total
Balance, beginning	\$ 87,390	\$ 1,062	\$ 88,452
Realized gains	490	37	527
Unrealized gains relating to instruments still held at the reporting date	14,190	-	14,190
Purchases	6,757	-	6,757
Sales	(2,529)	(226)	(2,755)
Balance, end	<u>\$ 106,298</u>	<u>\$ 873</u>	<u>\$ 107,171</u>

The following table sets forth a summary of changes in the fair value of the plan's Level 3 assets for 2016:

	Collective investment fund	Partnerships and other	Total
Balance, beginning	\$ 77,278	\$ 1,369	\$ 78,647
Realized gains	2	363	365
Unrealized gains relating to instruments still held at the reporting date	8,754	-	8,754
Purchases	3,247	-	3,247
Sales	(1,891)	(670)	(2,561)
Balance, end	<u>\$ 87,390</u>	<u>\$ 1,062</u>	<u>\$ 88,452</u>

The following table represents SDZ Global's Level 3 financial instruments at year end 2017, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs:

Instrument	Fair value	Principal valuation technique	Unobservable inputs	Range of significant input values	Weighted average
Partnerships and other	\$ 873	Value obtained from issuer or determined by U.S. Bank Specialty Assets unit for Private Client Group ("PCG"); for non-PCG clients, value obtained from issuer, client investment manager, fund accountant, etc.	Base price	N/A	N/A
Collective investment fund	\$ 106,298	Value obtained from issuer or determined by U.S. Bank Specialty Assets unit for Private Client Group ("PCG"); for non-PCG clients, value obtained from issuer, client investment manager, fund accountant, etc.	Base price	N/A	N/A

The following table represents SDZ Global's Level 3 financial instruments at year end 2016, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs:

Instrument	Fair value	Principal valuation technique	Unobservable inputs	Range of significant input values	Weighted average
Partnerships and other	\$ 1,062	Value obtained from issuer or determined by U.S. Bank Specialty Assets unit for Private Client Group ("PCG"); for non-PCG clients, value obtained from issuer, client investment manager, fund accountant, etc.	Base price	N/A	N/A
Collective investment fund	\$ 87,390	Value obtained from issuer or determined by U.S. Bank Specialty Assets unit for Private Client Group ("PCG"); for non-PCG clients, value obtained from issuer, client investment manager, fund accountant, etc.	Base price	N/A	N/A

The following table sets forth benefit cost and benefits paid for 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Components of net periodic benefit cost		
Actuarial charges (income)		
Interest cost	\$ 10,109	\$ 9,809
Expected return on assets	(10,163)	(9,391)
Net prior service cost amortization	558	558
Net loss amortization	<u>3,083</u>	<u>2,752</u>
Total actuarial charges	3,587	3,728
Employer service cost	<u>7,973</u>	<u>7,224</u>
Periodic benefit cost	<u>\$ 11,560</u>	<u>\$ 10,952</u>
Benefits paid	<u>\$ 6,034</u>	<u>\$ 5,054</u>
Administrative expenses paid	<u>\$ 98</u>	<u>\$ 91</u>
Employer contributions	<u>\$ 15,025</u>	<u>\$ 6,610</u>

Employer service costs of \$7,973, net prior service cost amortization of \$558 and net loss amortization of \$3,083, are recorded in pension expense for 2017. Prior service cost of \$3,909 and a cumulative actuarial loss of \$71,986 are included in unrestricted net assets at year end 2017. SDZ Global expects to record \$558 of net prior service cost amortization and \$2,973 of net loss amortization in 2018.

Employer service costs of \$7,224, net prior service cost amortization of \$558 and net loss amortization of \$2,752, are recorded in pension expense for 2016. Prior service cost of \$4,467 and a cumulative actuarial loss of \$69,361 are included in unrestricted net assets at year end 2016.

SDZ Global expects to make a total of \$9,000 in pension contributions during 2018.

The following table shows the amounts recognized in the consolidated statements of financial position at year end 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Liability for pension benefits	<u>\$ 83,773</u>	<u>\$ 85,173</u>

The following benefit payments are expected to be paid over the next nine fiscal years:

2018	\$ 8,425
2019	9,317
2020	9,910
2021	10,790
2022	11,601
2023-2026	69,439
	<hr/>
	\$ 119,482
	<hr/>

SDZ Global also maintains a 403(b) defined contribution plan, covering employees who meet certain age and service requirements. Eligible employees may contribute a portion of their earnings each plan year subject to certain Internal Revenue Service limitations. The 403(b) defined contribution plan allows for employer matching contributions to eligible employees. Matching contributions totaled \$1,243 and \$1,293 for 2017 and 2016, respectively.

Note 14 - Collective bargaining agreement

SDZ Global is a party to a collective bargaining agreement with a labor union. The agreement term was set to expire on February 28, 2017. A new agreement was ratified in January 2017 for the period starting February 1, 2017, through January 31, 2021. At year end 2017, 1,674 employees, or approximately 65% of total employees, were represented by a labor union. At year end 2016, 1,651 employees, or approximately 64.8% of total employees, were represented by a labor union.

Note 15 - Commitments and contingencies

Claims and legal actions: SDZ Global is subject to claims and legal actions arising in the ordinary course of business. In the opinion of management, based in part upon the advice of legal counsel, these matters are of such a nature that unfavorable disposition would not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of SDZ Global.

Lease agreements: SDZ Global has entered into certain noncancelable lease agreements for a warehouse facility and office space as well as cancelable and noncancelable lease agreements for computer equipment, vehicles, and office equipment. Rent expense totaled \$2,951 for 2017 and \$2,731 for 2016. Minimum lease payments under noncancelable operating leases as of year end 2017 are as follows:

2018	\$ 1,150
2019	1,354
2020	1,275
2021	1,168
2022	1,210
Thereafter	1,199
	<hr/>
	\$ 7,356
	<hr/>

Self-Insurance: SDZ Global carries an excess workers' compensation liability policy that includes a \$250 retained limit per claim up to \$4,000 aggregate per year. SDZ Global employs a professional third-party administrator to manage workers' compensation claims incurred. SDZ Global accrued \$5,273 and \$5,606 as an estimate of workers' compensation claims incurred but not yet paid or reported as of year end 2017 and 2016, respectively. The liability is reflected in accounts payable and accrued expenses on the accompanying consolidated statements of financial position.

Cooperative endeavor agreement: On January 15, 2013, SDZ Global and the Audubon Nature Institute entered into a cooperative endeavor agreement for the development of the Alliance for Sustainable Wildlife. It has been deemed that the infrastructure of the Freeport-McMoRan Audubon Species Survival Center in New Orleans lends itself to the development of husbandry areas that can house species that can make a valuable contribution to industry-wide conservation and sustainability goals. The terms of the agreement call for SDZ Global to provide a capital investment of at least \$6,000, but not to exceed \$10,000, in increments of not more than \$2,000 in any calendar year over the first five years of the agreement. Payments for capital improvements are included in property and equipment in the consolidated statements of financial position. SDZ Global is also required to contribute 50% of each year's operating budget, up to \$500 per year, during the same period. Payments of \$443 were due at year end 2017, and payments of \$3,744 were made under the agreement in 2017. Payments of \$1,180 were due at year end 2016, and payments of \$1,949 were made under the agreement in 2016.

Construction Commitments: As of year end 2017, SDZ Global had outstanding commitments for future capital expenditures of \$7,183.




Independent Member of Nexia International

cohnreznick.com

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: College Bound Date Submitted: 1/2/19	Total # of people served: 761 Total # of San Marcos residents served: 24	Amount Requested: \$5,000
Non-Profit Organization Name and Address, Website Just in Time for Foster Youth PO Box 601627 San Diego, CA 92160 jitfosteryouth.org		Contact Person – Name, Title & Phone, email Michele Silverthorn Investor Relations Manager 619-677-2120 development@jitfosteryouth.org
<u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant): Just in Time for Foster Youth (JIT) respectfully requests a \$5,000 grant from the San Marcos Community Foundation to support our College Bound (CB) initiative for youth residing in San Marcos in FY19. Funding would be used to provide transition age foster youth (ages 18-26) enrolled in college with the tools and resources they need to break the cycle of foster care and achieve their higher education goals.		
<u>Briefly</u> describe the significance of your request to the San Marcos community: San Marcos foster youth leaving the child welfare system are faced with devastating odds. 40-50% of former foster youth become homeless within 18 months of emancipation, 50% experience high rates of unemployment within five years and 25% of former foster youth will spend time in jail within the first two years of emancipation. For the only 10% of former foster youth, that beat these odds, and enter college only 3-5% graduate. JIT's College Bound program helps residents of San Marcos, and those who attend college by becoming the family they need to succeed in their educational and life goals so they are able to give back to their community. Additionally, to further increase and enhance access to services for our San Marcos residents, as well as leverage north county volunteers and agencies, JIT has formed a partnership with North County Lifeline to build out a drop-in center in north county to reach an additional 100 transition age foster youth.		
Please attach the following items. <u>Both</u> 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: 05/01/19 Date by which funds will be expended: 06/30/19 Signature of President or Authorized Officer  Don Wells, Executive Director 1/2/19
		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): jimagee@san-marcos.net

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)

Health & Well-Being (Food/groceries; mental health support)	\$13,200
Lodging (Housing/rent support)	\$6,000
Financial Support (Program award expenses; income supplements)	\$24,000
Transportation Support (Bus/Trolley/Uber/Gas/Parking; transportation stipends; auto payment, insurance and repair support)	\$8,000
Employment Support (Professional clothing; professional materials/tools; fees; training/certifications)	\$24,200
Education (Scholarships; books, supplies, uniforms, tools; GED support; college fees; vocational fees)	\$99,400
Community (Venues/food for events and workshops)	\$42,000
Service Support (Salary expenses; indirect expenses; materials/supplies/printing)	\$78,737

Total budget for this PROJECT: \$295,537

Grant Request Amount: \$5,000
(*Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.*)

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

Please list any other funding sources for this project.

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

\$5,000 (Charles & Ruth Billingsley Foundation) ****P**

\$12,000 (Bridgepoint Education/Ashford University) ****P**

\$25,000 (Farrell Family Foundation) ****C**

\$5,000 (HP) ****P**

\$32,500 (Moxie Foundation) ****C**

\$35,000 (Scott A. & Elizabeth V. Christensen Charitable Foundation) ****C**

Just In Time for Foster Youth

FY19 Consolidated Budget & Comparatives

	FY19 Budget	FY18 Budget	Net Change Inc/(Dec)	FY18 YTD + May & June FY18 Budget	Net Change Inc/(Dec) FY19Bud v FY18YTD +
40000 REVENUE					
41000 Direct Public Support					
41100 Corporations	256,895	259,000	(2,306)	192,054	64,641
41200 Foundations	1,366,000	780,000	606,000	2,211,101	(845,101)
41300 Individuals	806,378	1,070,200	(261,822)	824,148	(15,770)
41400 Civic and Faith Organizations	121,164	97,000	24,164	119,890	1,274
41500 Government Agencies	70,000	50,000	20,000	44,254	25,746
41600 Special Events Net Income	560,000	450,000	110,000	583,475	(23,475)
Total 41000 Direct Public Support	3,182,237	2,686,200	496,037	3,974,922	(792,685)
Inkind Youth Awards	-	126,000	(126,000)	205,858	(205,858)
Other Revenue - rent reimbursements	48,000		48,000	23,779	24,221
Net Revenue	3,230,237	2,812,200	418,037	4,204,560	(974,323)
	-	-	-		
50000 PROGRAM AWARD EXPENSES					
Total 50000 PROGRAM AWARD EXPENSES	2,359,091	1,762,253	596,838	1,520,620	838,471
53000 IN-KIND AWARDS	-	126,000	(126,000)	196,081	(196,081)
TOTAL PROGRAM AWARD EXPENSES	2,359,091	1,888,253	470,838	1,716,701	642,390
	-	-	-		
60000 DEVELOPMENT AND FUNDRAISING EXP					
Total 60000 DEV AND FUNDRAISING EXP	705,152	534,248	170,904	541,781	163,371
	-	-	-		
70000 ADMINISTRATIVE EXPENSES					
Total 70000 ADMINISTRATIVE EXPENSES	413,738	198,448	215,290	228,765	184,973
Total Expenses	3,477,981	2,620,949	857,032	2,487,247	990,734
Net Fund Balance INCREASE (DECREASE)	(247,744)	191,251	(438,995)	1,717,313	(1,965,057)
	-	-	-		
Personnel expense included above	1,816,785	1,322,974	493,811	1,136,528	680,257

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

DEPARTMENT OF THE TREASURY

Date: JUN 14 2007

JUST IN TIME FOR FOSTER YOUTH
C/O KATHRYN VAUGHN
3363 HARBOR VIEW DR
SAN DIEGO, CA 92106

Employer Identification Number:
20-5448416
DLN:
17053089008007
Contact Person:
RENEE RAILEY NORTON ID# 31172
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
July 16, 2006
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
June 30, 2011

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. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, ~~Support Schedule for Advance Ruling Period~~. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

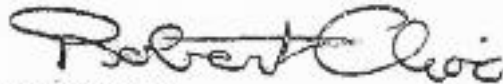
Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

JUST IN TIME FOR FOSTER YOUTH

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

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)
Statute Extension

Letter 1045 (EO/OG)



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

In reply refer to
755:G :EU

April 18, 2007

JUST IN TIME FOR FOSTER YOUTH
KATHY VAUGHN
3363 HARBOR VIEW DR
SAN DIEGO CA 92106-2919

Purpose : CHARITABLE
Code Section : 2370ld
Form of Organization : Corporation
Accounting Period Ending: June 30
Organization Number : 2596165

You are exempt from state franchise or income tax under the section of the Revenue and Taxation Code indicated above.

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).

You may be required to file Form 199 (Exempt Organization Annual Information Return) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. Please see annual instructions with forms for requirements.

You are not required to file state franchise or income tax returns unless you have income subject to the unrelated business income tax

April 18, 2007
JUST IN TIME FOR FOSTER YOUTH
ENTITY ID : 2596165
Page 2

under Section 23731 of the Code. In this event, you are required to file Form 109 (Exempt Organization Business Income Tax Return) by the 15th day of the 5th month (4 1/2 months) after the close of your annual accounting period.

Please note that an exemption from federal income or other taxes and other state taxes requires separate applications.

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

E ULCH
EXEMPT ORGANIZATIONS
BUSINESS ENTITIES SECTION
TELEPHONE (916) 845-4173
FAX NUMBER (916) 843-0188

EO ;

Board of Directors Roster, Affiliations, and Tenure FY 2018/2019

Board membership has a minimum two-year term with a 3-term limit. 100% of board members contribute financially to the JIT organization. Includes # of years on JIT Board.

David Archambault, Board Chair

*Partner, Showley, Archambault & Alexander
2 years*

Lauren Silverman, PhD, Board Vice-Chair

*Managing Director, Novartis Venture Fund (Retired)
2 years*

Joan Coppenrath, Board Treasurer

*Strategic Initiative Finance Executive at HSBC
(Retired)
2 Years*

Lauri Buehler, Board Secretary

*Mortgage/ Real Estate Professional (Retired)
1 year*

Diane Archambault

*Community Volunteer
3 years*

Steve Buehler

*President, Pacific Southwest Partners, LLC
1 year*

Tracy Burgett

Incoming

Chris Burr

*Senior Vice President/Center Manager,
Citizen's Business Bank
3 years*

Donald Canteen

*Branch Manager, US Bank
Incoming*

Grace Chui-Miller

*CFO, Correlation Ventures
2 years*

Ted DeFrank

*President and CFO, Active Motif
5 years*

Donna Desrosiers

*CEO, D & D Enterprise Group
Incoming*

Robert Freund

*Principal, Synergration Solutions
Incoming*

Dan Fulkerson

*Managing Attorney, Batta Fulkerson
Incoming*

Mike Halpern

*Independent, Investment Management
1 year*

Pamela Hunt

*Educator (Retired)
5 years*

Brad Livingston

*President, RWM Home Loans
3 years*

Matthew Medeiros

*Vice President, Clelland & Company, Inc.
3 years*

Bill Morgan

*Owner, Morgan Real Estate
Incoming*

Gretchen Morgan

*Tax Accountant, Gretchen Morgan & Associates
Incoming*

Jon Pak

*Principal, Pak Capital Group
2 years*

Shandy Pinkowski

*Attorney, Latham & Watkins, LLP
1 year*

Nanci Porter

*Founder, Talent Point Consulting
1 year*

Ruth Levine-Schmid

*Founder, SpeakInc Speakers Bureau
Incoming*

David Schulman

*Founding Partner, Moore, Schulman & Moore, APC
1 year*

Nancy Spector

*Certified Specialist, Estate Planning, Law Firm of
Nancy A. Spector
1 year*

Abdi Yusuf

*Executive Recruiter, Eastridge Workforce Solutions
1 year*

ADVISORY COUNCIL

Jorge Cabrera

Supervisor, Casey Family Programs

Harriet Carter, Esq.

A Professional Law Corporation

Lynne Doyle

Vice President, Sandy Point Properties, LLC

Sean Ferrel

CEO/President, Managed Solution

Brad Norris

Philanthropist & Community Volunteer

Alan Sorkin

Vistage Chair, Chief Executive Mentor & Coach

HONORARY BOARD/CO-FOUNDERS

Diane Cox

Co-Founder/Past Board Chair, Professional Coach, Development Director

Jeanette Day, Esq.

Co-Founder, Attorney, County of San Diego

Tony Hsu

Co-Founder/Past Treasurer, Founder/Chief Investment Officer, Alethea Capital Management, LLC

Louarn Sorkin

Co-Founder, Founding Partner, San Diego Social Venture Partners

Kathryn Vaughn, Esq.

Co-Founder/Past President, Managing Partner, Law Offices of Vaughn and Vaughn

San Marcos Community Foundation Grant Narrative (FY19)

Mission & Vision

Just in Time for Foster Youth's mission is to engage a caring community to help transition-age foster youth achieve self-sufficiency and well-being. We envision a future in which every youth leaving the foster care system has a community of caring adults waiting for them after 18.

Request Summary

Just in Time for Foster Youth (JIT) respectfully requests a \$5,000 grant from the San Marcos Community Foundation to support our College Bound (CB) initiative for youth residing in San Marcos and attending college in FY19. Funding would be used to provide transition age foster youth (ages 18-26) with the tools and resources they need to break the cycle of foster care and achieve their higher education goals, including laptops and printers, and a connection to a volunteer coach and caring community.

"After aging out of the system, I was given my belongings and told that I was on my own. Without any type of support, I ended up homeless living on Skid Row in the city of Los Angeles. I tell you this story not because I expect sympathy, but because I want to explain where my both my passion and my strength stems from. My adversities are my inspiration. Invest in me, so that my story can be heard on behalf of the foster youth community. Invest in me, so that I can continue to break boundaries and statistics. Invest in me, so I can help inspire our society to invest in the lives that are touched by our welfare systems."

-JIT Participant Christina, in Her College Bound Application

The Need & Our Solution:

As a general rule, our society allows young people ample time to finish school, begin a career and build a support network prior to expecting them to be on their own. Yet, when foster youth exit the foster care system at 18, they are typically expected to fend for themselves with no familial safety net, limited success in post-secondary education, no financial security, and a system filled with critical barriers, unaddressed gaps in resources and low expectations for change.

Educational outcomes are predictably bleak. Foster youth are often bounced from placement to placement, disrupting their education and academic progress, and are more likely to be classified with a disability and be enrolled in the lowest-performing schools. When they transition out of care, unlike typical youth living with parents and working on college essays, they are forced to think about surviving, having a roof over their heads and having food to eat. College quickly becomes an elusive dream.

This is where College Bound can step in. CB assists former foster youth enrolled in two or four-year colleges with not only the practical technology and educational supplies that all students need to succeed, but access to vital information, community resources and most importantly, peers and caring volunteers who act as coaches and confidants just as a family member would.

To be eligible for CB, participants must be a former foster youth between the ages of 18-26; be enrolled in a two-year or four-year college program; have a cumulative GPA of 2.0 or higher from high school or college studies; complete a College Bound application; and submit a written essay and required documentation (including a dependency letter and unofficial transcripts).

Every June, a two-day College Bound event is held where former foster youth: receive vital academic supplies such as a laptop, printer and dorm supplies; experience interactive workshops with JIT CB alumni who share their experiences on the challenges and opportunities that lie ahead, and experts on financial management, legal issues and other relevant areas; have access to transportation aid, basic needs and other resources that allow JIT to support them on their educational journey over the coming years; take part in a resource fair with representatives from San Diego area colleges and universities— connecting youth to additional resources available on their campuses; and are paired with a

volunteer guide who accompanies the participant on a shopping trip to purchase dorm and additional school supplies, then continues to offer coaching and moral support over the course of the school year

By supporting youth through a holistic approach, we're able to achieve outcomes very different from the sobering statistics on foster youth in our state and nation. We use a unique extended family model to meet the need for a consistent caring connection that has eluded foster youth while in care and transition. Our research focuses our efforts on overcoming the five key gaps that stand in the way of youth staying in school and graduating:

1. Stable Housing: consistency in housing for those college students not in dorms
2. Academic Confidence: tutoring resources and a community of academic support
3. Hard Time Working and Going to School: access to job opportunities, wage supplements and financial literacy training to enhance the capacity to manage their money
4. Access to Reliable Transportation: bus/trolley passes, gas cards, access to match savings and low interest auto loans through our Changing Lanes program
5. Connections: a strong network of peer and adult support

The largest indicator of long-term success for foster youth is a partnership with caring adults who help them navigate difficult decisions and encourage them in their strengths and abilities. Providing continuous opportunities for positive relationships and networking connections are the core components of what we do and what sets JIT apart from other organizations. JIT steps in like a healthy family would to offer these young people the skills, resources and consistent, reliable connections they need to get a strong start in college, graduate and achieve lifelong self-sufficiency. Our consistent positive graduation and retention rates provide a quantifiable indication that the program instills commitment on the part of youth to obtain their higher education goals.

Goals & Objectives

In FY19, the JIT family is coming together to help over 100 transition age foster youth, including those attending college, by providing the resources and encouragement needed to empower them as college students, setting them up for success in the long-term. The lasting impact goals of our College Bound Program are as follows:

1. Participants believe they can compete in higher education institutions
2. Participants own their educational experiences
3. Participants are immersed in a supportive community that enriches their educational journeys

Our objectives focus on improving the success rate of former foster youth attending college, fostering long-term stability while significantly improving the national rates for those pursuing post-secondary education and graduation. The intended outcomes of College Bound include:

1. 75% of College Bound participants will report increased confidence in their ability to compete in a higher education institution after participating in College Bound
2. 50% or more of College Bound Participants will graduate or receive certifications
3. 60% of College Bound participants will report having one or more caring adults in their lives and participate in at least one other JIT service

Measuring Impact

JIT's services effectiveness is measured with quantitative and qualitative data, and evaluated for both short-term outcomes and lasting impact toward our long-term goals. JIT conducts annual research and measures outcomes based on enrollment rates, college completion of two or more years, graduation achievement and graduate school enrollment. Through other services, we track employment to gauge financial security, connections to caring adults and participation in other JIT services to ensure adequate support and confidence levels to measure resiliency.

CB data is collected through mandatory online surveys, staff contact and interviews, and connections to JIT volunteers. Students' progress is monitored throughout their college career and annual reports are produced. Service modifications are recommended and made based on our findings. Our data review also takes into account over 550 students who have utilized our College Bound program since its inception.

Return of Organization Exempt From Income Tax

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.

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning 7/01, 2016, and ending 6/30, 2017	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C JUST IN TIME FOR FOSTER YOUTH P.O. BOX 81292 SAN DIEGO, CA 92138 F Name and address of principal officer: DONALD WELLS SAME AS C ABOVE
D Employer identification number 20-5448416 E Telephone number 858.663.2081 G Gross receipts \$ 2,285,893.	
H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates 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.JITFOSTERYOUTH.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: 2006 M State of legal domicile: CA	

Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: JUST IN TIME FOR FOSTER YOUTH MOBILIZES A CARING COMMUNITY FOR TRANSITION AGE FOSTER YOUTH, AGES 18-26, TO ACHIEVE SELF-SUFFICIENCY AND WELL BEING THROUGH A COMBINATION OF RESOURCES AND RELATIONSHIPS.	
	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)	21
	4	Number of independent voting members of the governing body (Part VI, line 1b)	20
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	19
	6	Total number of volunteers (estimate if necessary)	1,000
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
Revenue	b	Net unrelated business taxable income from Form 990-T, line 34	0.
			Prior Year Current Year
	8	Contributions and grants (Part VIII, line 1h)	1,786,180. 2,066,535.
	9	Program service revenue (Part VIII, line 2g)	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	159. 703.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	51,152. 81,989.
	12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,837,491. 2,149,227.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	821,135. 672,451.
	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)	939,071. 973,661.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 413,663.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	247,598. 316,893.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,007,804. 1,963,005.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	-170,313. 186,222.
			Beginning of Current Year End of Year
	20	Total assets (Part X, line 16)	479,388. 683,925.
	21	Total liabilities (Part X, line 26)	64,889. 83,204.
22	Net assets or fund balances. Subtract line 21 from line 20	414,499. 600,721.	

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	Date		
	DON WELLS	EXECUTIVE DIRECTOR		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed PTIN P00085553
	MICHAEL J. ZIZZI	MICHAEL J. ZIZZI		
	Firm's name ▶ LEAF & COLE, LLP	Firm's EIN ▶ 95-2076568		
	Firm's address ▶ 2810 CAMINO DEL RIO SOUTH, SUITE 200 SAN DIEGO, CA 92108-3820	Phone no. 619.294.7200		
May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

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

TEEA0113L 11/16/16

Form 990 (2016)

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

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the priorForm 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 \$ 448,737. including grants of \$ 247,062.) (Revenue \$)

SEE SCHEDULE O

4b (Code:) (Expenses \$ 242,911. including grants of \$ 135,515.) (Revenue \$)FINANCIAL FITNESS:

117 YOUNG PEOPLE PARTICIPATED IN FINANCIAL FITNESS AND COMPLETED \$56,000 IN NEW SAVINGS MATCHES, WITH A TOTAL COMBINED SAVINGS OF OVER \$160,000 DURING FISCAL YEAR 2016-17. THIS IS IN CONTRAST TO STUDIES SHOWING THAT TRANSITION AGE FOSTER YOUTH TYPICALLY HAVE LOW FINANCIAL LITERACY AND VERY LITTLE IN SAVINGS. AN ADDITIONAL 94 YOUTH BENEFITED FROM PATHWAYS TO FINANCIAL POWER SERVICES FOCUSED ON WORK READINESS; SUBSEQUENT SURVEYS REVEALED THAT 45% OF PARTICIPANTS SAID THEIR INTERVIEWING CONFIDENCE HAD GONE UP A LOT AND 32% SAID IT HAD GONE UP QUITE A BIT.

4c (Code:) (Expenses \$ 242,321. including grants of \$ 61,917.) (Revenue \$)CAREER HORIZONS AND BRIDGES TO SUCCESS:

CAREER HORIZONS PROVIDES YOUNG WOMEN WITH THE TOOLS AND SUPPORT TO BRING THEIR EMPLOYMENT OPTIONS INTO FOCUS, INCLUDING NETWORKS AND CAREER LINKS ESSENTIAL TO CAREER SUCCESS. EACH PARTICIPANT SEEKING A JOB COMPLETES 3 JOB INTERVIEWS, AND ALL THE YOUNG WOMEN LEARN ABOUT THEIR STRENGTHS, CRAFT A CONFIDENT ELEVATOR PITCH, AND CULTIVATE IMPACTFUL RELATIONSHIPS WITH UP TO FOUR WOMEN COACHES. IN BRIDGES TO SUCCESS, YOUNG MEN AND THEIR MALE COACHES, CALLED CHAMPIONS, COME TOGETHER TO SHARE STORIES, LEARN FROM THEIR COMMON MISTAKES, GAIN SKILLS TO EXCEL IN LIFE, AND FORM TRUSTING RELATIONSHIPS AS A FOUNDATION FOR A PROUD FUTURE.

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

(Expenses \$ 445,783. including grants of \$ 227,957.) (Revenue \$)

4e Total program service expenses 1,379,752.

**JUST IN TIME FOR FOSTER YOUTH
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017**

ASSETS		
	<u>2018</u>	<u>2017</u>
<u>Current Assets:</u>		
Cash and cash equivalents	\$ 1,365,797	\$ 554,790
Investments	102,061	5,458
Contributions receivable	558,884	71,925
Prepaid expenses and other assets	41,949	36,449
Total Current Assets	<u>2,068,691</u>	<u>668,622</u>
<u>Noncurrent Assets:</u>		
Restricted cash	33,105	-
Contributions receivable, net	184,891	2,891
Property and equipment, net	6,987	12,412
Total Noncurrent Assets	<u>224,983</u>	<u>15,303</u>
TOTAL ASSETS	<u>\$ 2,293,674</u>	<u>\$ 683,925</u>
LIABILITIES AND NET ASSETS		
<u>Current Liabilities:</u>		
Accounts payable and accrued expenses	\$ 56,009	\$ 31,974
Accrued payroll and related liabilities	93,075	51,230
Total Current Liabilities	<u>149,084</u>	<u>83,204</u>
Total Liabilities	<u>149,084</u>	<u>83,204</u>
<u>Net Assets:</u>		
Unrestricted	1,613,520	381,077
Temporarily restricted	531,070	219,644
Total Net Assets	<u>2,144,590</u>	<u>600,721</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,293,674</u>	<u>\$ 683,925</u>

**JUST IN TIME FOR FOSTER YOUTH
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and Support:						
Contributions	\$ 2,596,902	\$ 899,777	\$ 3,496,679	\$ 1,254,306	\$ 379,599	\$ 1,633,905
Special events, net of related expenses of \$182,748 and \$136,666, respectively	582,876	-	582,876	556,011	-	556,011
Other income	25,197	-	25,197	1,200	-	1,200
Investment income	908	-	908	703	-	703
Net assets released from restrictions	588,351	(588,351)	-	272,354	(272,354)	-
Total Revenue and Support	3,794,234	311,426	4,105,660	2,084,574	107,245	2,191,819
Expenses:						
Program Expenses:						
My first home	296,736	-	296,736	210,799	-	210,799
Community	249,855	-	249,855	155,406	-	155,406
College bound/education	241,345	-	241,345	236,541	-	236,541
Basic needs	237,187	-	237,187	278,407	-	278,407
Financial fitness	200,428	-	200,428	242,911	-	242,911
Leap/other programs	181,790	-	181,790	53,836	-	53,836
Career horizons	156,627	-	156,627	113,820	-	113,820
Bridges to success	146,950	-	146,950	128,501	-	128,501
Horizons house	89,939	-	89,939	-	-	-
Total Program Expenses	1,800,857	-	1,800,857	1,420,221	-	1,420,221
Supporting Services:						
Fundraising	545,914	-	545,914	414,724	-	414,724
General and administrative	215,020	-	215,020	170,652	-	170,652
Total Supporting Services	760,934	-	760,934	585,376	-	585,376
Total Program and Supporting Services	2,561,791	-	2,561,791	2,005,597	-	2,005,597
Change in Net Assets	1,232,443	311,426	1,543,869	78,977	107,245	186,222
Net Assets at Beginning of Year	381,077	219,644	600,721	302,100	112,399	414,499
NET ASSETS AT END OF YEAR	\$ 1,613,520	\$ 531,070	\$ 2,144,590	\$ 381,077	\$ 219,644	\$ 600,721

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: WPMS Music Instruction and Instrument Purchase Support Date Submitted: 12/21/2018	Total # of people served: Approximately 109 (coaching – includes students plus 2 coaches) 3 (instruments – per year) Total # of San Marcos residents served: 112	Amount Requested: \$8,327.00
Non-Profit Organization Name and Address, Website Woodland Park Middle School Music Boosters Club 270 Rock Springs Rd., San Marcos, CA 92069 https://www.wpmsmusic.org		Contact Person – Name, Title & Phone, email Debbie Berg, President, WPMS Music Booster Club Debbiejberg2@gmail.com
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The Woodland Park Middle School (WPMS) music program provides music education to more than 330 6th, 7th, and 8th grade students. These students form the Beginning Band, Concert Band, Symphonic Band, and Jazz Band (stage band and gig band) ensembles. The WPMS Music Boosters club works to fill funding gaps for music education. One essential area funded exclusively with booster funds is music coaching. Music instructors are hired to provide individualized supplementary instruction to the percussion and woodwind sections during class time. Band enrollment for the 2018–19 school year is at an all-time high. There are currently two coaches instructing students 1 day per week. The music director, Michael Schmidt, is seeking to extend the amount of time the coaches spend with students. Funds from the SMCF would be used to continue the current coaching schedule of 1 day per week, while also adding 1 additional day per week, for the spring 2019 semester. We are also seeking funds to purchase three new instruments to add to the band’s inventory. School-issued instruments are provided to those students in our community who otherwise do not have the means to purchase or rent an instrument. It is an important investment in the future of the band program and future students to add quality instruments to the inventory.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Studies have shown that music education improves self-esteem, provides a sense of belonging, and gives purpose to middle school students. Many of the students receiving music education through the WPMS music program would not have had the opportunity to play a musical instrument otherwise. Additional instructional hours provided by coaches add support for the music director, preventing class size restrictions and allowing any student who wants to learn an instrument the means to do so. Both coaches are products of San Marcos schools and are currently studying music at Palomar College. The instrument investment will benefit current and future music students by providing access to instruments for many years to come.</p>		

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 Optional: letters of support

Expected date project will begin/end: 01/28/2019

Date by which funds will be expended: 6/10/2019

Signature of President or Authorized Officer

Debbie Berg, President, WPMS Music Boosters
Name, Title


Signature

12/21/2018
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): jimagee@san-marcos.net

WPMS Music Instruction and Instrument Purchase Support

There are numerous positive correlations between music education and the social, emotional, and academic development of children.¹ Studies have shown that music education can enhance and improve a student's life and success in school, home, and beyond.^{2,3,4,5} Music can be especially beneficial to students during their teenage years.^{6,7,8}

A survey of San Marcos Unified School District students and their parents revealed that both groups place high importance on the continued availability of music education in grades K-12, and the district has prioritized providing music and performing arts education for all students.⁹ The same study also revealed that students who participate in music education have higher GPAs. Unfortunately, the reality of the current budget situation is that supplemental funds are essential to guarantee healthy and active music education programs in schools.

The award-winning* Woodland Park Middle School (WPMS) band program currently serves 330 students, which make up four band ensembles. The students are taught by one music director, with assistance from two instrument coaches. The band program does not currently have any caps on the number of students in each ensemble, as it is the mission of the band program to accommodate any WPMS student who wishes to learn an instrument.¹⁰ Many of the students receiving music education in the WPMS music program would not have had the opportunity to learn a musical instrument otherwise.

As the music program at WPMS grows, additional instructional support is necessary to continue to provide music education to every student. The program employs two instrument coaches who provide small-group instruction based on instrument section. Each of the coaches work one school day per week. The percussion coach works with 25 to 32 students over the course of a day, and the woodwind coach works with approximately 75 students (clarinets and saxophones) over the course of a day. Along with coaching on specific instruments, the coaches assist with professional development, repertoire research, skill testing, and composing. Both coaches are products of San Marcos schools and study music at Palomar College. The funds we are requesting from the SMCF would allow us to double the number of coaching hours for the spring 2019 semester.

We are also requesting funds to purchase new instruments, specifically, a tenor saxophone and two clarinets. In keeping with the philosophy of providing equal opportunity for music education for every student, the WPMS band program has a collection of school-issued instruments, which are provided to those students in our community who otherwise do not have the means to purchase or rent an instrument. By purchasing additional instruments now, an investment is made for years of musical instruction for future generations of middle school students.

Providing support for music education in our local schools is of key importance for the development and growth of our community's families and children and further strengthens San Marcos's reputation as being a center for education. Thank you very much for considering this proposal. Please contact us if you have any questions or require any additional information. We would be happy to share anything else about our music program with you.

**The WPMS Symphonic Band and the WPMS Jazz Band received gold ratings at the Forum Music Festivals for the last three years.*

References

1. National Association of Music Education. 20 Important Benefits of Music in Our Schools. <https://nafme.org/20-important-benefits-of-music-in-our-schools>
2. Eerola P-S, Eerola T. Extended music education enhances the quality of school life. *Music Education Research*. 2014. Volume 16; issue 1; pages 88–104.
3. Hallam S. The power of music: Its impact on the intellectual, social and personal development of children and young people. 2010. *International Journal of Music Education*. Volume 28; issue 3; pages: 269–89.
4. Azizinezhad M, Hashemi M, Darvishi S. Music as an education-related service to promote learning and skills acquisition. *Procedia—Social and Behavioral Sciences*. 2013. Volume 93; pages 142–5.
5. San Marcos Unified School District VAPA Advocacy. <https://www.smusdvapa.com/advocacy>
6. Campbell PS, Connell C, Beegle A. Adolescents’ expressed meanings of music in and out of school. *Journal of Research in Music Education*. 2007. Volume 55, issue 3, pages 220–36.
7. Tierney AT, Krizman J, Kraus N. Music training alters the course of adolescent auditory development. *Proceedings of the National Academy of Sciences*. 2015. Volume 112, issue 32, pages 10062-7.
8. National Association of Music Merchants Foundation. The Positive Influence of Playing Music on Youth (Teens). <https://www.nammfoundation.org/articles/2014-06-09/positive-influence-playing-music-youth>
9. San Marcos Unified School District VAPA. <https://www.smusdvapa.com/quick-look>
10. Woodland Park Middle School Music Handbook. <https://www.wpmsmusic.org/blog-page/2017/8/7/welcome-to-the-new-band-year>

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)

Woodwinds coach (Collin Howe) - Spring semester (12 hours/week at \$11.50/hour for 18 weeks)	\$2,484.00
Percussion coach (Zach Elliott) - Spring semester (12 hours/week at \$11.50/hour for 18 weeks)	\$2,484.00
Instrument purchases (1 tenor saxophone at \$2,349.00; 2 clarinets at \$505.00 each)	\$3,359.00
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total budget for this PROJECT: **\$8,327.00**

Grant Request Amount: **\$8,327.00**
(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)

Is this a challenge grant? 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) _____	** _____
\$ _____ (Name of source) _____	** _____
\$ _____ (Name of source) _____	** _____

Woodland Park Middle School Music Boosters Club

BUDGET OVERVIEW: FY 7-1-18 TO 6-30-19 - FY19 P&L

July 2018 - June 2019

	TOTAL
Income	
Direct Public Support	
Corporate/Business Donations	400.00
Individuals/Families Donations	6,700.00
Total Direct Public Support	7,100.00
Electronic Scrip Rebates	
Amazon Smile Program	100.00
Ralphs (Kroger) Rebates	25.00
Total Electronic Scrip Rebates	125.00
Program Income	
Bake Sale	700.00
Cherrydale Fall	7,000.00
Disney Land Ticket Sales	4,160.00
Knotts Berry CB Ticket Sales	3,850.00
Knotts Berry SB Ticket Sales	4,800.00
Polo Shirt Sales	2,200.00
Program Advertising	500.00
Restaurant Nights	500.00
Soap Fundraiser	7,800.00
Tuxedo Shirt Sales	1,100.00
Total Program Income	32,610.00
Raffle Proceeds	900.00
Total Income	\$40,735.00
GROSS PROFIT	\$40,735.00
Expenses	
Operations	
Bank Charges	50.00
Coffee Concert Refreshments BB	50.00
Ice Cream Social Supplies	125.00
Liability Insurance	550.00
Licenses	45.00
Office Supplies	410.00
Postage, Mailing Service	20.00
Printing and Copying	800.00
Professional Fees	200.00
Repairs Instruments	100.00
Supplies-Concerts & Award Night	300.00
Website	200.00
Total Operations	2,850.00
Program Expenses	
Awards	750.00
Cherrydale Fall	4,900.00
Coach-Low Brass	3,200.00

	TOTAL
Coach-Percussion	3,200.00
Coach-Woodwind	3,200.00
Conductor Honor Band	175.00
Disney Land Festival	7,600.00
Entry Fees	200.00
Festival Registrations	380.00
Festival Tickets	
Concert Band	5,075.00
Symphonic & Jazz Bands	5,475.00
Total Festival Tickets	10,550.00
Judges Fees	120.00
Musical Instruments	5,100.00
Polo Shirt Expenses	2,200.00
Sheet Music	1,400.00
Transportation Students	46.00
Tuxedo Shirts Expense	2,600.00
Total Program Expenses	45,621.00
Total Expenses	\$48,471.00
NET OPERATING INCOME	\$ -7,736.00
NET INCOME	\$ -7,736.00

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248667580
Sep. 16, 2009 LTR 4168C E0
33-0860113 000000 00

00017404
BODC: TE

WOODLAND PARK MIDDLE SCHOOL MUSIC
BOOSTER CLUB
% AMANDA ELLIS
1270 ROCK SPRINGS RD
SAN MARCOS CA 92069-3220

Employer Identification Number: 33-0860113
Person to Contact: Mr. Lockhart
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of Sep. 04, 2009, regarding your tax-exempt status.

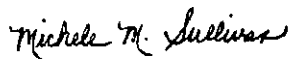
Our records indicate that a determination letter was issued in July 1999, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

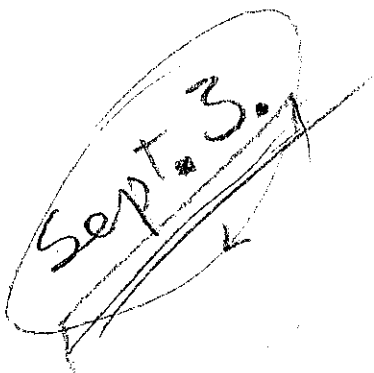
Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

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

Sincerely yours,



Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I





STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0540

Entity Status Letter

Date:

ESL ID:

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID:

Entity Name:

1. The entity is in good standing with the Franchise Tax Board.
2. The entity is **not** in good standing with the Franchise Tax Board.
3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701
4. We do not have current information about the entity.

The above information does not necessarily reflect:

- The entity's status with any other agency of the State of California, or other government agency.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or the entity did business in California at a time when it was not qualified or not registered to do business in California:
 - The status or voidability of any contracts made in California by the entity at a time when the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
 - For entities revived under R&TC Section 23305b, any time limitations on the revivor or limitation of the functions that can be performed by the entity.

Internet and Telephone Assistance

Website: **ftb.ca.gov**

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

October 21st, 2018

Whoever it may concern,

The WPMS Music Boosters Club is a 501(c)(3) charitable organization

Federal Tax ID: 33-0860113.

State Tax ID: 9769530.

The WPMS Music Boosters Club 2018-19 Executive Board:

Title	Name
President	Debbie Berg
First Vice President	Kana Tobin
Second Vice President	Maki Tanaka Nielsen
Treasurers	Lisa Niemann Tim Griffith
Secretary	Michelle Mills

2018 / 2019 Woodland Park Middle School Music Boosters Club
Director of Music : Michael Schmidt

President: Debbie Berg **1st Vice President:** Kana Tobin **2nd Vice President:** Maki Nielsen
Treasurer: Lisa Niemann/Tim Griffith **Secretary:** Michelle Mills



Confirmation

[Home](#) | [Security Profile](#) | [Logout](#)

Your Form 990-N(e-Postcard) has been submitted to the IRS

- **Organization Name:** WOODLAND PARK MIDDLE SCHOOL MUSIC BOOSTER CLUB
- **EIN:** 330860113
- **Tax Year:** 2017
- **Tax Year Start Date:** 07-01-2017
- **Tax Year End Date:** 06-30-2018
- **Submission ID:** 10065520183102411565
- **Filing Status Date:** 11-06-2018
- **Filing Status:** Accepted

MANAGE FORM 990-N SUBMISSIONS

Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2017

Open to Public Inspection

A For the 2017 Calendar year, or tax year beginning 2017-07-01 and ending 2018-06-30

B Check if available

☐ Terminated for Business☒ Gross receipts are normally \$50,000 or lessC Name of Organization: WOODLAND PARK MIDDLE SCHOOLMUSIC BOOSTER CLUB1270 Rock Springs Road,San Marcos, CA, US, 92069

D Employee Identification

Number 33-0860113

E Website:

F Name of Principal Officer: Lisa Niemann1270 Rock Springs Road,San Marcos, CA, US, 92069

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The organization is not required to provide information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of the Form 990-N is covered in code section 6104.

The time needed to complete and file this form and related schedules will vary depending on the individual circumstances. The estimated average times is 15 minutes.

Note: This image is provided for your records only. Do Not mail this page to the IRS. The IRS will not accept this filing via paper. You must file your Form 990-N (e-Postcard) electronically.

Woodland Park Middle School Music Boosters Club

BALANCE SHEET

As of June 30, 2018

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Wells Fargo Checking	45,382.15
Total Bank Accounts	\$45,382.15
Total Current Assets	\$45,382.15
TOTAL ASSETS	\$45,382.15
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
Unrestricted Net Assets	42,202.84
Net Income	3,179.31
Total Equity	\$45,382.15
TOTAL LIABILITIES AND EQUITY	\$45,382.15

Woodland Park Middle School Music Boosters Club

PROFIT AND LOSS

July 2017 - June 2018

	TOTAL
Income	
Direct Public Support	
Corporate/Business Donations	399.76
Individuals/Families Donations	6,409.00
Total Direct Public Support	6,808.76
Electronic Scrip Rebates	
Amazon Smile Program	93.21
Ralphs (Kroger) Rebates	32.83
Total Electronic Scrip Rebates	126.04
Other Types of Income	
Miscellaneous Revenue	850.00
Total Other Types of Income	850.00
Program Income	
Bake Sale	724.50
Cherrydale Spring	5,401.25
Knotts Berry CB Ticket Sales	3,832.00
Knotts Berry SB Ticket Sales	4,726.10
Polo Shirt Sales	2,208.00
Program Advertising	456.00
Restaurant Nights	506.03
Soap Fundraiser	8,267.50
Tuxedo Shirt Sales	1,110.00
Total Program Income	27,231.38
Raffle Proceeds	928.00
Total Income	\$35,944.18
GROSS PROFIT	\$35,944.18
Expenses	
Operations	
Bank Charges	23.10
Coffee Concert Refreshments BB	39.00
Ice Cream Social Supplies	116.05
Liability Insurance	550.00
Licenses	45.00
Office Supplies	180.00
Printing and Copying	753.40
Professional Fees	200.00
Repairs Instruments	19.25
Supplies-Concerts & Award Night	290.63
Website	194.40
Total Operations	2,410.83
Program Expenses	
Awards	746.93
Cherrydale Spring	3,024.72

	TOTAL
Coach-Percussion	3,107.31
Coach-Woodwind	3,107.32
Conductor Honor Band	175.00
Entry Fees	180.00
Festival Registrations	380.00
Festival Tickets	
Concert Band	4,983.00
Symphonic & Jazz Bands	5,454.00
Total Festival Tickets	10,437.00
Judges Fees	120.00
Musical Instruments	2,201.94
Polo Shirt Expenses	1,983.46
Sheet Music	1,361.37
Student Rewards	1,062.18
Transportation Students	46.00
Tuxedo Shirts Expense	2,420.81
Total Program Expenses	30,354.04
Total Expenses	\$32,764.87
NET OPERATING INCOME	\$3,179.31
NET INCOME	\$3,179.31

December 18, 2018

San Marcos Community Foundation
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069

Dear Foundation Members,

We are pleased to have been asked to write a letter of support for the Woodland Park Middle School Band program. Our experience with the program has been extremely positive and something we would absolutely recommend to other parents of students. Our daughter, currently in the 8th grade at WPMS, has not only shown marked improvement in her musical ability, but also her ability to focus has greatly improved. We believe that her general academic, and particularly her mathematics skills, have benefited as a result.

Our son continues to study music at Mission Hills High School, having had a solid foundation beginning at Woodland Park Middle School with Mr. Schmidt and the WPMS band program. He has shown improvement similar to his sister, which we believe is directly attributable to his participation in the same program at WPMS.

Thank you for the opportunity to show support for the program that started it all. If we can help with any more information, please do not hesitate to reach out to us.

Sincerely,



18 DEC 2018

Rachana Bekal & Rajesh Rao
601 Hillside Way,
San Marcos, CA - 92078

December 20, 2018

San Marcos Community Foundation
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069

Dear Foundation Members,

I am delighted to have been asked to write a letter of support for the Woodland Park Middle School Band program. I attended WPMS from August 2007 to June 2010. During my time there I was very involved in the music program as I played the clarinet in band and participated in musicals.

Since attending WPMS, I furthered my study of music at Mission Hills High School, Palomar College, and Oklahoma City University where I am currently working on a Bachelor's of Instrumental Music Education. Due to my proficiency playing the clarinet and my academic successes I was granted over \$78,000 in scholarships. I will begin my student teaching in January of 2019 and graduate with my degree in May of 2019. I am also the music director at Parkview Adventist Academy and a clarinet instructor at El Sistema Oklahoma in Oklahoma City.

Mr. Schmidt and the WPMS band program helped me gain the necessary skills needed to become a professional musician and music educator. If it had not been for the band program and Mr. Schmidt, I know for a fact that none of my current and future successes with music would have been possible.

Thank you so much for the opportunity to show support for the WPMS band program which sparked my love for music and changed my life forever. Please feel free to contact me if you need any additional information.

Sincerely,


A handwritten signature in black ink that reads "Kasey Presley". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Kasey Presley
1-(760)-520-3450
11208 Fiddlesticks Ln.
Yukon, Oklahoma. 73099

SAN MARCOS COMMUNITY FOUNDATION

Grant Cover Page

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

Project Name: Residential Services	Total # of people served: 100	Amount Requested: \$5,000
Date Submitted: 1/2/2019	Total # of San Marcos residents served: 100	
Non-Profit Organization Name and Address, Website Casa de Amparo 325 Buena Creek Road, San Marcos, CA 92069 http://www.casadeamparo.org	Contact Person – Name, Title & Phone, email Amy Oden, Director of Program Development 760-566-3558, aoden@casadeamparo.org	
<p>Briefly describe your request for funds (to be expanded upon in narrative for regular grant): Casa de Amparo is respectfully requesting funds from the San Marcos Community Foundation for Residential Services which provides 24-hour trauma informed care for youth in the foster care system who have been removed from their homes due to child abuse or neglect. The program includes specialized services for pregnant and parenting foster youth and their babies. Residential Services provides safe housing, clothing, nutritious food, physical and mental health care, therapeutic services, education assistance and life skills training to ensure each resident receives the tools to succeed. The program can accommodate up to 50 youth simultaneously and supports over 100 residents annually. The goal of the programs is to assist residents to overcome the effects of abuse and neglect so they can enter adulthood as healthy, safe, productive members of the local community.</p>		
<p>Briefly describe the significance of your request to the San Marcos community: Residential Services provides the most vulnerable children in the San Marcos community with the opportunity to overcome the traumatic events they have experienced and grow into healthy young adults. All youth in these programs are residents of San Marcos and are active members of the community through school, work and recreation. All of Casa de Amparo's programs, including Residential Services, treat and prevent child abuse and neglect in our community with the goal of ending generational cycles of abuse and creating a community where children are provided the opportunity to thrive. By assisting children as they overcome the trauma of abuse, we are able to prepare them academically, emotionally and developmentally to excel as young adults.</p>		
<p>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</p>		<p>Expected date project will begin/end: 3/1/2019-6/30/2019 Date by which funds will be expended: 6/30/2019 Signature of President or Authorized Officer  <u>Tamara Fleck-Myers, LMFT</u> <u>1/2/2019</u> Name, Title Date Executive Director</p> <p>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): jimagee@san-marcos.net</p>

**SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet**

Provide an itemized list of expenses for this project:

Residential Services has an operational budget shortfall of \$775,505 (please see the attached annual operating budget for the organization).

**Casa de Amparo
Residential Services
FY 2018-2019**

Revenues

Contracts	3,667,968
Total Revenues	3,667,968

Expenditures

Personnel	2,433,947
Employee Benefits	691,950
Professional Services	89,640
Supplies	155,212
Postage, Printing, and Shipping	975
Equipment Expense	16,713
Occupancy	257,425
Telephone	19,301
Transportation	75,324
Training, Meetings, Other	18,431
Advertising & Promotion	5,637
Program Expense	106,690
Depreciation	244,747
Administrative Costs	327,481
Total Expenditures	4,443,473

Amount Unfunded	(775,505)
-----------------	-----------

Total budget for this PROJECT: \$4,443,473

Grant Request Amount: \$ 5,000

(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).**

\$7,500-Day for Change (C)

\$2,000-Cubic Corporation (C)
\$2,500-The Heller Foundation of San Diego (C)
\$3,500-Fox Foundation (C)
\$10,000-C.J. & Dot Stafford Memorial Trust (C)
\$5,000-Maurice J. Masserini Trust (C)
\$12,500-In-N-Out Burger Foundation (C)
\$25,000-San Diego Women's Foundation (P)
\$20,000-WD-40 Foundation (P)



Casa de Amparo FY 2018-2019 Annual Operating Budget

Operational Revenues	
Contributions	1,757,838
Contracts	6,063,648
Miscellaneous Income	<u>155,817</u>
Total Operational Revenues	7,977,303
Total Revenues	7,977,303
Operational Expenditures	
Personnel	4,198,003
Employee Benefits	1,027,896
Professional Services	147,700
Supplies	192,952
Telephone	47,143
Postage & Shipping	6,108
Occupancy	1,078,557
Printing	12,885
Transportation	144,915
Training, Meetings, Other	48,273
Advertising & Promotion	14,025
Program Expense	315,096
Equipment Expense	49,593
Miscellaneous	<u>182,700</u>
Total Operational Expenditures	7,465,844
Non-Operational Expenditures	<u>511,459</u>
Total Non-Operational Expenditures	511,459
Total Expenditures	7,977,303
Net Income/(Loss)	<u>0</u>

Serving all of San Diego County with locations in Oceanside and San Marcos

325 Buena Creek Road, San Marcos, CA 92069

Phone: 760-754-5500 • Fax: 760-566-3569 • www.casadeamparo.org

Casa de Amparo is a 501 (c)(3) nonprofit organization. Federal Tax I.D. #95-3315571

CINCINNATI OH 45999-0038

In reply refer to: 0248222025
Mar. 18, 2016 LTR 4168C 0
95-3315571 000000 00
Input Op: 0248222025 00024581
BODC: TE

CASA DE AMPARO
% ELIZABETH PORTER
325 BUENA CREEK RD
SAN MARCOS CA 92069-9679

025542

Employer ID Number: 95-3315571
Form 990 required: yes

Dear Taxpayer:

We issued you a determination letter in August 1979, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Doris Kenwright, Operation Mgr.
Accounts Management Operations 1



FRANCHISE TAX BOARD

SACRAMENTO, CALIFORNIA 95867

Telephone: (800) 852-5711

March 26, 1979

In reply refer to
344: R:bp:g

Casa De Amparo
4070 Mission Road, Suite 220
San Luis Rey, CA 92068

Purpose : Charitable
Form of Organization : Corporation
Accounting Period Ending: December 31
Organization Number : 0881516

On the basis of the information submitted and provided your present operations continue unchanged or conform to those proposed in your application, you are exempt from state franchise or income tax under Section 2370ld, Revenue and Taxation Code. 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 also must be reported.

You are required to file Form 199 (Exempt Organization Annual Information Return) or Form 199B (Exempt Organization Annual Information Statement) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. See annual instructions with forms for requirements.

You are not required to file state franchise or income tax returns unless you have income subject to the unrelated business income tax under Section 2373l of the Code. In this event, you are required to file Form 109 (Exempt Organization Business Income Tax Return) by the 15th day of the 3rd month (2 1/2 months) after the close of your annual accounting period.

If the organization is incorporating, this approval will expire unless incorporation is completed with the Secretary of State within 60 days.

Exemption from federal income or other taxes and other state taxes requires separate applications.

This exemption effective as of January 15, 1979.

This letter supersedes our letter dated March 23, 1979, and is issued to show an effective date.

Anderson Scott
Exempt Organization Section

cc: Registrar of Charitable Trusts



Casa de Amparo
2018 Board of Directors Roster

100% of Casa de Amparo's Board of Directors contributes to the organization, including annual and capital gifts.

Chair of the Board

Kayleen Huffman (10/13-12/19)
CFO, Bassett Home Furnishings

Vice-Chair

Richard Berwick (10/13-12/19)
Senior Director of Strategic Investments

Immediate Past Chair

John Ayala (3/11-12/19)
Financial Advisor, LPL Financial

Treasurer

Liese Cornwell (5/17-12/19)
CFO, Bryan C. Doonan MD, Inc.

Secretary

Peggy Keers (2/15-12/20)
Vice President, Human Resources

Executive Director

Tamara Fleck-Myers, LMFT

Members of the Board

Mary Ann Bosanac (11/13-12/19)
Realtor

Marilou Dela Rosa (10/09-12/18)
Owner, Access Care Culture of Caring

Shannon Gonzalez (10/13-12/19)
Finance Director, Noble Environmental Technologies

Jim Grant (8/12-12/18)
President, J.E. Grant General Contractors

Tim Lesmeister (12/15-12/18)
V.P. Marketing, WD-40 Company

Vanessa Negrete (7/18-12/21)
Attorney, Negrete Law Group, P.C.

Michael Platis (3/07-12/18)
Project Manager

Debbie Slattery (3/06-12/18)
Branch Manager & Vice President, California Bank & Trust

Jerry Stein (12/03-12/18)
Member of the Board of Directors, Stein Family Foundation

Sharon Stein (6/93-12/20)
Member of the Board of Directors, Stein Family Foundation

Casa de Amparo
Regular Grant Narrative
January 2019

Casa de Amparo was established in 1978 and provides supportive services to San Diego County residents who have been affected by child abuse and neglect. For over 40 years the organization has adhered to its mission: to support those affected by and at risk of child abuse and neglect through a range of programs and services that promote healing, growth and healthy relationships. Casa de Amparo's goals are to break the generational cycle of family violence, prevent behaviors which endanger children and implement trauma-informed programs that further the mission of the organization. Each year Casa de Amparo supports over 1,000 children and 950 families through the following programs.

- **Residential Services** provides licensed residential care and intensive case management to female foster youth, ages 12 to 18, who have been removed from their homes due to abuse and neglect. The program provides specialized licensed residential care to pregnant and parenting girls involved in the foster care system, as well as their babies. Casa de Amparo is the only provider of this service in San Diego County.
- **New Directions** transitional housing program helps young adults, ages 18-25, and their families, transition from the foster care system to independence through intensive case management and support services designed to foster self-sufficiency.
- **Family Visitation** provides supervised, neutral visits for parents and children that have been separated and are working toward healthy reunification, if appropriate.
- **Young Parent Network** addresses the needs of pregnant and parenting young adults struggling with the emotional, financial and personal demands of being a parent.
- **Counseling Services** includes assessments, crisis intervention and individual, group and family counseling for all programs listed above.

Casa de Amparo is respectfully requesting \$5,000 from the San Marcos Community Foundation to offset expenses associated with Residential Services, our most underfunded programs. The program annually serves approximately 100 youth. Residential Services began in 1978 and has continuously supported children and teens in the foster care system requiring therapeutic residential and clinical care, including care for youth who are medically fragile and who are pregnant and/or parenting. Casa de Amparo is the only provider of housing and services for pregnant and/or parenting foster youth in San Diego County. Residential Services ensures that youth have access to an environment where they have the fullest range of healthy childhood experiences to assist them in overcoming the trauma of abuse. Support from the San Marcos Community Foundation will contribute to the individualized treatment provided to residents affected by child abuse and neglect in San Marcos and help ensure they receive the highest level of care through the following services.

- Integrated medical services supervised by an on-site Nurse. The Program's Health Care Staff coordinate medical, dental, optical and specialty health care appointments, provide medical care for children with special health care needs (e.g. diabetes) and treat residents whose conditions cannot be addressed in other residential homes.
- Therapeutic activities incorporating arts, life skills, cooking, cultural events, sports and outdoor activities located on-site and throughout the local community. Casa Kids typically have not had adequate exposure to educational and enriching activities found throughout the County; these therapeutic activities focus on their potential to develop emotionally happy and healthy social lives.
- On-site, individualized tutoring for residents experiencing educational challenges. On average, Casa Kids are approximately two grade levels behind their peers. On-site tutoring includes literacy building, homework assistance, social interaction and time management skill building.
- Life Skills Group provides real life education and therapy covering daily responsibilities of adulthood, substance abuse, decision-making, coping skills, handling stress, social skills and building self-esteem. Licensed Clinicians and Case Managers incorporate issues that Casa Kids will face when they leave the foster care system, such as job readiness, money management, and obtaining a drivers license.

- For pregnant and parenting youth, Parenting Group helps equip new mothers with skills and resources to nurture their children and ensure a safe home environment and family unit. The Group utilizes the evidence-based practice Nurturing Parenting.
- Nutrition education emphasizes the importance of a healthy diet and exercise for a well-balanced lifestyle. Casa Kids assist the Nutritional Residential Counselor in selecting recipes and creating healthy meals.

Casa de Amparo has been providing services at the Casa Kids Campus in San Marcos for over six years. Our four residential cottages, counseling offices, library, medical services center, outdoor learning areas, arts and recreation rooms, sports court, picnic areas and garden provide youth access to a safe community which they can call home. Child-friendly interiors, sustainable landscaping and design add to a comforting, efficient environment for children receiving residential care. The Campus improves and enhances our ability to support additional children and meet the evolving needs of youth by integrating education, physical wellness, mental and behavioral health and life skills for residents. During the previous fiscal year, July 1, 2017–June 30, 2018, Residential Services served 115 youth.

Casa de Amparo utilizes Social Solutions Efforts to Outcomes software to record client and program outcome indicators in a secure, password protected database. This system is customized by our IT Manager to meet the individualized tracking and reporting needs of Residential Services. Data entry is completed by direct care and clinical staff and outcome, participation and demographic reports are reviewed quarterly by the Director of Programs, Director of Quality Assurance and Quality Assurance Committee of the Board of Directors in an effort to ensure best practice delivery of services and to monitor anticipated outcomes. Program evaluation is also completed through client surveys which pose questions about various aspects of the program in an effort to incorporate client feedback in service delivery and program enhancement. Survey results are presented to the Quality Assurance Committee.

Casa de Amparo monitors each resident's progress using the California Child and Adolescent Needs and Strengths (CANS) assessment and multi-disciplinary tool. The CANS monitors outcomes of services and measures a child's needs, strengths and development in the following areas: behavioral/emotional, decision making, life functioning, risk behaviors and support system resources. The CANS is completed by children and clinicians within 30 days of entering the program and at routine intervals thereafter. The CANS is a new assessment utilized in Residential Services as directed by the State of California. Based on CANS outcomes from a pilot study conducted with a similar population, we anticipate the following outcomes for residents.

- Decrease in the number of actionable needs requiring treatment
- Increase in the number of identifiable strengths

We look forward to implementing the CANS in Residential Services and reporting to the Foundation on the outcomes of residents as identified in the CANS.

It is because of partnerships with the San Marcos Community Foundation and our local community that Casa de Amparo can continue to help end child abuse and neglect. With support from the Foundation, the future of San Marcos can be one where children are safe, nurtured and provided with the opportunity to thrive. Casa de Amparo appreciates the Foundation's thoughtful consideration of this request and looks forward to continuing to partner with the Foundation to directly benefit San Marcos and the community's most vulnerable youth.

Return of Organization Exempt From Income Tax

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.

2016**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

A For the 2016 calendar year, or tax year beginning <u>7/01</u> , 2016, and ending <u>6/30</u> , 2017	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Address CASA DE AMPARO 325 BUENA CREEK ROAD SAN MARCOS, CA 92069
D Employer identification number 95-3315571	
E Telephone number 760-754-5500	
G Gross receipts \$ <u>9,898,200.</u>	
F Name and address of principal officer: <u>TAMARA FLECK-MYERS</u> <u>SAME AS C ABOVE</u>	
H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'No,' attach a list, (see instructions)	
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: ▶ <u>WWW.CASADEAMPARO.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>1979</u> M State of legal domicile: <u>CA</u>	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>TO SUPPORT THOSE AFFECTED BY AND AT RISK OF CHILD ABUSE AND NEGLECT, THROUGH A RANGE OF PROGRAMS AND SERVICES THAT PROMOTE HEALING, GROWTH, AND HEALTHY RELATIONSHIPS.</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)	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	15
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	199
	6	Total number of volunteers (estimate if necessary)	655
		7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 34	0.
Revenue	8	Contributions and grants (Part VIII, line 1h)	2,752,417.
	9	Program service revenue (Part VIII, line 2g)	5,625,600.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	25,776.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	38,224.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	8,442,017.
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)
14		Benefits paid to or for members (Part IX, column (A), line 4)	5,682,098.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	26,758.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	182,926.
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>542,001.</u>	8,442,017.
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	9,700,059.
18		Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	5,173,396.
19		Revenue less expenses. Subtract line 18 from line 12	5,516,014.
Net Assets or Fund Balances		20	Total assets (Part X, line 16)
	21	Total liabilities (Part X, line 26)	951,549.
	22	Net assets or fund balances. Subtract line 21 from line 20	19,831,878.
			17,440,324.

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	Date	
	<u>TAMARA FLECK-MYERS</u>	<u>EXECUTIVE DIR.</u>	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	<u>CHRISTOPHER M. ROBERTS</u>	<u>CHRISTOPHER M. ROBERTS</u>	
	Firm's name ▶ <u>WEST RHODE & ROBERTS</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00235008</u>
	Firm's address ▶ <u>2741 4TH AVE</u>	Firm's EIN ▶ <u>33-0783983</u>	
	<u>SAN DIEGO, CA 92103</u>	Phone no. <u>619-615-5380</u>	

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 11/16/16

Form 990 (2016)

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

SEE SCHEDULE O

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.

SEE 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 \$ 3,605,225. including grants of \$) (Revenue \$ 2,626,089.)

SEE SCHEDULE O

4b (Code:) (Expenses \$ 1,994,505. including grants of \$) (Revenue \$ 1,988,572.)

SEE SCHEDULE O

4c (Code:) (Expenses \$ 1,811,001. including grants of \$) (Revenue \$ 1,067,437.)

SEE SCHEDULE O

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

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

4e Total program service expenses ▶ 7,410,731.

Casa de Amparo

Financial Report with Federal and State
Award Supplementary Information

June 30, 2017



Contents

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows.....	5
Statement of Functional Expenses	6
Notes to Financial Statements.....	7
Supplementary Information	
Schedule of Expenditures of Federal, State and Other Awards	16
Notes to Schedule of Expenditures of Federal, State and Other Awards	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 Government Auditing Standards.....	19
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	21
Schedule of Findings and Questioned Costs on Federal Awards.....	23
Supplementary Child Development Services information	
General Information.....	28
Combining Statement of Activities.....	29
California State Preschool Program and General Child Care & Development Program	
Schedule of Expenditure by State Categories.....	30
California State Preschool Program and General Child Care & Development Program	
Reconciliation of Schedule of Expenditures by State Categories to Expenses Recorded in the Statement of Activities.....	31
Schedule of Equipment Expenditures Utilizing Contract Funds.....	32
Schedule of Repair and Renovation Expenditures.....	33
Schedule of Administrative costs.....	34
Audited Attendance and Fiscal Reports	
CSPP6418 – California State Preschool Programs.....	35
CCTR6204 – Child Development Programs.....	39
Schedule of Findings and Questioned Costs on State Child Development Services.....	43



INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Board of Directors
Casa de Amparo
San Marcos, California

Report on the Financial Statements

We have audited the accompanying financial statements of Casa de Amparo (the Organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, 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 financial statements that are free from material misstatements, 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 of 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 Organization'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 Casa de Amparo as of June 30, 2017, 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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 or to the financial statements themselves, and other additional procedures 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information on pages 27 through 45 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in conformity with the *CDE Audit Guide* issued by the California Department of Education. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2017, on our consideration of Casa de Amparo'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 the effectiveness of the organization's 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 Casa de Amparo's internal control over financial reporting and compliance.



WEST RHODE & ROBERTS

San Diego, California
December 4, 2017

Casa de Amparo
STATEMENT OF FINANCIAL POSITION
June 30, 2017

ASSETS

Current assets	
Cash and cash equivalents	\$ 4,517,046
Accounts receivable	439,038
Pledges receivable	520,833
Prepaid expenses and other current assets	83,915
Total current assets	<u>5,560,832</u>
Pledges receivable, net of current portion	353,834
Land and other lease	1,183,733
Deposits	22,845
Funds held by community foundations	507,883
Property and equipment, net of accumulated depreciation	13,404,941
Total assets	<u>\$ 21,034,068</u>

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	\$ 68,752
Accrued compensation and other expenses	386,992
Deferred revenue	5,000
Current portion of loan payable	100,370
Total current liabilities	<u>561,114</u>
Loan payable, net of current position	3,032,630
Total liabilities	<u>3,593,744</u>
Net Assets:	
Unrestricted	13,783,783
Temporarily restricted	3,421,032
Permanently restricted	235,509
Total net assets	<u>17,440,324</u>
Total liabilities and net assets	<u>\$ 21,034,068</u>

Casa de Amparo
STATEMENT OF ACTIVITIES
Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND SUPPORT				
Contract revenues	\$ 5,794,402	\$ -	\$ -	\$ 5,794,402
Contributions	705,057	2,168,690	-	2,873,747
Special events revenue and related contributions	581,925	-	-	581,925
In-kind donations	498,938	-	-	498,938
Interest and other income	170,844	-	24,978	195,822
Net assets released from restrictions	534,948	(534,948)	-	-
Total operating revenue and support	8,286,114	1,633,742	24,978	9,944,834
OPERATING EXPENSES				
Program services	7,481,279	-	-	7,481,279
Supporting services:				
General and administrative	795,778	-	-	795,778
Fundraising	542,001	-	-	542,001
Special events expense	198,141	-	-	198,141
Total operating expenses	9,017,199	-	-	9,017,199
Change in net assets	(731,085)	1,633,742	24,978	927,635
Net assets at beginning of year as previously reported	14,624,528	1,825,423	62,738	16,512,689
Reclassification of net assets (See Note 14)	(109,660)	(38,133)	147,793	-
Net assets at beginning of year as restated	14,514,868	1,787,290	210,531	16,512,689
Net assets at end of the year	\$ 13,783,783	\$ 3,421,032	\$ 235,509	\$ 17,440,324

Casa de Amparo
STATEMENT OF CASH FLOWS
Year Ended June 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 927,635
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	423,885
Amortization of free lease	58,271
Change in provision for uncollectible receivables	75,000
Change in provision for uncollectible pledges	(76,000)
Change in discount of pledge receivable	20,789
Realized and unrealized investment gains	(52,695)
Gain on interest rate swap contract	(6,863)
Changes to operating assets and liabilities:	
Accounts receivable	(65,380)
Pledges receivable	(328,167)
Prepaid expenses and other current assets	73,334
Increase in deposits	(1,678)
Accounts payable	(12,726)
Accrued compensation and other expenses	12,051
Deferred revenue	(314)
Net cash provided by operating activities	<u>1,047,142</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(56,132)
Additions to construction progress	<u>(221,935)</u>
Net cash used in investing activities	<u>(278,067)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on loan payable	(2,850,593)
Proceeds from loan refinancing	<u>3,133,000</u>
Net provided by financing activities	<u>282,407</u>
Change in cash and cash equivalents	1,051,482
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>3,465,564</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,517,046</u>
SUPPLEMENTAL CASH FLOW INFORMATION	
Cash paid for interest	<u>\$ 94,813</u>

Casa de Amparo

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2017

	Residential Services	New Directions Transitional Housing	Child Development Center	Family Visitation	Counseling Services	Total Program Services	General and Administrative	Fundraising	Total
Salaries	\$ 2,151,559	\$ 560,173	\$ 352,915	\$ 246,000	\$ 355,014	\$ 3,665,661	\$ 506,479	\$ 333,777	\$ 4,505,917
Benefits	559,825	107,412	82,608	52,786	70,293	872,924	85,833	51,340	1,010,097
Occupancy	136,498	687,409	22,249	24,123	43,914	914,193	19,659	44,471	978,323
Depreciation and amortization	162,149	72,177	66,074	69,603	69,742	439,745	28,440	13,971	482,156
In-kind	93,121	166,827	79,828	127,773	-	467,549	12,276	3,612	483,437
Program expense	103,248	291,901	1,113	2,288	2,069	400,619	9,155	1,414	411,188
Supplies	141,226	29,331	16,093	2,818	3,194	192,662	4,775	8,672	206,109
Professional services	44,829	19,951	5,661	1,435	28,498	100,374	73,101	650	174,125
Transportation	77,512	47,106	2,913	24,580	2,534	154,645	1,187	9,929	165,761
Interest expense	41,175	17,905	832	6,633	16,551	83,096	7,574	4,143	94,813
Bad debt expense	55,836	12,009	-	-	-	67,845	-	12,444	80,289
Equipment expense	20,566	10,925	3,850	3,863	6,606	45,810	9,919	19,758	75,487
Telephone	14,276	24,591	2,668	3,539	3,692	48,766	2,113	644	51,523
Training, meetings, other	12,428	3,428	2,482	1,061	1,970	21,369	8,654	7,603	37,626
Other expenses	3,253	1,632	197	368	571	6,021	26,613	29,573	62,207
Total Functional Expenses	\$ 3,617,501	\$ 2,052,777	\$ 639,483	\$ 566,870	\$ 604,648	\$ 7,481,279	\$ 795,778	\$ 542,001	\$ 8,819,058

Note 1. Organization and Summary of Significant Accounting Policies

Nature of Activities

Casa de Amparo (the Organization) was established in 1978 in California as a non-profit corporation and is recognized as a 501(c)(3) Tax Exempt organization by the IRS. Casa de Amparo's mission is to support those affected by and at risk of child abuse or neglect through a range of programs and services that promote healing, growth, and healthy relationships.

Casa de Amparo is recognized as a major force in the field of Child Abuse Prevention and Treatment. Partnering with the Greater San Diego Community, we assure that children and their families receive unique and innovative services for healing, for stopping child mistreatment of any kind, and for ending generational cycles of abuse. The result is a community where child abuse and neglect are not tolerated, and where child abuse awareness and prevention are priorities.

The Organization currently offers five integrated child abuse prevention and treatment programs. The Child Development Center provides therapeutic preschool and childcare as well as parent education. Family Visitation Services provides supervised visits and promotes healthy family relationships and reunification. Residential Services provides 24 hour care and supportive/therapeutic services for children birth to 18 removed from the home due to abuse or neglect, including pregnant and parenting teens and their babies, and youth with special healthcare needs. New Directions provides transitional housing and supportive services for former foster youth to help youth make a successful transition from foster care to independent living. Counseling Services provides trauma-informed therapy and case management for children and families experiencing or at-risk of child abuse or neglect.

In April 2012, Casa de Amparo officially opened Casa Kids Campus on 11.4 acres owned by the Organization in the Twin Oaks Valley area of San Marcos. Residential Services and administrative offices, formerly in Oceanside, are now located on the campus. Also located on the Casa Kids Campus are Inland Family Visitation Services, and Counseling Services. The acres of land on the Casa Kids Campus provide open space for children and families including an open playing field, basketball court, two age-appropriate play structures, barbeque and picnic areas, gardens, benches, walking paths, and other open sports areas. Convenience, accessibility, welcoming child-friendly interiors, and sustainable landscaping add to a comforting and healing environment for children and families receiving services throughout Casa de Amparo's programs. The facility incorporates design concepts that provide a nurturing and calming environment for children and families. In addition to being LEED (Leadership in Energy and Environmental Design) certified, the campus is ADA (Americans with Disabilities Act) compliant and well equipped to meet the needs of children and families, including children who are medically fragile or who have disabilities. The campus greatly increases the Organization's capacity to serve greater numbers of children and families throughout California and to increase and enhance programs to meet evolving needs.

Significant Accounting Policies

Method of Accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation – The Organization reports information regarding net assets, revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions on their use that may be met either by actions of the Organization or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed restrictions requiring that the principal be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of the income earned for either general or donor-specified purposes.

Revenue Recognition – Revenue from grants/contracts is recognized to the extent of eligible services or costs incurred up to an amount not to exceed the total grant/contract authorized. Any amounts received in advance are deferred until earned.

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions subject to donor-imposed restrictions for use in future periods or for a specific purpose are reported as either temporarily or permanently restricted depending on the nature of the donor's restriction. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.

Cash and Cash Equivalents – Cash on hand and short term investments with original maturities of three months or less to be cash and cash equivalents.

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 the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. Management has determined that an allowance of \$75,000 is necessary at June 30, 2017.

Pledges Receivable - Unconditional promises to give cash and other assets are recognized as contribution revenue and receivables in the period in which the promise is received. Depending on the existence and nature of donor-imposed restrictions, unconditional promises to give are reported either as unrestricted support that increases unrestricted net assets or as a restricted support that increases permanently restricted or temporarily restricted net assets.

Conditional promises to give cash and other assets are recognized as contribution revenue and receivables in the period in which the promise is received if management determines the likelihood of not meeting the condition to be extremely remote. During the year ended June 30, 2017, a previously conditional promise to give \$750,000 was recognized as revenue and receivable as the organization met the condition during the year.

Pledges that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are discounted to their estimated net present value, see Note 3. After pledges are originally recorded, an allowance for uncollectable pledges may be established based on specific circumstances. Pledges receivable is recorded net of a \$159,000 allowance for uncollectable pledges as of June 30, 2017.

Funds held by Community Foundations – The Organization has transferred assets to community foundations holding them as endowed component funds for the benefit of the Organization.

Property and Equipment – Acquisitions of property and equipment of \$5,000 or more are capitalized. Property and equipment are stated at cost, or if donated, at the appropriate fair market value at the date of donation. Expenditures for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of five to 45 years.

Buildings	20 – 45 years
Furniture and equipment	5 – 7 years
Vehicles	5 years

Depreciation expense for the year ended June 30, 2017, was \$423,885.

Valuation of Long-Lived Assets – Accounting Standards Codification (ASC) Topic 360, *Property, Plant, and Equipment* requires that long-lived assets and certain identifiable intangibles to be held and used by the Organization be reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment, which is determined based upon the estimated fair value of the asset, is recorded when estimated undiscounted cash flows expected to be generated by the asset is insufficient to recover its net carrying value. As of June 30, 2017, the Organization did not identify any events or circumstances that would require recognition of an impairment loss under this standard.

Donated Stock – In accordance with authoritative guidance, investments in equity securities with readily determinable fair market values and all debt securities are reported at fair value with gains and losses included in the statement of activities. Realized gains and losses on the sale of securities are based upon the original cost of the security, as determined by the specific identification method. Unrealized gains and losses represent the change in the fair market value of the individual investments for the year or since the acquisition date if acquired during the year and are recorded in the statement of activities as part of current year operations.

Securities acquired by gift are recorded at their fair market value at the date of the gift. The Organization's policy is to liquidate all gifts of securities immediately upon receipt.

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. Certain contributed items are auctioned at the Organization's special events. Contributed items are included in the statements of activities as in-kind donations and program and special event expenses. The Organization receives a substantial amount of services donated by volunteers in carrying out the Organization's program services. The services do not meet the criteria as contributions and are, therefore, not recognized in the financial statements.

Contribution of Long Lived Assets – Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long these donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization has capitalized the value of donated land and other lease as temporarily restricted. Each year the Organization reclassifies temporarily restricted net assets to unrestricted net assets. For the year ended June 30, 2017 the ending value of the land and other lease is \$1,183,733 and \$58,271 was reclassified to unrestricted net assets.

Functional Allocation of Expenses - The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenditures which can be identified with a specific program or support service are allocated directly, according to their natural expenditure classification. Costs that are common to several functions are allocated among the program and supporting services on the basis of time records, space utilized, and estimates made by The Organization's management.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Organization believes that the estimates utilized in preparing these financial statements are reasonable; however actual results could differ from those estimates.

Income Taxes – 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. The Financial Accounting Standards Board (FASB) issued Accounting Standards Notification No. 740-10, *Accounting for Uncertainties in Income Taxes*, which sets a minimum threshold for financial statement recognition of the benefit of tax position taken or expected to be taken in a tax return. The Organization uses a loss contingencies approach for evaluating uncertain tax positions and continually evaluates changes in tax law and new authoritative rulings. Management believes that the Organization has no uncertain tax positions.

Subsequent Events – Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at that date, including the estimates inherent in the process of preparing financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions

that did not exist at the date of the statement of financial position, but arose after that date and before the financial statements are available to be issued. The Organization has evaluated subsequent events through December 4, 2017, which is the date the financial statements are available for issuance, and concluded that there are no transactions that requires disclosure.

Note 2. Fair Value Measurements

Due to the short-term nature of cash equivalents, receivables, prepaid expense, accounts payable and deferred income, fair value approximates carrying value. In accordance with Financial Accounting Standards Board Codification No. 820 (FASB ASC 820), fair value is defined as the price that the Organization would receive upon selling an asset or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market of the asset.

FASB ASC 820 also establishes a three-tier hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs and to establish the classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available. The standard describes three-tier hierarchy of inputs that may be used to measure fair value as follows.

- **Level 1:** Quoted prices of identical assets or liabilities in active markets.
- **Level 2:** Significant other observable inputs other than Level 1 prices (such as quoted prices for similar assets or liabilities, interest rates, prepayment speeds and credit risk).
- **Level 3:** Significant unobservable inputs that reflect the Organization's own assumptions in determining the fair value of assets.

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

Assets and liabilities measured at fair value on a recurring basis are summarized as below:

Fair Value Measurements at June 30, 2017, Using:				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
San Diego Foundation	\$ 235,509	-	-	\$ 235,509
Jewish Community Foundation of San Diego	272,374	-	-	272,374
	<u>\$ 507,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 507,883</u>

Casa de Amparo
NOTES TO FINANCIAL STATEMENTS

The change in the assets for which the Organization used Level 3 inputs to determine fair value is as follows:

	Changes in fair value at June 30, 2017		
	Total	San Diego Foundation	Jewish Community Foundation of San Diego
Fair value, beginning of the year	\$ 455,188	\$ 210,531	\$ 244,657
Change in value	52,695	24,978	27,717
Fair value, end of the year	<u>\$ 507,883</u>	<u>\$ 235,509</u>	<u>\$ 272,374</u>

Note 3. Concentration of Credit Risk

Cash – The Organization maintains cash balances at several financial institutions. Accounts at these institutions are secured by the Federal Deposit Insurance Corporation. At times, the balances may exceed federally insured limits. There have been no losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk with respect to its cash.

Revenue and Receivables – The Organization received approximately 59% of its revenue from government contracts for the year ended June 30, 2017. For the year ended June 30, 2017, the Organization received \$2,626,089 or 26% of its total revenue for its residential services and \$1,961,102 or 20% of its total revenue for its New Directions program.

Pledges receivable of \$950,000 are due from two foundations at June 30, 2017. Pledge payments of \$656,833 were collected during the year ended June 30, 2017.

Note 4. Pledges Receivable

Pledges receivable consist of the following at June 30, 2017:

Due within one year	\$ 520,833
Due between one and three years	<u>535,834</u>
	1,056,667
Less discount to present value	<u>(23,000)</u>
	1,033,667
Less allowance for doubtful accounts	<u>(159,000)</u>
	<u>\$ 874,667</u>

The net present value for the pledges due in more than one year is discounted at the rate of 3%.

Note 5. Funds Held by Community Foundations

Funds held by community foundations consist of endowment component funds held by The San Diego Foundation and a board designated fund at the Jewish Community Foundation of San Diego (the Foundations) for the benefit of the Organization.

The Organization has granted The San Diego Foundation variance power which gives their Trustees the power to use the Fund for other purposes in certain circumstances. The Funds are subject to The San Diego Foundation's investment and spending policies.

Casa de Amparo
NOTES TO FINANCIAL STATEMENTS

The funds held at the Jewish Community Foundation of San Diego have been designated by the Organization's board of directors to be invested in their endowment pool which has endowment like investment objectives.

The Organization reports the fair value of the Funds in the statement of financial position. Changes in the value of the Funds are reported as gains or losses in the statement of activities.

Funds held at community foundations are categorized as Level 3 because they have no direct observable inputs.

Note 6. Property and Equipment

Property and equipment consist of the following at June 30, 2017:

Land	\$ 916,587
Buildings	14,135,125
Vehicles	302,608
Construction in progress	277,106
Furniture & Equipment	<u>197,475</u>
	15,828,901
Less accumulated depreciation	<u>(2,423,960)</u>
	<u>\$ 13,404,941</u>

Note 7. Loan Payable

On April 20, 2017, the Organization refinanced its loan agreement with Wells Fargo Bank for the purpose of financing the cost of construction of Casa Kids Campus. Interest is payable monthly at a fixed rate of 4.350% and the loan matures on May 5, 2024. The loan is secured by the Casa Kids Campus.

The aggregate principal payments due under the loan are as follows:

<u>Years ending June 30,</u>	
2018	\$ 100,370
2019	104,886
2020	109,259
2021	114,526
2022	119,678
Thereafter	<u>2,584,281</u>
	<u>\$ 3,133,000</u>

Note 8. Contingencies and Commitments

Government Contracts

The Organization receives a significant portion of its revenues from government contracts which are subject to audits. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. Management believes that any liability which may result from these audits is not significant.

Operating Leases

The Organization leases program facilities and administrative offices under non-cancelable operating leases which expire at various dates through November 2018. The Organization also leases office equipment under an operating lease which expires March 2018. Total rent expense was \$599,538 for the year ended June 30, 2017.

Casa de Amparo
NOTES TO FINANCIAL STATEMENTS

Future minimum lease payments under operating leases are due as follows:

<u>Years ending June 30,</u>	
2018	\$ 351,818
2019	16,193
	<u>\$ 368,011</u>

The Organization leases real property from the City of Oceanside located at Ivey Ranch Park. The Organization constructed a facility on the Ivey Ranch Park property that is used for the Child Development Center. The lease commenced in 2007 with a term of 35 years and an option to extend an additional 25 years. Rent is free as long as the facility is used exclusively to provide child development, care, education, family visitation and counseling services. The unamortized fair value of the free rent is reported as land lease in the statements of financial position. Amortization of the free use of land was \$53,193 for the year ended June 30, 2017.

In 2015, the Organization received a donation of free use of a mobile trailer with a term of 24 months and an option to extend an additional 6 months. The trailer is used as a temporary storage facility until a new support services building is constructed in Casa Kids Campus. The unamortized fair value of the free lease is reported as land and other lease in the statements of financial position. Amortization of the free use of trailer was \$5,078 for the year ended June 30, 2017.

Note 9. Temporarily Restricted Net Assets

Temporarily restricted net assets were comprised of the following at June 30, 2017.

Teen Wellness Center and Support Services Building	\$ 1,949,101
Land lease - Ivey Ranch	1,179,117
Child Development Center	211,418
New Directions	75,000
Others	6,396
	<u>\$ 3,421,032</u>

Note 10. Net Assets Released from Restriction

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets released from restriction consist of the following at June 30, 2017:

Teen Wellness Center and Support Services Building	\$ 164,798
Residential Services	155,002
New Directions	108,640
Land lease - Ivey Ranch	53,193
Child Development Center	34,027
Change a Life Foundation	19,288
	<u>\$ 534,948</u>

Note 11. Permanently Restricted Net Assets

Permanently restricted net assets were made up of funds held at The San Diego Foundation in the amount of \$235,509 at June 30, 2017. The purpose of permanently restricted net assets is to support the general mission of the Organization.

Note 12. Management's Financial Strategy

Management's 2017 Financial Overview – The State of California's Continuum of Care Reform (CCR) process requires Licensed Group Homes to become Short Term Residential Therapeutic Programs (STRTP). In order to comply with CCR, Casa de Amparo implemented STRTP standards and began the process of Joint Commission accreditation during the fiscal year ended June 30, 2017 (accreditation awarded May 19, 2017). While we incurred increased expenditures directly related to the STRTP and Joint Commission accreditation standards, the increased STRTP revenue rate will not be received until the State grants STRTP licensure. Had the higher STRTP revenue been paid during the fiscal year ended June 30, 2017, Casa de Amparo would have been on target for operating revenues to cover operating expenses. Casa de Amparo is currently awaiting STRTP approval and licensure.

Note 13. Retirement Plan

The Organization sponsors a non-contributory 403(b) retirement plan covering all employees who have completed 90 days of eligible service. Contributions to the retirement plan are at the discretion of each employee. There were no contributions by the Organization for the year ended June 30, 2017.

Note 14. Prior Period Adjustment

A prior period adjustment was made during the year to record The San Diego Foundation balances at June 30, 2016 as permanently restricted net assets by moving portions of the balance that was recorded as unrestricted and temporarily restricted net assets at June 30, 2016. The reclassification is in accordance with Statement of Financial Accounting Standards No.136, *transfers of assets to a not-for-profit organization or charitable trust that raises or holds contributions for others*.

SUPPLEMENTARY INFORMATION

Casa de Amparo

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER AWARDS

June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	CFDA No.	Agency or Pass-through Grant Number	Expenditures
FEDERAL AWARDS			
<u>U.S. Department of Health and Human Services</u>			
<i>Pass-through County of San Diego Health and Human Services:</i>			
Foster Care Title IV-E (Group Home and Transitional Housing Program plus Foster Care) Combined	93.658	541011/553404	\$ 733,378
Stephanie Tubbs Jones Child Welfare Svcs Program (CWS)	93.645	553328	13,199
Foster Care Title IV-E Waiver - Family Visitation Program - CWS Outcome Improvement Project	93.658	553328	56,181
Promoting Safe and Stable Families - Family Visitation	93.556	553328	52,255
Temporary Assistance for Needy Families	93.558	541011/553404	118,439
Social Services Block Grant	93.667	541011/553404	130,956
Total Pass-through County of San Diego Health and Human Services			<u>1,104,408</u>
<i>Pass-through Counties of Los Angeles, Riverside, and San Bernardino Health and Human Services:</i>			
Foster Care Title IV-E - Foster Care Group Home and Transitional Housing Program plus Foster Care	93.658	CS-02378-06	691,272
Total Pass-through Counties of Los Angeles, Riverside, and San Bernardino Health and Human Services			<u>691,272</u>
<i>Pass-through California Department of Education:</i>			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CCTR 6204	19,451
Child Care and Development Block Grant	93.575	CCTR 6204	8,936
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CSPP 6418	19,168
Child Care and Development Block Grant	93.575	CSPP 6418	8,806
Total Pass-through California Department of Education			<u>56,361</u>
<i>Pass-through County of Sacramento:</i>			
County - Mental Health Services (Sacramento)	93.778	7202400-17-162	36,387
<i>Pass-through Metropolitan Area Advisory Committee:</i>			
Headstart	93.600	09CH9133-01	171,047
Total U.S. Department of Health and Human Services			<u>\$ 2,059,475</u>
<u>U.S. Department of Agriculture</u>			
<i>Pass-through California Department of Education</i>			
Child and Adult Care Food Program	10.558	n/a	30,022
Total US Department of Agriculture			<u>\$ 30,022</u>
Total Expenditures of Federal Awards			<u>\$ 2,089,497</u>

Casa de Amparo

SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER AWARDS

June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	CFDA No.	Agency or Pass-through Grant Number	Expenditures
STATE AWARDS			
<u>California Department of Education</u>			
General Child Care and Development Program	n/a	CCTR-6204	\$ 46,316
California State Preschool Program	n/a	CSPP-6418	119,361
Total California Department of Education			165,677
<u>California Department of Social Services</u>			
Transitional Housing Program Plus	n/a	553404	670,449
Transitional Youth Housing	n/a	544529	268,111
Total California Department of Social Services			938,560
<u>San Diego County Office of Education</u>			
First 5 San Diego Quality Preschool Initiative	n/a	16170232	21,602
Total Other State Awards			21,602
Total Expenditures of State Awards			\$ 1,125,839
OTHER AWARDS - COUNTY AND LOCAL			
County - Family Visitation Program	n/a	553328	212,964
County - Foster Care Group home and Transitional Housing Program Plus			1,899,739
Foster Care	n/a	541011/553404	
County and Other - EPSDT	n/a	44796	466,363
Total Expenditures of Other Awards - County & Local			\$ 2,579,066
Total Expenditures of Federal, State and Other Awards			\$ 5,794,402

Note 1 – Basis for Presentation

The accompanying Schedule of Expenditures of Federal, State and Other Awards (the Schedule) includes the federal grant activity of Casa de Amparo under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because the Schedule presents only a selected portion of the operation of Casa de Amparo, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Casa de Amparo.

The Schedule includes non-federal grants. The non-federal grant awards were presented in accordance with the California Department of Education Audit Guide.

Note 2 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the Organization's financial statements. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

Note 3 – Indirect Cost Rate

Casa de Amparo did not elect to use the 10% de minimis cost rate as allowed under the Uniform Guidance.



**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**

Board of Directors
Casa de Amparo
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 Casa de Amparo (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, 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 4, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Casa de Amparo'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 Casa de Amparo's internal control. Accordingly, we do not express an opinion on the effectiveness of the Casa de Amparo'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 entity'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a material weakness, 2017-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Casa de Amparo'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*.

Board of Directors
Casa de Amparo

Casa de Amparo's Response to Finding

Casa de Amparo's response to the finding identified in our audit is described in the accompanying schedule of findings and questions costs. Casa de Amparo's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



WEST RHODE & ROBERTS

San Diego, California
December 4, 2017



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Casa de Amparo

Report on Compliance for Each Major Federal Program

We have audited Casa de Amparo's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Casa de Amparo's major federal programs for the year ended June 30, 2017. Casa de Amparo's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Casa de Amparo's major federal programs based on our audit of the types of compliance requirements referred to above. 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Casa de Amparo'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 on compliance for each major federal program. However, our audit does not provide a legal determination of Casa de Amparo's compliance.

Opinion on Each Major Federal Program

In our opinion, Casa de Amparo complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of Casa de Amparo is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Casa de Amparo's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Casa de Amparo's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2017-001, that we consider to be a material weakness.

Casa de Amparo's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questions costs. Casa de Amparo's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



WEST RHODE & ROBERTS

San Diego, California
December 4, 2017

Casa de Amparo

Schedule of Findings and Questioned Costs on Federal Awards

Year Ended June 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness (es) identified?

☒ Yes ☐ No

- Significant control deficiency(ies) identified that are not considered to be material weakness (es)?

☐ Yes ☒ None reported

- Non-compliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified?
- Significant control deficiency(ies) identified that are not considered to be material weakness(es)?

☒ Yes ☐ No

☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR Section 200.516(a)

☐ Yes ☒ No

Identification of Major Programs

CFDA Numbers

Name of Federal Programs or Cluster

93.556
93.658
93.667
93.558
93.645

Promoting Safe and Stable Families
Foster Care – Title IV-E
Social Services Block Grant
Temporary Assistance for Needy Families
Stephanie Tubbs Jones Child Welfare Svcs Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Was auditee a low-risk auditee?

☐ Yes ☒ No

Casa de Amparo

Schedule of Findings and Questioned Costs on Federal Awards
(continued)

Year Ended June 30, 2017

Section II – Financial Statements Findings

2017-001 – Segregation of duties

Program: All Programs (Federal and Non-Federal)

Criteria or Specific Requirement: Accounting functions should be segregated so that one employee cannot complete a transaction from start to finish.

Condition: During periods with accounting staff vacancies, the controller performs multiple accounting functions that includes billings for federal and non-federal contracts, recording journal entries related to these billings and performing reconciliation functions which increases the probability that the control process may be circumvented.

Cause: The Organization's accounting department is small and staffing vacancies in the department inadvertently put too many accounting functions with one staff person.

Effect: The lack of segregation of duties increases the possibility that a material misstatement in the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Questioned Costs: There were no questioned costs.

View of the responsible official and planned corrective action: Casa de Amparo agrees with the finding and will adhere to the corrective action plan shown on page 25 of this audit report.

Casa de Amparo

Schedule of Findings and Questioned Costs on Federal Awards
(continued)

Year Ended June 30, 2017

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2017-001	<ul style="list-style-type: none">• Update the Agency's internal policies & procedures to include steps that will ensure internal control and segregation of duties during any future periods of departmental turnover;• Train fiscal staff and additional designees on the updated policies & procedures to be used during periods of departmental turnover.	Anticipated completion date is January 31 st , 2018	Bryce Guthrie, Controller and Chelle Sutyak, Associate Executive Director

Casa de Amparo

Schedule of Findings and Questioned Costs on Federal Awards
(continued)

Year Ended June 30, 2017

Section III – Federal Awards Findings and Questioned Costs

See 2017-001 – Segregation of duties under Section II – Financial Statement Findings.

Section IV – Status of Prior Year Findings and Questioned Costs

There were no prior year findings.

SUPPLEMENTARY CHILD DEVELOPMENT SERVICES INFORMATION

Casa de Amparo

Supplementary Child Development Services Information

General Information

Full official name of agency:	Casa de Amparo	
Program Type:	Child Development Program	
Project Number:	37-B254-00	
Type of Agency:	Nonprofit Corporation	
Address of the agency headquarters:	325 Buena Creek Rd San Marcos, CA 92069	
<u>Program Name</u>	<u>Contract Number</u>	<u>Project Number</u>
California State Preschool Program and General Childcare & Development Program	CSPP6204, CCTR6418	37-B254-00-5
Name and address of Executive Director:	Tamara Fleck-Myers 325 Buena Creek Rd San Marcos, CA 92069	
Name and address of the Controller:	Bryce Guthrie 325 Buena Creek Rd San Marcos, CA 92069	
Telephone Number:	(760) 754-5500	
Period covered by examination:	July 1, 2016 to June 30, 2017	
Number of days of operation of agency:	247	
Scheduled hours of operation each day:	Monday through Friday: 7.00 am to 6.00 pm	

Casa de Amparo

**Supplementary Child Development Services Information
Combining Statement of Activities**

Department of Education Childcare and Preschool Programs and Services Contracts					
	General Child Care and Development Program CCTR-6204	California State Pre School Program CSPP-6418	Totals All Childcare Programs	Management, Housing & All Other Programs	Combined Totals
REVENUE					
Restricted Program Income					
Child Nutrition Program	\$ 7,505	\$ 22,517	\$ 30,022	\$ -	\$ 30,022
Other: In-kind	19,957	59,870	79,827	-	79,827
Transfer from Reserves	-	-	-	-	-
Family Fees for Certified Children	-	6,859	6,859	-	6,859
Unrestricted Income					
Fees for Non-certified Children	557	-	557	-	557
Headstart Program	26,762	80,285	107,047	-	107,047
Other: Donations/Support Fund	28,702	85,897	114,599	-	114,599
Total Revenue	<u>\$ 83,483</u>	<u>\$ 255,428</u>	<u>\$ 338,911</u>	<u>\$ -</u>	<u>\$ 338,911</u>
REIMBURSABLE EXPENSES					
Direct Payments to Providers	\$ -	\$ -	\$ -	\$ -	\$ -
1000 Certificated Salaries	64,761	157,667	222,428	-	222,428
2000 Classified Salaries	26,643	79,927	106,570	4,176,919	4,283,489
3000 Employee Benefits	20,698	60,627	81,325	928,772	1,010,097
4000 Books and Supplies	21	62	83	206,026	206,109
5000 Services/Other Operating Expenses	32,780	98,342	131,122	2,435,892	2,567,014
6100/6200 Other Approved Capital Outlay	-	-	-	-	-
6400 New Equipment (program-related)	-	-	-	-	-
6500 Equipment Replacement (program-related)	-	-	-	-	-
Depreciation or Use Allowance	8,557	25,669	34,226	447,930	482,156
Start Up Expenses	-	-	-	-	-
Indirect costs	11,941	35,824	47,765	-	47,765
Total Reimbursable Expenditures	<u>\$ 165,401</u>	<u>\$ 458,118</u>	<u>\$ 623,519</u>	<u>\$ 8,195,539</u>	<u>\$ 8,819,058</u>

Casa De Amparo
Supplementary Child Development Services Information
Project No: 37-B254-00-5

Contract No: CSPP6404 and CCTR6418

California State Preschool Program and General Child Care and Development Program

Schedule of Expenditure by State Categories

Year Ended June 30, 2017		<u>Reimbursable</u>	<u>Non-Reimbursable</u>
1000	Certified salaries	\$ 222,428	\$ 12,914
2000	Classified salaries	106,570	12,110
3000	Employee benefits	81,325	1,282
4000	Books and Supplies	83	3,604
5000	Services and other operating expenses	131,122	1,971
6400	New Equipment	-	-
	Administrative Costs	47,765	1,235
	Depreciation or Use Allowance	34,226	-
	Amortization of free use of land and lease	-	31,848
Total Expenditures		<u>\$ 623,519</u>	<u>\$ 64,964</u>

Casa De Amparo
Supplementary Child Development Services Information
Reconciliation of Schedule of Expenditures by State Categories to
Expenses recorded in the Statement of Activities

	Department of Education Childcare and Preschool Programs and Services Contracts
Year Ended June 30, 2017	
Total Reimbursable Expenditures	\$ 623,519
Adjustments to reconcile total expenses charged to grants to expenses recorded in the statement of activities:	
Various expenses related to personnel activities not charged to grants, but expensed in the financial statements	31,881
Administrative cost charged to grants, but included with Management and General in the financial statement	(47,765)
Amortization of free use of land and trailer not charged to grants, but expensed in the financial statements	<u>31,848</u>
Total youth program expenses in the statement of activities	<u>\$ 639,483</u>

Casa De Amparo
Project No: 37-B254-00-5
Contract No: CSPP6404 and CCTR6418
California State Preschool Program and General Child Care and Development Program
Schedule of Equipment Expenditures Utilizing Contract Funds

Year Ended June 30, 2017	Cost	Item
Expenditures under \$7,500 unit cost	None	None
Expenditures over \$7,500 unit cost with CDD approval	None	None
Expenditures over \$7,500 unit cost without CDD approval	None	None

Casa De Amparo
Project No: 37-B254-00-5
Contract No: CSPP6404 and CCTR6418
California State Preschool Program and General Child Care and Development Program
Schedule of Repair and Renovation Expenditures

Year Ended June 30, 2017

No repair or renovation expenditures were incurred in the fiscal year ended June 30, 2017

Casa De Amparo
Project No: 37-B254-00-5
Contract No: CSPP6404 and CCTR6418
California State Preschool Program and General Child Care and Development Program
Schedule of Administrative Costs

Year Ended June 30, 2017

Salaries, benefits and overhead	<u>\$ 47,765</u>
Total expenditures	<u>\$ 47,765</u>

AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs

Agency Name: Casa de Amparo Vendor No. B254

Fiscal Year Ended: June 30, 2017 Contract No. CSPP 6418

Independent Auditor's Name: West Rhode Roberts

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Three and Four Year Olds</i>					
Full-time-plus			-	1.1800	-
Full-time	3,221		3,221	1.0000	3,221.000
Three-quarters-time	67		67	0.7500	50.250
One-half-time	64		64	0.6196	39.654
<i>Exceptional Needs</i>					
Full-time-plus			-	1.4160	-
Full-time	203		203	1.2000	243.600
Three-quarters-time			-	0.9000	-
One-half-time			-	0.6196	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.2980	-
Full-time	554		554	1.1000	609.400
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.7700	-
Full-time			-	1.5000	-
Three-quarters-time	9		9	1.1250	10.125
One-half-time			-	0.6196	-
TOTAL DAYS OF ENROLLMENT	4,118	-	4,118		4,174.029
DAYS OF OPERATION	247		247		
DAYS OF ATTENDANCE	4,095		4,095		

☐ NO NONCERTIFIED CHILDREN - Check box, omit page 2 & continue to Section III if no noncertified children were enrolled in the program.

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs**

Agency Name: Casa de Amparo Vendor No. B254

Fiscal Year Ended: June 30, 2017 Contract No. CSPP 6418

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children. DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus			-	1.6520	-
Full-time			-	1.4000	-
Three-quarters-time			-	1.0500	-
One-half-time			-	0.7700	-
<i>Three and Four Year Olds</i>					
Full-time-plus			-	1.1800	-
Full-time	469		469	1.0000	469.000
Three-quarters-time			-	0.7500	-
One-half-time			-	0.6196	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.4160	-
Full-time			-	1.2000	-
Three-quarters-time			-	0.9000	-
One-half-time			-	0.6196	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.7700	-
Full-time	159		159	1.5000	238.500
Three-quarters-time	24		24	1.1250	27.000
One-half-time			-	0.6196	-
TOTAL DAYS OF ENROLLMENT	652	-	652		735

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs**

Agency Name: Casa de Amparo

Vendor No. B254

Fiscal Year End: June 30, 2017

Contract No. CSPP 6418

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION III - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$22,517	\$0	\$22,517
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify): In-Kind	42,746	17,124	59,870
Other (Specify):			0
Subtotal	\$65,263	\$17,124	\$82,387
Transfer from Reserve - General			0
Transfer from Reserve - Professional Development			0
Subtotal	\$0	\$0	\$0
Family Fees for Certified Children	6,859	0	6,859
Interest Earned on Apportionments			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children	18,261	(18,261)	0
Head Start Program (EC § 8235(b))	79,963	322	80,285
Other (Specify): Donations/Support Fund	9,587	76,310	85,897
Other (Specify):			0
TOTAL REVENUE	\$179,933	\$75,495	\$255,428

SECTION IV - REIMBURSABLE EXPENSES			
<i>Direct Payments to Providers (FCCH Only)</i>			\$0
1000 Certificated Salaries	158,625	(958)	157,667
2000 Classified Salaries	79,927	0	79,927
3000 Employee Benefits	60,626	1	60,627
4000 Books and Supplies	2,233	(2,171)	62
5000 Services and Other Operating Expenses	96,170	2,172	98,342
6100/6200 Other Approved Capital Outlay	0	0	0
6400 New Equipment (program-related)	0	0	0
6500 Replacement Equipment (program-related)	0	0	0
Depreciation or Use Allowance	49,555	(23,886)	25,669
Start-Up Expenses (service level exemption)	0	0	0
Budget Impasse Credit	0	0	0
Indirect Costs Rate: 9.03% (Rate is Self-Calculating)	35,823	1	35,824
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$482,959	(\$24,841)	\$458,118
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$35,823	\$1	\$35,824

FOR CDE-A&I USE ONLY:			
----------------------------------	--	--	--

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Early Education and Support Division:

Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheets to explain adjustments:

☐ NO SUPPLEMENTAL REVENUES OR EXPENSES - Check box and omit page 4 if there are no supplemental revenues or expenses to report.

**AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs**

Agency Name: Casa de Amparo Vendor No. B254
Fiscal Year End: June 30, 2017 Contract No. CSPP 6418

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION V - SUPPLEMENTAL REVENUE			
Enhancement Funding		\$21,603	\$21,603
Other (Specify): Foundation Contribution	26,521	6,051	32,572
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL REVENUE	\$26,521	\$27,654	\$54,175

SECTION VI - SUPPLEMENTAL EXPENSES

EXPENSES RELATED TO SUPPLEMENTAL REVENUE			
1000 Certificated Salaries			\$0
2000 Classified Salaries		22,482	22,482
3000 Employee Benefits		1,282	1,282
4000 Books and Supplies		3,604	3,604
5000 Services and Other Operating Expenses		1,686	1,686
6000 Equipment/Other Capital Outlay			0
Depreciation or Use Allowance		23,886	23,886
Indirect Costs		1,235	1,235
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay	26,521	(26,521)	0
Other: e.g., Entertainment Expenses			0
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL EXPENSES	\$26,521	\$27,654	\$54,175

COMMENTS - If necessary, attach additional sheets to explain adjustments:

AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs

Agency Name: Casa de Amparo Vendor No. B254

Fiscal Year Ended: June 30, 2017 Contract No. CCTR 6204

Independent Auditor's Name: West Rhode Roberts

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus			-	2.006	-
Full-time			-	1.700	-
Three-quarters-time			-	1.275	-
One-half-time			-	0.935	-
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus			-	1.652	-
Full-time			-	1.400	-
Three-quarters-time			-	1.050	-
One-half-time			-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus			-	1.652	-
Full-time	1,745		1,745	1.400	2,443.000
Three-quarters-time			-	1.050	-
On-half-time			-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus			-	1.180	-
Full-time			-	1.000	-
Three-quarters-time			-	0.750	-
One-half-time			-	0.550	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.416	-
Full-time			-	1.200	-
Three-quarters-time			-	0.900	-
One-half-time			-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.770	-
Full-time			-	1.500	-
Three-quarters-time			-	1.125	-
One-half-time			-	0.825	-
TOTAL DAYS OF ENROLLMENT	1,745	-	1,745		2,443.000
DAYS OF OPERATION	247		247		
DAYS OF ATTENDANCE	1,737		1,737		

☐ NO NONCERTIFIED CHILDREN - Check box, omit page 2 & continue to Section III if no noncertified children were enrolled in the program.

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Casa de Amparo Vendor No. B254

Fiscal Year Ended: June 30, 2017 Contract No. CCTR 6204

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children. DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus			-	2.006	-
Full-time			-	1.700	-
Three-quarters-time			-	1.275	-
One-half-time			-	0.935	-
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus			-	1.652	-
Full-time			-	1.400	-
Three-quarters-time			-	1.050	-
One-half-time			-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus			-	1.652	-
Full-time	253		253	1.400	354.200
Three-quarters-time			-	1.050	-
On-half-time			-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus			-	1.180	-
Full-time			-	1.000	-
Three-quarters-time			-	0.750	-
One-half-time			-	0.550	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.416	-
Full-time			-	1.200	-
Three-quarters-time			-	0.900	-
One-half-time			-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.770	-
Full-time			-	1.500	-
Three-quarters-time			-	1.125	-
One-half-time			-	0.825	-
TOTAL DAYS OF ENROLLMENT	253	-	253		354.200

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Casa de Amparo Vendor No. B254

Fiscal Year End: June 30, 2017 Contract No. CCTR 6204

	COLUMN A CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	COLUMN B AUDIT ADJUSTMENT INCREASE OR (DECREASE)	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT
SECTION III - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$7,505	\$0	\$7,505
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify): In-kind	19,957	0	19,957
Subtotal	\$27,462	\$0	\$27,462
Transfer from Reserve			0
Family Fees for Certified Children	278	279	557
Interest Earned on Apportionments			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children	9,736	(9,736)	0
Head Start Program (EC § 8235(b))		26,762	26,762
Other (Specify): Donations/Support Fund	364	28,338	28,702
TOTAL REVENUE	\$37,840	\$45,643	\$83,483

SECTION IV - REIMBURSABLE EXPENSES

<i>Direct Payments to Providers (FCCH Only)</i>			\$0
1000 Certificated Salaries	64,402	359	64,761
2000 Classified Salaries	26,643	0	26,643
3000 Employee Benefits	20,698	0	20,698
4000 Books and Supplies	20	1	21
5000 Services and Other Operating Expenses	32,780	0	32,780
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Replacement Equipment (program-related)			0
Depreciation or Use Allowance	16,518	(7,961)	8,557
Start-Up Expenses (service level exemption)			0
Budget Impasse Credit			0
Indirect Costs Rate: 8.24% (Rate is Self-Calculating)	11,941	0	11,941
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$173,002	(\$7,601)	\$165,401
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$11,941	\$0	\$11,941

FOR CDE-A&I USE ONLY:

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program

Requirements of the California Department of Education, Early Education and Support Division:

Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheets to explain adjustments:

☐ NO SUPPLEMENTAL REVENUES OR EXPENSES - Check box and omit page 4 if there are no supplemental revenues or expenses to report.

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Casa de Amparo Vendor No. B254
Fiscal Year End: June 30, 2017 Contract No. CCTR 6204

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION V - SUPPLEMENTAL REVENUE			
Enhancement Funding	\$27,084	(\$27,084)	\$0
Other (Specify): Foundation contribution	8,840	1,949	10,789
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL REVENUE	\$35,924	(\$25,135)	\$10,789

SECTION VI - SUPPLEMENTAL EXPENSES

EXPENSES RELATED TO SUPPLEMENTAL REVENUE			
1000 Certificated Salaries	\$27,084	(\$24,542)	\$2,542
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies			0
5000 Services and Other Operating Expenses		285	285
6000 Equipment/Other Capital Outlay		7,962	7,962
Depreciation or Use Allowance			0
Indirect Costs			0
Other (Specify):			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay	8,840	(8,840)	0
Other: Meetings & Events			0
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL EXPENSES	\$35,924	(\$25,135)	\$10,789

COMMENTS - If necessary, attach additional sheets to explain adjustments:

Casa de Amparo

Schedule of Findings and Questioned Costs on State

Child Development Services

Financial Reporting Findings

See 2017-001 on Page 19

Compliance

Child Development Program Findings

2017-002 – Fiscal reporting

Program: Child Development Programs CSPP6418 and CCTR6204

Criteria: Revenue reported on the quarterly fiscal reports submitted to the state should agree with the organization's internal records.

Condition: During review of fiscal reports submitted to the California Department of Education, we noted that the revenue numbers did not agree with the Organization's internal records.

Cause: Due to employee turnover at the end of the fiscal year, the fiscal reports were not reviewed properly prior to submitting the quarterly reports.

Questioned costs: \$0

Effect: The organization was not in compliance with the Funding Terms and Conditions of the contracts.

Views of the responsible officials and planned corrective action: The Organization agrees with the finding and will adhere to the corrective action plan as stated on page 44.

Casa de Amparo

Schedule of Findings and Questioned Costs on State

Child Development Services (continued)

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2017-002	<ul style="list-style-type: none">• Update the Agency's internal Monthly Contract Billing Procedures document for the California Department of Education Child Development Program to include additional designees who will review reports during any future periods of departmental turnover;• Train fiscal staff and additional designees on the updated Monthly Contract Billing Procedures.	Anticipated completion date is December 31 st , 2017	Bryce Guthrie, Controller and Chelle Sutyak, Associate Executive Director

Casa de Amparo

Schedule of Findings and Questioned Costs on State

Child Development Services (continued)

Status of prior year findings

2016-01 – Participant was not properly recertified

Program: Child Development Programs CSPP5404 and CCTR5205

Condition: During testing of eligibility, it was noted that one participant was not recertified prior to the date identified on the child protective services referral. The participant was receiving services for approximately three months without being recertified.

Current Status: The Organization now has a system in place to alert staff eligibility expiration dates in ETO that is now being used to prevent errors. The organization performed the recertification process and the family was eligible to receive services during that three month period. No repeat finding was noted during the June 30, 2017 audit.

2016-02 – Ineligible participants

Program: Child Development Programs CSPP5404 and CCTR5205

Condition: During testing of eligibility it was noted that three participants did not meet the required eligibility criteria and, therefore, were not eligible to participate in the program.

Current Status: The organization has corrected the eligibility for these participants and adjusted the attendance reports. No repeat finding was noted during the June 30, 2017 audit.

2016-03 – Grant Reporting

Program: Child Development Programs CSPP5404 and CCTR5205

Condition: During testing of reporting it was noted that the Organization was reporting the amortization of the free land lease as a reimbursable expense on the first three quarterly reports of fiscal year 2016. As this is a donated item, the amortization is not considered reimbursable.

Current Status: Amortization of the free land lease was fixed in the Q4 reports and was reported to the correct column as non-reimbursable expense. Adjusted Q1, Q2 and Q3 reports were submitted to the CDE at the same time Q4 reports were submitted in July 2016. No repeat finding was noted during the June 30, 2017 audit.



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

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

Project Name: Educational Mobile Children's Museum Workshops and Exhibits for Children in San Marcos Date Submitted: 1/2/19	Total # of people served: 1,500 Total # of San Marcos residents served: 1,500	Amount Requested: \$10,000.00
Non-Profit Organization Name and Address, Website San Diego Children's Discovery Museum 320 North Broadway Escondido, CA 92025 www.sdcdm.org	Contact Person – Name, Title & Phone, email Michael Vierela Development Coordinator 760-233-7755 x1006 MichaelV@sdcdm.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant): San Diego Children's Discovery Museum (SDCDM) seeks to provide supplemental educational workshops to every class at San Marcos Elementary School and Richland Elementary School through its Mobile Children's Museum, serving approximately 1,500 children in San Marcos. Through our mobile exhibits and workshops, children partake in guided instruction and free play, which are important in children's learning, development, and growth. Our curriculum-aligned workshops provide hands-on learning opportunities that enhance what students are learning in the classroom and allow them to practice these concepts outside of a traditional classroom setting. All exhibits and workshops are led by professional museum educators and also provide teachers with supplemental resources and curriculum aligned with Next Generation Science Standards and California's State Standards for each subject. The Museum's mobile programs include multiple age-appropriate curricula focused on science, art, and world cultures for children in Preschool – Grade 5.</p> <p><u>Briefly</u> describe the significance of your request to the San Marcos community: According to the California Department of Education's 2018 California Assessment of Student Performance and Progress, a significant academic achievement gap exists between low-income students and their peers in San Marcos Unified School District (SMUSD). Overall, 64.9% of SMUSD students have met or exceeded standards in English language arts/literacy and 51.2% have met or exceeded standards in math and science. For economically disadvantaged students (those who qualify for free or reduced-price meals), these statistics are even lower. Only 46.8% of low-income students in SMUSD have met standards in English language arts/literacy and 32.3% have met standards in math and science. Both San Marcos Elementary School and Richland Elementary School have a sizeable percentage of low-income students – 59.5% and 41.1%, respectively. Our Mobile Children's Museum exhibits and workshops would provide supplemental educational opportunities to those students who need it the most.</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: 3/1/19 Date by which funds will be expended: 7/1/19 Signature of President or Authorized Officer <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: right;">1/2/19</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Name, Title</div> <div>Date</div> </div> Wendy Taylor, Interim Managing Director	
<div style="display: flex;"> <div style="flex: 1;"> 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): jimagee@san-marcos.net </div> </div>		

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>6 Mobile Children's Museum visits at Richland Elementary at \$1,200 each</u>	<u>\$7,200.00</u>
<u>6 Mobile Children's Museum visits at San Marcos Elementary at \$1,200 each</u>	<u>\$7,200.00</u>
<u>Transportation fee for 12 visits at \$25.00 each (within 20 miles of SDCDM)</u>	<u>\$ 300.00</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: \$14,700.00

Grant Request Amount: \$10,000.00
(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)

Is this a challenge grant? No

Could it be?

We currently have a challenge grant in place from the Linden Root Dickinson Foundation for the remainder of our current fiscal year. We would prefer that this grant not be a challenge grant.

Please list any other funding sources for this project.

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

We do not currently have committed or pending funding for scholarships restricted for San Marcos schools.

**San Diego Children's Discovery Museum
FYE 19 BUDGET**

	Budget FYE 2019
Ordinary Income/Expense	
Income	
4000 · Contributed Support	
4005 · Revenue from Contributions	
4010 · Individual Contributions	\$ 118,000
4030 · Corporate Contributions	\$ 97,914
4040 · Foundation Contribution	\$ 314,000
Total 4005 · Revenue from Contributions	\$ 529,914
4100 · Long Term Contributions	\$ 60,000
4200 · Revenue from Grants	
4210 · Corporate Grants	\$ 132,000
4220 · Foundation Grants	\$ 313,000
4230 · Government Grants	\$ 50,000
Total 4200 · Revenue from Grants	\$ 495,000
Total 4000 · Contributed Support	\$ 1,084,914
5000 · Earned Revenues	
5100 · Program Revenue	
5110 · Admissions	\$ 220,000
5120 · Birthday Parties	\$ 28,000
5130 · Discovery Camps	\$ 15,000
5140 · Group Visits	
5142 · Group Play	\$ 6,500
5145 · Workshops	\$ 18,000
5140 · Group Visits - Other	\$ -
Total 5140 · Group Visits	\$ 24,500
5150 · School Enrichment Services	
5151 · Afterschool Enrichment	\$ 105,000
5152 · Summer School Enrichment	\$ 118,000
Total 5150 · School Enrichment Services	\$ 223,000
5160 · Mobile Museum	
5161 · Mobile Birthdays	\$ 5,000
5162 · Mobile Exhibits	\$ 23,600
5163 · Mobile Workshops	\$ 21,100
5164 · Mobile Museum Transportation	\$ 1,250
Total 5160 · Mobile Museum	\$ 50,950
5160 · Special Program Events	\$ 18,500
Total 5100 · Program Revenue	\$ 579,950
5200 · Private Event Rental Income	\$ 6,500
5300 · Gift Shop & Food Sales	
5325 · Food Sales	\$ 13,000
5350 · Gift Shop Sales	\$ 45,000
5375 · Locker Rental	\$ 60
Total 5300 · Gift Shop & Food Sales	\$ 58,060
5400 · Membership Dues	\$ 145,000
Total 5000 · Earned Revenues	\$ 789,510
5500 · Special Event Revenue	
5510 · Auction	\$ 15,000
5520 · Donations	\$ 82,000
5530 · Raffle Tickets	\$ 600
5540 · Sponsors	\$ 36,000
5550 · Ticket Sales\Registration	\$ 18,500
Total 5500 · Special Event Revenue	\$ 152,100
Total Income	\$ 2,026,524
Cost of Goods Sold	
5900 · Cost of Inventory Sold	\$ 33,000
Total COGS	\$ 33,000
Gross Profit	\$ 1,993,524

Expense	
6000 · Personnel Expenses	
6100 · Payroll	\$ 1,202,760
6200 · Employee Benefits	\$ 66,612
6300 · Payroll Service Fees	\$ 35,073
6400 · Payroll Taxes	\$ 118,459
6500 · Workers Comp Insurance	\$ 24,389
Total 6000 · Personnel Expenses	\$ 1,447,292
7000 · Non-Personnel Expenses	
GENERAL & ADMINISTRATIVE	
7050 · Computer Technology Services	
7060 · Information Technology Support	\$ 19,431
7070 · Software and Online	\$ 3,919
Total 7050 · Computer Technology Services	\$ 23,350
7100 · Contract Service Expenses	
7110 · Accounting	\$ -
Total 7100 · Contract Service Expenses	\$ 20,000
7150 · Depreciation	\$ 96,000
7200 · Dues and Subscriptions	\$ 200
7250 · Fees	
7260 · Bank Service Charge	\$ 120
7280 · Loss/Gain on Stock Donations	\$ 120
7290 · Merchant Service Fees	\$ 18,667
Total 7250 · Fees	\$ 18,907
7300 · Insurance	\$ 15,536
7350 · Interest Expense	\$ 4,200
7400 · Meetings & Meals	\$ 4,800
7450 · Mileage, Fuel, & Local Travel	\$ 2,400
7500 · Office & Business Expenses	
7510 · Business Storage	\$ 588
7530 · License Renewals & Filing Fees	\$ 1,000
7540 · Loss due to Fraud	\$ -
7500 · Office & Business Expenses - Other	\$ -
Total 7500 · Office & Business Expenses	\$ 1,588
7550 · Office Supplies	\$ 1,800
7600 · Postage & Shipping	\$ 2,000
7650 · Property Taxes	\$ -
7700 · Staff Development & Recognition	\$ 10,500
7750 · Telephone - Internet	\$ 25,200
7800 · Travel & Conference Expense	\$ 5,000
7850 · Utilities	\$ 28,350
Total GENERAL & ADMINISTRATIVE	\$ 259,831
MARKETING & EVENTS	
8000 · Advertising & Marketing	
8125 · Advertising (all media)	\$ 15,000
8150 · Community Partnerships	\$ 2,500
8175 · Donor Appreciation	\$ 2,500
8200 · Email Newsletter	\$ 2,917
8225 · Graphic Design	\$ 15,000
8250 · Networking	\$ -
8275 · Photography & Videography	\$ 2,500
8300 · Printing & Copying	\$ 11,496
8325 · Public Relations	\$ 10,550
8350 · Social Media	\$ 1,500
8375 · Special Program Events	\$ 2,500
8400 · Translation Assistance	\$ 300
8425 · Website	\$ 8,788
Total 8000 · Advertising & Marketing	\$ 75,551
8500 · Special Event Expense	
8550 · Advertising	\$ 600
8650 · Entertainment	\$ 3,250
8700 · Gifts	\$ -
8750 · Meetings & Miscellaneous	\$ 1,200

8800 · Postage	\$ 250
8850 · Printing	\$ 3,000
8900 · Supplies	\$ 3,500
8950 · Venue/Catering	\$ 11,500
Total 8500 · Special Event Expense	\$ 23,300
Total MARKETING & EVENTS PROGRAM	\$ 98,851
9000 · Facility & Equipment Expenses	
9010 · Equipment Maintenance	\$ 1,250
9020 · Equipment Purchases	\$ 750
9030 · Equipment Rental	\$ 11,500
9040 · Facility Maintenance & Repair	\$ 35,000
Total 9000 · Facility & Equipment Expenses	\$ 48,500
9050 · Private Event Rental Expenses	\$ -
9100 · Program Expenses	
9200 · Museum Experience - Exhibits	
9210 · Exhibit Maintenance	\$ 37,000
9220 · Operations Supplies	\$ 22,000
9200 · Museum Experience - Exhibits - Other	\$ -
Total 9200 · Museum Experience - Exhibits	\$ 59,000
9300 · Group Visit Expenses	
9310 · Fieldtrip Supplies	\$ 3,000
9320 · Transportation to Museum	\$ 17,500
9300 · Group Visit Expenses - Other	\$ -
Total 9300 · Group Visit Expenses	\$ 20,500
9400 · Museum Program Events	
9410 · Program Events Supplies	\$ 8,000
9420 · Entertainment	\$ 11,000
9430 · Equipment Rentals	\$ -
9440 · Food / Catering	\$ 2,500
9450 · Workshop Materials	\$ -
Total 9400 · Museum Program Events	\$ 21,500
9500 · Birthday Parties	\$ 500
9600 · School Enrichment Services	
9610 · Afterschool Enrichment	\$ 2,000
9620 · Summer School Enrichment	\$ 15,000
Total 9600 · School Enrichment Services	\$ 17,000
9700 · Mobile Museum	
9720 · Mobile Museum Supplies	\$ 10,000
9730 · Mobile Workshop Supplies	\$ 1,000
9730 · Mobile Museum - Vehicle	\$ 8,000
9600 · Mobile Museum - Other	\$ -
Total 9600 · Mobile Museum	\$ 19,000
9700 · Volunteer & Internship Program	\$ 1,500
9750 · Balancing Adjustments	\$ 50
9100 · Program Expenses - Other	\$ -
Total 9100 · Program Expenses	\$ 139,050
Total PROGRAM	\$ 187,550
Total 7000 · Non-Personnel Expenses	\$ 546,232
Total Expense	\$ 1,993,524
Net Ordinary Income	\$ (0)
Other Income/Expense	
Other Income	
10000 · In-Kind Donation Income	\$ 200,900
Total Other Income	\$ 200,900
11000 · In-Kind Donation Expenses	\$ 200,900
Total Other Expense	\$ 200,900
Net Other Income	
Net Income	\$ (0)



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077950279
May 04, 2018 LTR 4168C 0
33-0912735 000000 00
00032424
BODC: TE

SAN DIEGO CHILDRENS DISCOVERY
MUSEUM
% KATIE RAGAZZI
320 N BROADWAY
ESCONDIDO CA 92025-2716

055598

Employer ID number: 33-0912735
Form 990 required: YES

Dear Taxpayer:

We're responding to your request dated Mar. 19, 2018, about your tax-exempt status.

We issued you a determination letter in JANUARY 2001, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

4077950279
May 04, 2018 LTR 4168C 0
33-0912735 000000 00
00032425

SAN DIEGO CHILDRENS DISCOVERY
MUSEUM
% KATIE RAGAZZI
320 N BROADWAY
ESCONDIDO CA 92025-2716

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,

Stephen A. Martin

Stephen A. Martin
Director, EO Rulings & Agreements



In Reply Refer To: 659ky
Date : 01/31/03

ENTITY STATUS

Note: This letter does not reflect the entity's status with any other agency.

Entity Name : THE EXCONDIDO CHILDREN'S MUSEUM, INC.
156 WEST GRAND AVE ESCONDIDO CA 92025
Entity Number : 2220688

- ☒ 1. The above entity is in good standing with this agency.
- ☒ 2. The above entity is currently exempt from tax under Revenue and Taxation Code Section 23701d.
- ☐ 3. Our records indicate the above entity is not incorporated, qualified, organized, or registered through the Secretary of State to transact business in California.
- ☐ 4. The above entity was incorporated, qualified, organized, or registered through the Secretary of State on ____.
- ☐ 5. The above entity has an unpaid liability of \$_____ for account period(s) ending _____.
- ☐ 6. Our records do not show that the above entity filed returns for account period(s) ending _____.
- ☐ 7. The above entity was _____ effective _____.
- ☐ 8. The above entity's current address on record with this agency is:

- ☐ 9. We do not have current information about the above entity.

Comments:


REPRESENTATIVE

ASSISTANCE

Telephone assistance is available year-round from 7 a.m. until 8 p.m. Monday through Friday. From January through June, assistance is also available from 8 a.m. until 5 p.m. on Saturdays. We may modify these hours without notice to meet operational needs.

From within the United States, call (800) 852-5711
From outside the United States, call (not toll-free) (916) 845-6500

Website at: www.ftb.ca.gov

Assistance for person with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech impairments please call TTY/TDD (800) 822-6268.

**San Diego Children's Discovery Museum
Board of Directors**

Board of Directors Executive Committee

Kim Dunham Bergsma, *Board Chair*, has served SDCDM since 2011. She is an Escondido-based stay-at-home mom with two Museum-loving kids. She has a professional background in marketing and communications, with special emphasis on organization development. Kim grew up in Montana and eventually ventured to Colorado to attend the University of Colorado where she received a B.A. in history and where she was also awarded an M.S. in Technical Communication Management.

Carmen Nava, Ph.D., *Board Vice-Chair*, is a founding member of the Board, and has served SDCDM since 2000. She is a Professor of History, with a Ph.D. from UCLA. She joined the History Department at California State University San Marcos in 1996, where she teaches courses in Latin American history and Chicano/Latino history, and now serves as Department Chair. She was born in Los Angeles, California, and has lived in Mexico, Spain, and Brazil.

Chad Vargo, *Board Secretary*, is the Co-Founder and the President of Risk Management for Culture Insurance Services. He has an extensive background in serving businesses, helping them to identify the risks their companies face and working with them to build programs and processes to improve their bottom line, while positively impacting employee culture. Born and raised in Escondido, he is passionate about serving the people of North County and loves to work with kids. He is a husband to his wife Lindsey and father to his daughter Abigail.

Rich Martin, *Board Treasurer*, has served SDCDM since 2014. He is currently the principal at RAM Consulting Services where he provides strategic and operational consulting services to consumer product companies, with particular expertise in brand management, trademark and patent licensing, and international business development. His prior roles and work experience include CEO at Prunolo Inc., Chief Operating Officer at Marchon Eyewear, Corporate President at Calvin Klein, and Partner at Price Waterhouse. Rich received his BS in Accounting from Saint John's University.

Rebecca Raymond, *Member-at-Large*, has served SDCDM since 2012. She has more than 13 years of experience in youth and community development. She began working with children and families as the Director of Family Counseling Services for the Sunset Neighborhood Beacon Center in San Francisco and later as the Director of Indian Education for the American Indian Child Resource Center in Oakland. Her passion for international development led her to serve as a Peace Corps Volunteer in the Kingdom of Tonga, and she has worked with grassroots organizations in Kenya, Tanzania, and Uganda. She has Masters Degrees in Counseling Psychology and International Social Development.

Directors

Erick Altona has served SDCDM since 2003. He is a partner in the business and real estate law firm of Lounsbery Ferguson Altona & Peak LLP. He received his BA in mathematics from UCSD and his law degree from UC Davis. Committed to community service, Erick has volunteered as

**San Diego Children's Discovery Museum
Board of Directors**

legal counsel, director and officer for numerous local organizations, and has been instrumental in both of the Museum's relocations and ongoing expansion.

Jason Davis has served SDCDM since March 2017. He is currently a Vice President and Private Banker at The Private Bank, Union Bank working with his clients to help them build and sustain wealth. Previously, Jason spent 25 years with Wells Fargo. Jason studied Business Management at the University of Phoenix and holds Series 7 and 66 securities licenses and his California Life Insurance license. Jason is a San Diego native where he currently resides with his wife and twins—a boy and girl. In his free time, he enjoys health and fitness, traveling, collecting wine and spending time with his family.

Bob MacMahon has served on the SDCDM Board since 2003. He is a Licensed Marriage and Family Therapist who is dedicated to Escondido's youth through serving on the Board of SDCDM.

Heather McDonald joined the SDCDM Board in 2014. She the owner of Adventuress Catamaran Sailing, and has a background in marketing and business development.

Vincent Pandes has served SDCDM since 2017. He is currently a Partner at Neosho Capital LLC where he is responsible for business development and marketing. He is also currently a Board of Trustee member for the Gateway to Leadership organization that provides access to the investment industry to aspiring minority students. In addition, Vince also holds a seat on the Emerging Leaders Council at his alma mater, the University of San Diego. Vince enjoys spending his free time with family and friends in his hometown of Encinitas, California.

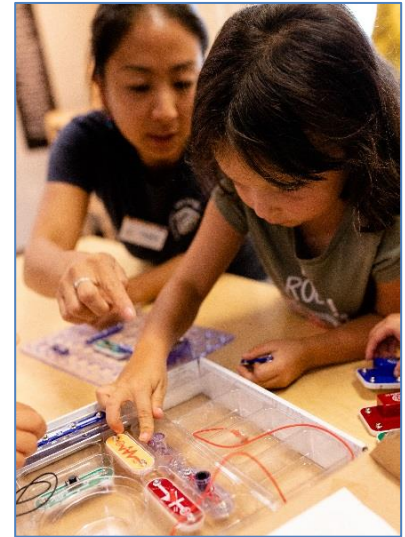
Larry Zeiger has his BA in Psychology and Cinema Arts from the University of Miami, and his MA in Mass Communications from SDSU, teaching credential from USD. He taught for 33 years at Point Loma High School where he produced 31 original musicals involving over 3,000 students. He is the winner of numerous awards, recognitions and honors, and many of his students are award-winning filmmakers, theater performers, artists, producers, writers, and animators. Larry is also a composer, lyricist and author.

Each year 100% of Board members volunteer time and contribute financially, as well as soliciting community support on behalf of the organization.

San Diego Children's Discovery Museum
Funding Request for San Marcos Community Foundation
\$10,000 for Mobile Educational Workshops and Exhibits

Organization Overview

The mission of San Diego Children's Discovery Museum is to inspire children to learn about our world through exploration, imagination, and experimentation. Our vision is to be a model community children's museum providing access to authentic, hands-on learning experiences that develop the whole child, lifelong learners, and global citizens. The Museum has provided supportive educational experiences in science, art, and world cultures to children ages 0-10 in San Diego County since 2000. We offer curriculum-aligned workshops through school field trips at the Museum and off-site visits from our Mobile Children's Museum as well as daily programs, camps during school breaks, and monthly special events. Our attendance has grown from 15,000 in 2011 to almost 155,000 last school year both on-site and through our Mobile Children's Museum. This year, we anticipate reaching a combined 165,000 visitors through all services.



Program Description

San Diego Children's Discovery Museum respectfully requests \$10,000 from San Marcos Community Foundation to support our Access for All scholarship program by providing approximately 1,500 students from San Marcos Elementary School and Richland Elementary School with interactive, educational workshops through our Mobile Children's Museum. SDCDM has confirmed interest from the Principal of San Marcos Elementary, Stephanie Wallace, and the STEAM and Makerspace Coordinator of Richland Elementary, Kjerstie Bourne, and will schedule mobile visits upon receipt of the grant award. Grant funds will be used to provide workshop scholarships for students at San Marcos Elementary and Richland Elementary to experience a Mobile Children's Museum visit at their school. Mobile workshop fees are \$1,200 per visit for 125-150 students, which subsidizes the cost of workshop materials, curriculum development, personnel expenses, overhead, and maintaining MCM equipment and vehicles. Each mobile visit will serve an entire grade level in five to six rotations of approximately 25 students. These students will participate in guided interactive workshops with a professional educator in science, art, and world cultures. Your support is crucial to ensure these supplemental educational opportunities remain accessible to children who need them the most.

Mobile workshop curricula is designed for students in Preschool – Grade 5. The curricula are designed by museum education experts, child development specialists, and education professionals, ensuring a wide range of concepts that align with Next Generation Science Standards and California State Standards for each subject. Last school year, we successfully presented 278 on-site workshops and 164 mobile workshops and exhibits and served a total of 22,609 children and adults, 60% of whom relied on Access for All scholarships to subsidize program costs.

SDCDM has become a leader in non-formal education, and a unique resource in the area, because of our focus on guided play in a variety of subject areas. Children are guided by Museum educators while playing with and experiencing our educational exhibits and activities to ensure they are progressing with learning goals. The National Association for the Education of Young Children reports that guided play has key components that are attributed to successful learning. Researchers have determined that learning occurs best when children are mentally active, engaged, socially interactive, and build meaningful connections to their lives. Guided play, which is featured in all of our Museum exhibits and programs, maintains active engagement in children because it's fun, flexible, and voluntary. Interactive learning experiences and

San Diego Children's Discovery Museum
Funding Request for San Marcos Community Foundation
\$10,000 for Mobile Educational Workshops and Exhibits

guided play are crucial and often overlooked elements of children's education. Children need to be engaged in learning outside the traditional classroom experience to reinforce skills acquired at school. Young children learn differently than older children and adults, and play is an essential part of developmentally appropriate, high-quality early education. The Museum's innovative approach to learning through guided play and hands-on educational experiences develops crucial life skills like curiosity, confidence, and creativity, all of which help children excel in life. Attached to this application, you will find a letter of support from Leila Sackfield, Deputy Superintendent at Escondido Union School District, describing her experience of the educational services SDCDM has provided to EUSD.

Currently, our workshops include multiple age-appropriate curricula focused on the following topics:

Mobile Workshops (Grades Pre-K – 5)

- Science/STEM: Birds of Prey, Engineering, Forces (Pre-K – K), Fossils, Gardens, Ocean Life, Robotics, Water
- Art: Recycled Masterpieces, Rhythm and Music, Still Life
- World Culture: Anthropology, Kumeyaay, Masks

Mobile Exhibits (Grades Pre-K – 5)

- Science/STEM: Snap Circuits, Coding, Water Table, Rokenbok, Rigamajig, Wind Tunnel, Imagination Playground, Keva Plank, Ramps, Lepao Blocks, Ball Wall



Impact and Measurement of Success

Statistically, economically disadvantaged students perform at lower rates in school than their peers. According to the California Department of Education's 2018 California Assessment of Student Performance and Progress, 64.9% of SMUSD students have met standards in English language arts/literacy and 51.2% have met standards in math and science, but only 46.8% of low-income students in the District have met standards in English language arts/literacy and 32.3% have met standards in math and science. San Marcos Elementary and Richland Elementary have a sizeable percentage of low-income students (59.5% and 41.1%, respectively) and our workshops would provide additional educational support to those in need.

The evaluation of the program will be ongoing and analysis of evaluations will be conducted on a quarterly basis. Museum educators will log the number of children and adults served during each workshop and the Education Manager of School Programs will send surveys to participating teachers after every visit. The survey seeks feedback on the quality of resources provided by SDCDM compared to those available to each educator, the educator's intention of using SDCDM curriculum in the future, curriculum alignment with classroom learning standards, impact of scholarships if an educator received one and a rating of the overall experience as well as an opportunity to gather qualitative information through testimonials. Museum educators are also asked to observe and note the engagement level of children for each workshop and exhibit activity. Improvements to workshop curricula are made based on survey feedback and we disseminate evaluation results to partners and supporters as needed.

Based on previous survey results from schools that participated in workshops, 87.5% of teachers rated the Museum's STEM curriculum as good or outstanding compared to 37.5% of teachers that rated STEM curriculum at their own school as good or outstanding. Approximately 75% of teachers said they would incorporate the Museum's curriculum into their lesson plans and 100% of teachers said the workshop experience was worthwhile.

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
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.

OMB No. 1545-0047

2016Open to Public
Inspection**A** For the 2016 calendar year, or tax year beginning **JUL 1, 2016** and ending **JUN 30, 2017**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ESCONDIDO CHILDREN'S MUSEUM INC. DBA SAN DIEGO CHILDREN'S DISCOVERY MUSEUM		D Employer identification number 33-0912735
	Doing business as		E Telephone number (760) 233-7755
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	320 N BROADWAY		G Gross receipts \$ 1,814,957.
	City or town, state or province, country, and ZIP or foreign postal code ESCONDIDO, CA 92025		
F Name and address of principal officer: JAVIER GUERRERO SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates 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.SDCDM.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: 2000 M State of legal domicile: CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: INSPIRING CHILDREN TO LEARN ABOUT OUR WORLD THROUGH EXPLORATION, IMAGINATION, EXPERIMENTATION.		
	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	10
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	43
	6 Total number of volunteers (estimate if necessary)	6	124
	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 2,330,899.	Current Year 1,245,133.
	9 Program service revenue (Part VIII, line 2g)	287,004.	416,985.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2.	0.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-775.	53,500.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,617,130.	1,715,618.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
Expenses	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)	809,753.	1,003,738.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 203,890.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	570,563.	513,158.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,380,316.	1,516,896.
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	1,236,814.	198,722.
	20 Total assets (Part X, line 16)	Beginning of Current Year 2,350,626.	End of Year 2,319,437.
	21 Total liabilities (Part X, line 26)	672,423.	442,512.
	22 Net assets or fund balances. Subtract line 21 from line 20	1,678,203.	1,876,925.

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		Date		
	JAVIER GUERRERO, EXECUTIVE DIRECTOR 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 ▶ ALDRICH CPAS AND ADVISORS, LLP		12/12/17		
	Firm's address ▶ 7676 HAZARD CENTER DRIVE, STE 1300 SAN DIEGO, CA 92108				Phone no. (619) 810-4940

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

ESCONDIDO CHILDREN'S MUSEUM INC. DBA
SAN DIEGO CHILDREN'S DISCOVERY MUSEUM

Form 990 (2016)

33-0912735 Page 2

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☒ **X**

1 Briefly describe the organization's mission:
SAN DIEGO CHILDREN'S DISCOVERY MUSEUM'S MISSION IS TO INSPIRE CHILDREN TO LEARN ABOUT OUR WORLD THROUGH EXPLORATION, IMAGINATION AND EXPERIMENTATION. OUR CURRICULUM-ALIGNED PROGRAMS AND EXHIBITS CULTIVATE SCHOOL READINESS AND LIFELONG LEARNING.

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 \$ **1,173,113.** including grants of \$) (Revenue \$ **443,996.**)
INTERACTIVE LEARNING EXPERIENCES AND GUIDED PLAY ARE CRUCIAL - AND OFTEN OVERLOOKED - ELEMENTS OF CHILDREN'S EDUCATION. CHILDREN NEED TO BE ENGAGED IN LEARNING OUTSIDE THE TRADITIONAL CLASSROOM EXPERIENCE TO REINFORCE SKILLS ACQUIRED AT SCHOOL. YOUNG CHILDREN LEARN DIFFERENTLY THAN OLDER CHILDREN AND ADULTS, AND RESEARCH HAS SHOWN THAT PLAY IS AN ESSENTIAL PART OF DEVELOPMENTALLY APPROPRIATE, HIGH-QUALITY EARLY EDUCATION. MANY FAMILIES - PARTICULARLY THOSE IN SAN DIEGO COUNTY'S UNDERSERVED AND AT-RISK AREAS - HAVE LITTLE TO NO DISCRETIONARY INCOME TO SUPPLEMENT THEIR CHILDREN'S EDUCATION, AND STATE BUDGET CUTS CREATE DIFFICULTY FOR EDUCATORS TO PROVIDE RESOURCES BEYOND THE ASSIGNED AND TESTED CURRICULUM.

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 **1,173,113.**

Form **990** (2016)

San Diego Children's Discovery Museum and Subsidiary

Consolidated Financial Statements

Years Ended June 30, 2018 and 2017



SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY
Consolidated Financial Statements
Years Ended June 30, 2018 and 2017

Table of Contents

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
San Diego Children's Discovery Museum and Subsidiary
Escondido, California

We have audited the accompanying consolidated financial statements of San Diego Children's Discovery Museum (a nonprofit organization) and Subsidiary (collectively, the Museum), which comprise the consolidated statements of financial position as of June 30, 2018 and 2017 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of San Diego Children's Discovery Museum and Subsidiary as of June 30, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Aldrich CPAs + Advisors LLP

Carlsbad, California
October 19, 2018

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY**Consolidated Statements of Financial Position**

June 30, 2018 and 2017

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 157,549	\$ 64,115
Accounts receivable	92,420	17,923
Pledges receivable, net	315,809	114,902
Grants receivable	26,000	70,300
Inventory	12,135	14,668
Prepaid expenses	15,416	6,641
Property and equipment, net	2,013,588	2,030,888
Total Assets	<u>\$ 2,632,917</u>	<u>\$ 2,319,437</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 46,234	\$ 12,774
Unearned revenue	78,094	82,808
Accrued vacation	27,968	16,878
Accrued expenses - other	52,570	30,052
Advances payable - LRDF	300,000	300,000
Total Liabilities	504,866	442,512
Net Assets:		
Unrestricted	2,024,048	1,738,375
Temporarily restricted	104,003	138,550
Total Net Assets	<u>2,128,051</u>	<u>1,876,925</u>
Total Liabilities and Net Assets	<u>\$ 2,632,917</u>	<u>\$ 2,319,437</u>

See accompanying notes to consolidated financial statements.

2

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY**Consolidated Statement of Activities**

Year Ended June 30, 2018 (With Comparative Totals for 2017)

	Unrestricted	Temporarily Restricted	Total	2017 Total
Revenue and Support:				
Contributions - general	\$ 820,224	\$ 12,669	\$ 832,893	\$ 600,812
Earned revenue	596,667	-	596,667	499,200
Grants	269,395	71,505	340,900	247,250
Contributions - gifts in kind	206,928	-	206,928	181,929
Membership dues	163,227	-	163,227	154,969
Fundraising events	150,347	-	150,347	141,096
Contributions - capital campaign	-	-	-	168,867
Net assets released from restrictions, satisfaction of program restrictions	118,721	(118,721)	-	-
Total Revenue and Support	2,325,509	(34,547)	2,290,962	1,994,123
Expenses:				
Program services	1,593,896	-	1,593,896	1,376,174
Supporting services:				
Management and general	173,349	-	173,349	147,709
Fundraising	272,591	-	272,591	271,518
Total Expenses	2,039,836	-	2,039,836	1,795,401
Change in Net Assets	285,673	(34,547)	251,126	198,722
Net Assets, beginning	1,738,375	138,550	1,876,925	1,678,203
Net Assets, ending	\$ 2,024,048	\$ 104,003	\$ 2,128,051	\$ 1,876,925

See accompanying notes to consolidated financial statements.

3

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY**Consolidated Statement of Activities**

Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Total
Revenue and Support:			
Contributions - general	\$ 595,251	\$ 5,561	\$ 600,812
Earned revenue	499,200	-	499,200
Grants	119,772	127,478	247,250
Contributions - gifts in kind	181,929	-	181,929
Membership dues	154,969	-	154,969
Fundraising events	141,096	-	141,096
Contributions - capital campaign	168,867	-	168,867
Net assets released from restrictions, satisfaction of program restrictions	69,355	(69,355)	-
Total Revenue and Support	1,930,439	63,684	1,994,123
Expenses:			
Program services	1,376,174	-	1,376,174
Supporting services:			
Management and general	147,709	-	147,709
Fundraising	271,518	-	271,518
Total Expenses	1,795,401	-	1,795,401
Change in Net Assets	135,038	63,684	198,722
Net Assets, beginning	1,603,337	74,866	1,678,203
Net Assets, ending	\$ 1,738,375	\$ 138,550	\$ 1,876,925

See accompanying notes to consolidated financial statements.

4

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Consolidated Statement of Functional Expenses

Year Ended June 30, 2018 (With Comparative Totals for 2017)

	Supporting Services			Total	2017 Total
	Program Services	Management and General	Fundraising		
Compensation and Related Expenses:					
Compensation	\$ 747,980	\$ 111,867	\$ 166,829	\$ 1,026,676	\$ 861,913
Payroll tax	79,764	8,569	13,835	102,168	81,876
Employee benefits	35,334	6,452	8,317	50,103	36,777
Workers' compensation insurance	15,736	2,282	3,511	21,529	23,172
Service fees	27,718	1,814	2,242	31,774	6,429
Total	906,532	130,984	194,734	1,232,250	1,010,167
Advertising and marketing:					
In-kind	179,760	-	-	179,760	168,600
Other	63,312	97	11,364	74,773	70,445
Bad debt	900	-	-	900	2,180
Bank and credit card charges	18,692	469	62	19,223	20,650
Computer service	20,461	6,023	4,910	31,394	37,423
Conference and training	576	-	-	576	7,943
Contract services	17,880	2,824	2,235	22,939	52,200
Cost of goods sold	34,330	-	-	34,330	27,445
Depreciation	101,043	1,926	1,617	104,586	83,923
Events	-	-	19,330	19,330	41,240
Exhibits and maintenance	68,805	630	70	69,505	37,471
Fundraising	943	4	27,896	28,843	27,445
Interest	-	10,291	-	10,291	11,403
Insurance	12,423	3,444	2,537	18,404	18,294
Meetings and meals	1,502	612	1,795	3,909	5,652
Occupancy	77,823	7,003	695	85,521	71,139
Office	20,234	5,740	3,394	29,368	34,788
Outreach and special programs	32,047	-	800	32,847	26,795
Supplies	7,960	1,052	349	9,361	22,129
Staff development	7,587	2,192	734	10,513	5,345
Taxes:					
Property tax	-	-	-	-	4,915
Other	-	-	-	-	30
Transportation	20,359	58	69	20,486	7,297
Volunteer program	727	-	-	727	482
Total Expenses	\$ 1,593,896	\$ 173,349	\$ 272,591	\$ 2,039,836	\$ 1,795,401

See accompanying notes to consolidated financial statements.

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Consolidated Statement of Functional Expenses

Year Ended June 30, 2017

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
Compensation and Related Expenses:				
Compensation	\$ 652,932	\$ 60,430	\$ 148,551	\$ 861,913
Payroll tax	65,037	5,074	11,765	81,876
Employee benefits	29,104	1,852	5,821	36,777
Workers' compensation insurance	16,695	2,140	4,337	23,172
Service fees	4,336	1,525	568	6,429
Total	<u>768,104</u>	<u>71,021</u>	<u>171,042</u>	<u>1,010,167</u>
Advertising and marketing:				
In-kind	168,600	-	-	168,600
Other	65,454	266	4,725	70,445
Bad debt	200	90	1,890	2,180
Bank and credit card charges	19,828	372	450	20,650
Computer service	22,259	8,717	6,447	37,423
Conference and training	7,383	213	347	7,943
Contract services	29,040	19,530	3,630	52,200
Cost of goods sold	27,445	-	-	27,445
Depreciation	80,566	2,518	839	83,923
Events	-	-	41,240	41,240
Exhibits and maintenance	37,351	120	-	37,471
Fundraising	1,057	-	26,388	27,445
Interest	-	11,403	-	11,403
Insurance	12,175	3,179	2,940	18,294
Meetings and meals	1,438	715	3,499	5,652
Occupancy	55,659	12,707	2,773	71,139
Office	22,293	8,321	4,174	34,788
Outreach and special programs	25,893	21	881	26,795
Supplies	19,278	2,631	220	22,129
Staff development	4,372	940	33	5,345
Taxes:				
Property tax	-	4,915	-	4,915
Other	-	30	-	30
Transportation	7,297	-	-	7,297
Volunteer program	482	-	-	482
Total Expenses	<u>\$ 1,376,174</u>	<u>\$ 147,709</u>	<u>\$ 271,518</u>	<u>\$ 1,795,401</u>

See accompanying notes to consolidated financial statements.

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY**Consolidated Statements of Cash Flows**

Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities:		
Change in net assets	\$ 251,126	\$ 198,722
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	104,586	83,923
Forgiveness of advances payable	-	(200,000)
Changes in operating assets and liabilities:		
Accounts receivable	(74,497)	(680)
Pledges receivable	(200,907)	52,643
Grants receivable	44,300	(47,300)
Inventory	2,533	(3,370)
Prepaid expenses	(8,775)	1,375
Accounts payable	33,460	7,034
Unearned revenue	(4,714)	12,124
Payroll taxes payable	-	(9,847)
Accrued vacation	11,090	5,949
Accrued expenses - other	22,518	10,310
Net Cash Provided by Operating Activities	180,720	110,883
Cash Flows Used by Investing Activities:		
Purchases of property and equipment	(87,286)	(55,429)
Cash Flows Used by Financing Activities:		
Change on line of credit	-	(55,481)
Net Increase (Decrease) in Cash and Cash Equivalents	93,434	(27)
Cash and cash equivalents, beginning	64,115	64,142
Cash and cash equivalents, ending	\$ 157,549	\$ 64,115
Supplemental Cash Flow Information:		
Cash paid for interest	\$ 3,604	\$ 3,587

See accompanying notes to consolidated financial statements.

7

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2018 and 2017

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

San Diego Children's Discovery Museum (SDCDM) was incorporated as a non-profit corporation in January 2000. The mission of SDCDM is to inspire children to learn about our world through exploration, imagination, and experimentation. The Museum fills a community need by offering a wholesome, educational, and appealing gathering place and mobile experience for families, schools, libraries, and other groups that serve children. Programs and exhibits cultivate lifelong learning and develop diverse understandings of the world.

The Children's Discovery Museum Holdings, LLC (Holdings) was incorporated as a single-member LLC in July 2011 to hold SDCDM land, building, and improvements located at 320 North Broadway in Escondido, California.

Basis of Consolidation

The consolidated financial statements include the accounts of SDCDM and Holdings. SDCDM and Holdings are collectively referred to as the Museum. The effective date of consolidation was January 14, 2016. All significant inter-entity balances and transactions have been eliminated in consolidation.

Financial Statement Presentation

The Museum reports information regarding its financial position and activities according to the two classes of net assets: unrestricted net assets and temporarily 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 Museum may spend the funds.

The Museum had no permanently restricted net assets as of June 30, 2018 and 2017.

Use of Estimates

The preparation of consolidated 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.

Cash and Cash Equivalents

The Museum considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying amount of the Museum's cash and cash equivalents approximates fair value due to the short maturity of these investments.

Receivables

Pledges and grants receivable consist of unconditional promises to give. All pledges and grants receivable are recorded in the year promised at the present value of expected cash flows. Pledges receivable are from individuals, corporations, foundations, and governmental agencies. Accounts receivable arise in the normal course of business.

Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables and once these receivables are determined to be uncollectible, they are written-off through a charge against an existing allowance account or against earnings. Management has determined that no allowance for doubtful accounts is deemed necessary as of June 30, 2018 and 2017.

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2018 and 2017

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

Inventory

Inventory consists primarily of items for resale in the gift shop and is valued at the lower of cost (first-in, first-out method) and net realizable value.

Property and Equipment

Property and equipment owned by the Museum is stated at cost or at estimated fair value at date of gift, if donated, less accumulated depreciation and consists of land, building, office furniture, equipment, exhibits, and improvements. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Acquisitions of property and equipment plus all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful life of the asset are capitalized if above \$1,000. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of five to 39 years.

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 consolidated 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.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Museum with various programs. The services do not meet the criteria for recognition as a contribution, and are not reflected in the consolidated 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.

Membership revenue is recognized over the membership period.

Advertising

The Museum follows the policy of charging the costs of advertising to expense as incurred. During the years ended June 30, 2018 and 2017, SDCCDM received gift in-kind contributions of advertising valued at \$179,760 and \$168,800, respectively, which are reflected in the consolidated statements of activities and consolidated statements of functional expenses.

Income Tax Status

SDCCDM 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. Holdings is a single-member LLC. The Museum 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. In the opinion of management, there is no unrelated business income for the years ended June 30, 2018 and 2017.

The Museum follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Museum recognizes accrued interest and penalties associated with uncertain tax positions as part of the consolidated statement of activities, when applicable. Management has determined that the Museum has no uncertain tax positions at June 30, 2018 and 2017 and therefore no amounts have been accrued.

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2018 and 2017

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

Fair Value Measurements

The Museum 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 Museum applies fair value measurements to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles. Fair value measurements maximize the use of objective pricing techniques and minimize the use of subjective pricing techniques.

The carrying value of cash, receivables, other current assets, and payables approximate fair values as of June 30, 2018 and 2017, due to the relative short maturities of these instruments.

Concentrations

From time to time, the Museum has financial instruments, namely cash and cash equivalents, which potentially subject it to a concentration of credit risk. The Museum places its cash with high credit-quality financial institutions.

The Museum relies on contributions and grants and is subject to the economic risks that affect donors' and grantors' abilities to support the Museum. As of June 30, 2018, two entities accounted for approximately 96% of total pledges and grants receivable and as of June 30, 2017, two entities accounted for approximately 65% of total pledges receivable. For the year ended June 30, 2018, two entities accounted for approximately 27% of total revenue and support and for the year ended June 30, 2017, two entities accounted for 36% of total revenue and support.

Subsequent Events

The Museum has evaluated subsequent events through October 19, 2018, which is the date the consolidated financial statements were available to be issued.

Note 2 – Concentration of Credit Risk

The Museum 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 Museum maintains cash balances at several banks which, at times, may exceed the federal insurable limit. As of June 30, 2018 and 2017, no losses have occurred in the bank deposit accounts and management does not believe that the Museum is exposed to any significant credit risk on cash.

Note 3 – Pledges and Grants Receivable

Pledges and grants receivable consist of the following:

	2018		2017
	<u> </u>		<u> </u>
Due in one year or less	\$ 99,048	\$	147,887
Due after one year through nine years	345,042		37,315
	<u>444,090</u>		<u>185,202</u>
Less reduction in pledges for present value	(102,281)		-
	<u><u>\$ 341,809</u></u>	\$	<u><u>185,202</u></u>

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2018 and 2017

Note 3 – Pledges and Grants Receivable, continued

No allowance was considered necessary at June 30, 2018 and 2017 because management believes that all amounts are collectible. Discount was imputed for long term pledges at rates from 6% to 10% based on the deemed credit worthiness of the donor.

Note 4 – Property and Equipment

Property and equipment consists of the following:

	2018		2017
Building and improvements	\$ 1,188,258	\$	1,118,360
Land	749,240		749,240
Exhibits	235,194		231,278
Furniture and equipment	119,858		106,386
Vehicles	68,162		68,162
	<u>2,360,712</u>		<u>2,273,426</u>
Less accumulated depreciation	<u>(347,124)</u>		<u>(242,538)</u>
Property and equipment, net	<u>\$ 2,013,588</u>	\$	<u>2,030,888</u>

Note 5 – Restrictions on Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	2018		2017
Exhibits and Building	\$ 16,466	\$	21,010
Programs	76,802		103,731
Management	<u>10,735</u>		<u>13,809</u>
	<u>\$ 104,003</u>	\$	<u>138,550</u>

Note 6 – Line of Credit

For the years ended June 30, 2018 and 2017, the Museum had a \$100,000 unsecured bank revolving line of credit with an annual interest rate of prime plus 2.5%. There was no outstanding balance as of June 30, 2018 or 2017. Interest expense on the line of credit for the years ended June 30, 2018 and 2017 was \$3,604 and \$3,587, respectively. The Museum has secured a new bank line of credit for the year ended June 30, 2019 of \$150,000 with an annual interest rate of prime plus 2.25%.

Note 7 – Advances Payable - LRDF

The Linden Root Dickinson Foundation (LRDF) provided the Museum non-interest bearing cash advances totaling \$600,000 which were used to fund leasehold improvements and operating expenses. Since the Advance Agreement, dated July 19, 2011, LRDF has provided loan forgiveness in the amount of \$300,000, leaving a principal balance due of \$300,000 at June 30, 2018 and \$300,000 at June 30, 2017, respectively. While, the unsecured advances of \$300,000 are payable on July 19, 2019, LRDF has expressed its willingness to extend the due date as necessary.

SAN DIEGO CHILDREN'S DISCOVERY MUSEUM AND SUBSIDIARY

Notes to Consolidated Financial Statements

Years Ended June 30, 2018 and 2017

Note 7 – Advances Payable – LRDF, continued

Contributed interest of \$6,687 and \$7,816 for the years ended June 30, 2018 and 2017, was calculated using the AFR mid-term quarterly rates ranging from 1.18%-2.83%.

Note 8 – Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.



BOARD OF EDUCATION

Gary Altenburg, DDS
Joan Gardner
Zesty Harper
Joe Muga, Ph.D.
Doug Paulson

SUPERINTENDENT

Luis A. Rankins-Ibarra, Ed.D.

December 6, 2018

To Whom It May Concern,

On behalf of the Escondido Union School District (EUSD), it is my pleasure to provide a letter of support for San Diego Children's Discovery Museum's (SDCDM) pursuit of a grant to provide educational experiences to children throughout San Diego County. For several years, EUSD has collaborated with SDCCDM to provide mutually beneficial opportunities for students, families, and our community.

SDCCDM has been a valuable partner in providing hands-on educational support to EUSD students and helping to accomplish the District's educational goals. Our students have experienced curriculum-aligned exhibits and workshops in science, art, and world cultures through multiple touchpoints: school field trips, Mobile Children's Museum visits, and afterschool and summer school enrichment services. Many of these opportunities are made possible through scholarships from the Museum's supporters and other community partners. By experiencing the Museum's educational resources multiple times in elementary school, the students in our community, who are often learning a new language or living in families experiencing financial difficulties, receive long-term, supplemental support for their learning.

The Museum has made a profound impact to lives of students, teachers, and families in our community. We value any chance we have to work with SDCCDM to further the goals of both of our institutions and are delighted to recommend their work for a grant to make an even bigger impact throughout San Diego County.

Sincerely,

Leila Sackfield
Deputy Superintendent, Educational Services
lsackfield@eusd.org
760.432.2112

**CARILYN GILBERT
EDUCATION CENTER**

2310 Aldergrove Ave.
Escondido, CA 92029
Tel (760) 432-2400
www.eusd.org

Monika Tucker

From: Kjerstie Bourne <kjerstie.bourne@smusd.org>
Sent: Wednesday, November 28, 2018 12:40 PM
To: Monika Tucker
Cc: Julie Barbara
Subject: Re: San Diego Children's Discovery Museum Educational Opportunity

Follow Up Flag: Follow up
Flag Status: Completed

Hello Monika - Thank you for reaching out to us. My name is Kjerstie Bourne and I run the STEAM and Makerspace program here at Richland. In addition to our STEAM days and Makerspace days I also try to find one grade level learning enrichment per grade.

If funding is provided Richland would love to host the mobile museum here at our school. I do always try to provide the same experience and educational opportunities to every class in the grade level. This keeps our science and design education consistent so scaffolding of material can occur each year.

Please let me know if you are able to secure funding as we would love to have this experience for our students.

Thank You,

Kjerstie Bourne

STEAM and Makerspace Coordinator
Richland Elementary



On Wed, Nov 28, 2018 at 11:36 AM Julie Barbara <julie.barbara@smusd.org> wrote:

Maybe something for STEAM?

J

Julie C. Barbara
Principal
Richland Elementary School
(760) 290-2406



"It is vital that when educating our children's brains we do not neglect to educate their hearts." ~ Dalai Lama

----- Forwarded message -----

From: **Monika Tucker** <MonikaT@sdcdm.org>

Date: Wed, Nov 28, 2018 at 11:30 AM

Subject: San Diego Children's Discovery Museum Educational Opportunity

To: julie.barbara@smusd.org <julie.barbara@smusd.org>

Dear Ms. Julie Barbara ,

Over the last 4 years, San Diego Children's Discovery Museum has supported teachers throughout San Diego County with hands-on, educational workshops (aligned with state standards) in science, art, and world cultures through our Mobile Children's Museum.

I am reaching out to you as the Principal of Richland Elementary because we have the opportunity to apply for funding for Mobile Children's Museum visits through a local foundation based in San Marcos and are gathering interest to submit with our grant application. Should we receive funding, would you be interested in hosting Mobile Children's Museum workshops and exhibits at your school?

I would love to chat if you would like to learn more about our Mobile Children's Museum programs, which you can also learn about [here](#). We look forward to supporting your educational goals in the future!



MONIKA TUCKER

Education Manager of Mobile Children's Museum

San Diego Children's Discovery Museum
320 North Broadway • Escondido, CA 92025

Inspiring children to learn about our world through
exploration, imagination and experimentation.

> SDCDM.ORG > 760-233-7755 x1002 > MonikaT@sdcdm.org



--
Kjerstie Bourne
STEAM and Makerspace Coordinator
Richland Elementary



Monika Tucker

From: Stephanie Wallace <stephanie.wallace@smusd.org>
Sent: Wednesday, November 28, 2018 12:11 PM
To: Monika Tucker
Subject: Re: San Diego Children's Discovery Museum Educational Opportunity
Attachments: image002.png

Follow Up Flag: Follow up
Flag Status: Completed

Yes, we would be interested, thank you for thinking of us.

Stephanie Wallace
Principal

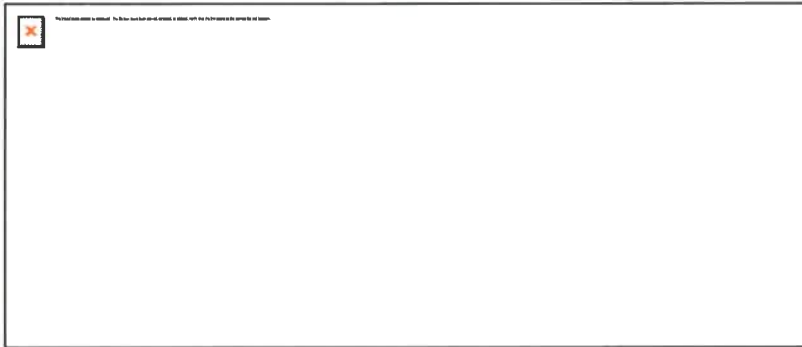
On Wed, Nov 28, 2018 at 11:32 AM Monika Tucker <MonikaT@sdcdm.org> wrote:

Dear Ms. Stephanie Wallace,

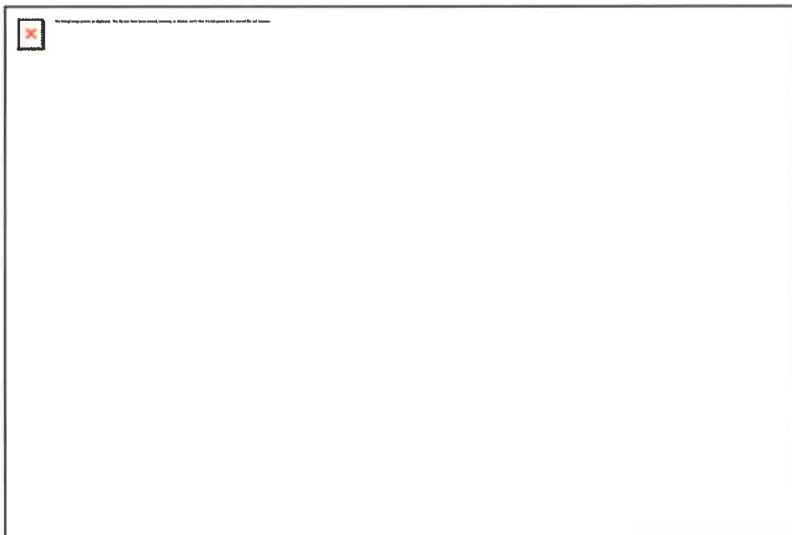
Over the last 4 years, San Diego Children's Discovery Museum has supported teachers throughout San Diego County with hands-on, educational workshops (aligned with state standards) in science, art, and world cultures through our Mobile Children's Museum.

I am reaching out to you as the Principal of San Marcos Elementary because we have the opportunity to apply for funding for Mobile Children's Museum visits through a local foundation based in San Marcos and are gathering interest to submit with our grant application. Should we receive funding, would you be interested in hosting Mobile Children's Museum workshops and exhibits at your school?

I would love to chat if you would like to learn more about our Mobile Children's Museum programs, which you can also learn about [here](#). We look forward to supporting your educational goals in the future!



> SDCDM.ORG > 760-233-7755 x1002 > MonikaT@sdcdm.org



--
Stephanie Wallace
Principal
San Marcos Elementary





December 27, 2018

Ms. Colleen R. Lukoff
San Marcos Community Foundation
One Civic Center
San Marcos, CA 92069

Dear Colleen and Members of the San Marcos Community Foundation

As the Fortissimo Orchestral Music Program proceeds through its fourth year we have a plan to grow the Program from 100 to 200 students during the 2018 – 2019 school year and add one more school to the Program. Your contributions and support for the duration of the program has been not only appreciated, but also directly contributed to our viability. The Program, as you know, is being offered as a transformation experience for student in low socio – economic circumstances at no cost to the student and is achieving its goal of improving student academic performance, improving attitudes and social behavior.

The partnership between Kid's College and the SMUSD continues to be funded by Kid's College with a target budget of \$150,000 for the 2018 – 2019 school year with \$40,000 raised to date. We hope that the San Marcos Community Foundation will, again, favorably consider our Grant Application so we may perpetuate the Program. I have met with our new Superintendent, Dr. Carmen Garcia who is enthusiastic about the Program and our new mayor, Rebecca Jones, has asked me to meet with her in January to see how she, and the City Council, might help.

Please feel free to contact me should you need additional information.

Sincerely,

Carole Beeson

Program Director/Founder Kid's College

Enclosures:

Grant Application

Grant Budget Worksheet

Fortissimo Orchestral Music Program Plan, 2018 – 2019

Form 990, 1st two pages/IRS 501©3 authorization

Kid's College Board of Directors

List of Contributors/Supportors

Current Financial Statement

Student Comments



SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page

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

Project Name: SMUSD/Kid's College Fortissimo Orchestral Music Program Date Submitted: 12/27/18	Total # of people served: 200 Total of San Marcos Residents served: 400	Amount Requested: \$ 7,000
Non-Profit Organization Name and Address, Website Kid's College 570 Rancheros Dr. Suite 270 San Marcos, CA 92069 www.thekidscollege.org		Contact Person – Name, Title & Phone, email Carole Beeso Program Director/Founder Kid's College (858) 922-7401 Cbeeson21@gmail.com

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

Our request for a grant this year is for the salary of one additional string instructor to support the beginning of a new group of 30 musicians from the San Marcos Unified School District Title I Elementary and Middle Schools. Please see the enclosed Fortissimo Program Plan for details.

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

We are beginning our 4th year of the first orchestral music in the San Marcos Unified School District. The impact of our program has been multi-dimensional. Student Academic and Social Behavior has improved, with higher self esteem and the self confidence that is earned by doing something difficult. Parents and friends have also been impacted with new pride in their student's ability as well as the gratitude to the school and community that has given them this chance. The result is higher parent participation in the school activities that they are now a part of. The program directly affects the 200 who will be participating by the end of this school year, additionally the 400 parents and even more family members, with several hundreds who will be attending their concerts. We have been told that our program and its emphasis on music has directly influenced the hiring of 12 new music teachers who instruct every student in the district during school the school day. We feel proud this impactful beginning.

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 (95-2939365)
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: 1/15 continuous

Date by which funds will be expended: 12/31/19

Signature of President or Authorized Officer

Candice Beeson 12/27/18
Name, Title Date
Program Director/Founder Kid's College

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): jimagee@san-marcos.net

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)

[illegible]**Total budget for this PROJECT:**

\$ 156,666

Grant Request Amount:

\$ 7,000

(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).

\$ 10,000 (Name of source) Hunter Advised

Fund ** C

\$ 6,000	(Name of source)	San Marcos Elementary
----------	------------------	-----------------------

School ** C

\$ 7,500 (Name of source) Nordson
Foundation ** P

\$ 5,000 (Name of source) Tippet
Foundation ** P

Please see enclosed list of Contributors/Supporters as of Decemeber 31, 2018



FORTISSIMO!

Program Plan - 2018/2019
Orchestral Music Program
San Marcos Unified School District
Title 1 K-8

Prepared By:
Kid's College/SMUSD

August, 2018
AGENDA ITEM
#3G

Table of Contents

I Goals

II Background

III Student/Community Benefits

IV Program Implementation

V Management/Staffing

VI Financial Projections - Estimate of Costs
(2018-2019)

VII Program Performance History

GOALS:

Goal 1

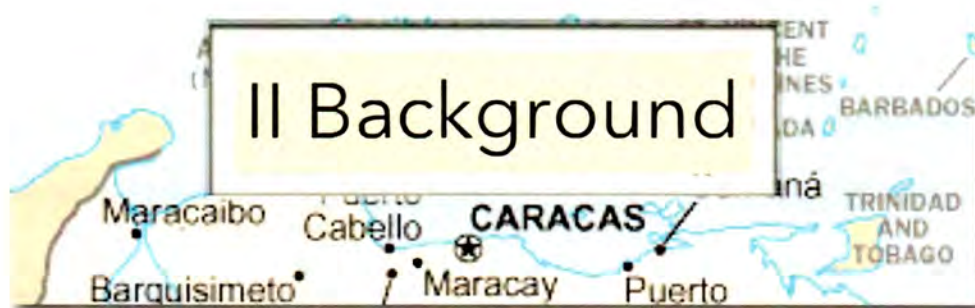
- Continue the implementation and expansion of the program in the San Marcos Unified School District Title I Elementary Schools modeled after the "El Sistema" program currently conducted in over 100 school districts in the United States.

Goal 2

- Create a transformational experience for students in low socio-economic circumstances at no cost to the students. Based on a foundation of music education guide and teach students in a collaborative team environment resulting in improved self-confidence, self-esteem, academic performance and social behavior.

Goal 3

- Develop partnerships within the community--public and private--including music organizations, universities, colleges and community leaders to support and promote the program.



El Sistema started 37 years ago in Caracas, Venezuela with 11 children gathered together to play music. It now teaches 300,000 children of Venezuela's poorest children with dramatic results, both for the children and their communities.

The results through learning to play music include self-esteem, teamwork, improved academic skills and positive behavior changes.

The founder, Dr. Jose Antonio Abreu, says:

"The huge spiritual world that music produces in itself ends up overcoming material poverty. From the minute a child's taught how to play an instrument he, or she, is no longer poor. He, or she, becomes a child in progress, heading for a professional level, who'll later become a contributing citizen."

This program is now worldwide with over 100 school districts participating in the United States. Southern California has programs in Los Angeles, Riverside, Pasadena, Temecula, and Chula Vista. We have collaborated with the six year old Chula Vista "Opus" project and San Diego Youth Symphony leadership in developing our model.

For a visual overview please google "El Sistema" 60 Minutes segment.

III Student/Community Benefits

Student Benefits:

Learning and playing music in an ensemble environment teaches cooperation, collaboration and discipline. These behaviors translate into improved academic performance and improved social behavior.

An equally important benefit is family engagement including booster clubs, liaison with other parents and deeper engagement in their students' education.



Community Benefits:

Performances by the students, both at school and in the community, strengthen neighborhoods and strengthen bonds between students, parents and other members of the community.

Community service with high school and college students fulfilling their "community service" requirements as coaches.

IV Program Implementation

Phase 1 (January 2015-June 2015)

Establish an orchestral music program at one SMUSD Title I school - GOAL ACHIEVED

- Joli Ann Leichtag

Grade Level - 3rd grade only (25 students) - Goal Achieved

Phase 2 (September 2015 - June 2016)

One school:

- Joli Ann Leichtag: 3rd and 4th grade - 45 students - Goal Achieved

Phase 3 (September 2016- June 2017)

Two schools - 4th and 5th grade at Joli Ann Leichtag and Twin Oaks Elementary 3rd grade - 70 students - Goal Achieved

Phase 4 (September 2017 - June 2018)

Four Schools - 4th and 5th Grade - Joli Ann Leichtag; 4th Grade - Twin Oaks Elementary, 3rd Grade - San Marcos Elementary; 6th Grade - San Marcos Middle School - Goal Achieved

Phase 5 (September 2018-June 2019)

Six Schools - 3rd, 4th, 5th grade at Joli Ann Leichtag, San Marcos Elementary and Twin Oaks - 3rd, 4th grade at Double Peak and Knob Hill - 6th and 7th grade at San Marcos Middle School

V Management/Staffing

The program will be sponsored and administered by Kid's College in partnership with the SMUSD. Kid's College will conduct the program within the Policies and Procedures of the SMUSD and the individual schools.

Program Director

Direct, coordinate and oversee all activities required to develop and implement the program, including instructor recruitment/selection, marketing, student/instructor administration, and liaison with all involved parties.

Instructors

Develop music curriculum, instruct students, and coach attitude/behavior.

Coaches

Assist Instructors before, during and after classes and performances as directed by the instructor





VI Financial Projections

Estimates of cost for the 2018-2019 school year (Phase 5) are based on this Program Plan and the following assumptions:

- Program to be conducted within the guidelines established between Kid's College and SMUSD.
- Student/Instructor Ratio 25:1
- Classes are 2 days per week; 2 hours per day
- Coaches and Volunteers - Palomar College, CSUSM, SMUSD High Schools community service
- Facility use fees waived by the SMUSD
- Kid's College to provide Instructors, Program Director, Coaches, Instruments (with maintenance) parent documentation, Marketing Materials and Website
- Instruments are available for 120 Students.

Estimates of Cost

FORTISSIMO COST PROJECTIONS 2018-2019 SCHOOL YEAR

Schools	JOLI ANN LEIGHTAG	TWIN OAKS	SAN MARCOS ELM	DOUBLE PEAK	SAN MARCOS MIDDLE SCHOOL	KNOB HILL	TOTAL
Students	25	50	75	25	30	25	230
Violins/Bows/Cases	4,485	4,485	4,485	Avail.	Avail.	4,485	17,940
Violas/Bows/Cases	2,625	2,625	2,625	Avail.	Avail.	2,625	10,500
Cellos/Bows/Cases	2,700	2,700	2,700	Avail.	Avail.	2,700	10,800
Instrument Maint.	1,962	1,962	2,943	981	1,130	981	9,959
Music Book	500	500	750	250	300	250	2,550
Program Director	6,000	6,000	6,000	3,000	- 0 -	1,500	22,500
Music Instructors	7,000	13,200	21,275	7,000	8,750	4,000	61,225
Coaches	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Music Stands	875	875	875	- 0 -	Avail.	875	3,500
T-Shirts	250	500	750	250	300	250	2,300
Tuners	125	250	375	125	150	125	1,150
(Accounting, Payroll, Insurance)	2,652	3,310	4,278	1,160	1,063	1,779	14,242
TOTAL	29,174	36,407	47,056	12,766	11,693	19,570	156,666

Unit Cost:

Instructors: \$40/Hr

Violins: \$299

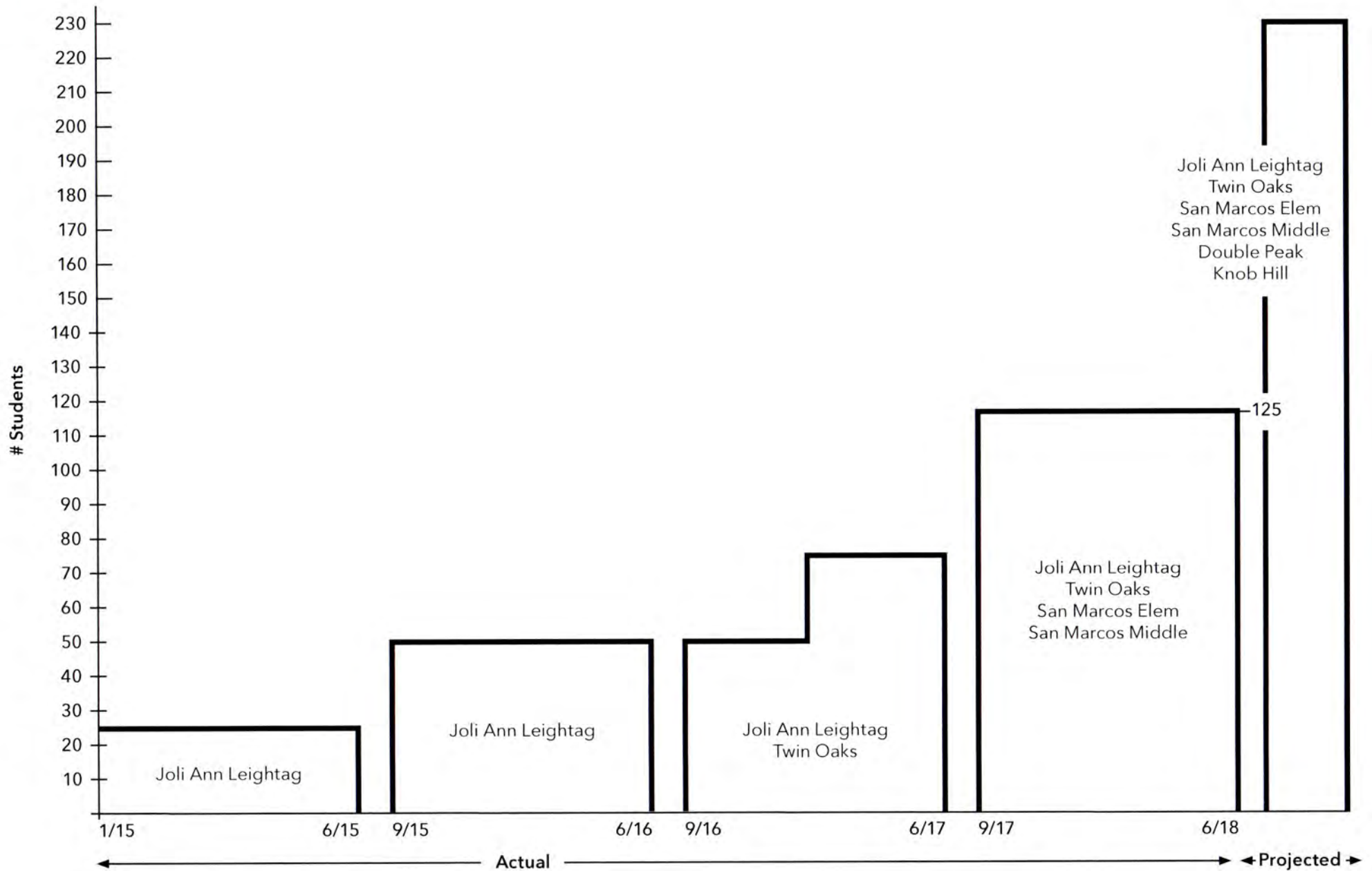
Violas: \$375

Instrument Repair/Tuning: 10% of Cost/Annual

Music Books: \$10

Music Stands: \$35

VII FORTISSIMO PROGRAM PERFORMANCE HISTORY



KID'S COLLEGE
BOARD OF DIRECTORS
December 1, 2018

Chairman of the Board: Joe Longo – Management Consultant, Businessman

Board Secretary: Tami Noorzay – Art Instructor

Board Members:

Carole Beeson – Founder/Program Director

Glenda Cuevas – Principal (Oceanside High School)

Joanne Tawfilis – Commissioner/Public Institution

Return of Organization Exempt From Income Tax

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.

Go to www.irs.gov/Form990 for instructions and the latest information.

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2017 calendar year, or tax year beginning

, 2017, and ending

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C
 KIDS COLLEGE
 570 RANCHEROS DRIVE #270
 SAN MARCOS, CA 92069

D Employer identification number

33-0933622

E Telephone number

760-798-4064

G Gross receipts \$ 298,664.

F Name and address of principal officer:

SAME AS C ABOVE

H(a) Is this a group return for subordinates?

Yes ☐ No ☒H(b) Are all subordinates included?
If "No," attach a list. (see instructions)Yes ☐ No ☐I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: THEKIDSCOLLEGE.ORG

H(c) Group exemption number

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

L Year of formation: 2002

M State of legal domicile: CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: PROVIDE QUALITY EDUCATIONAL ENRICHMENT PROGRAMS FOR ELEMENTARY AND MIDDLE SCHOOL CHILDREN FOCUSING ON VISUAL ART, PERFORMING ART, SCIENCE AND ENGINEERING, LIFE SKILLS AND FINANCIAL MANAGEMENT.		
	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	4
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	4
	5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	2
	6	Total number of volunteers (estimate if necessary)	6	40
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	76,258.	93,850.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	141,237.	204,808.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5.	6.
	12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	217,500.	298,664.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	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)	58,499.	91,558.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25)	17,072.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	184,394.	202,950.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	242,893.	294,508.
19	Revenue less expenses. Subtract line 18 from line 12	-25,393.	4,156.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	22,774.	26,930.
	22	Net assets or fund balances. Subtract line 21 from line 20	0.	0.

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		Date	
	ANN LITTLE		EXECUTIVE DIRECTOR	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed PTIN
	MARIO G. ORTEGA		11/10/18	P00232069
	Firm's name	Firm's EIN		
	ORTEGA & ASSOCIATES CPA	20-0311474		
	Firm's address	Phone no.		
	12526 HIGH BLUFF DRIVE, SUITE 300	(858) 623-2786		
	SAN DIEGO, CA 92130			

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 08/08/17

Form 990 (2017)

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:

PROVIDE QUALITY EDUCATIONAL ENRICHMENT PROGRAMS FOR ELEMENTARY AND MIDDLE SCHOOL CHILDREN FOCUSING ON VISUAL ART, PERFORMING ART, SCIENCE AND ENGINEERING, LIFE SKILLS AND FINANCIAL MANAGEMENT.

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 \$ 257,402. including grants of \$) (Revenue \$)

PROVIDED QUALITY EDUCATIONAL ENRICHMENT PROGRAMS FOR ELEMENTARY AND MIDDLE SCHOOL CHILDREN FOCUSING ON VISUAL ART, PERFORMING ART, SCIENCE AND ENGINEERING, LIFE SKILLS AND FINANCIAL MANAGEMENT.

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 257,402.

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

DEPARTMENT OF THE TREASURY

Date: **SEP 27 2006**

KIDS COLLEGE
18010 CALLE ESTEPONA
SAN DIEGO, CA 92128

Employer Identification Number:
33-0933622
DLN:
17053217704006
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 July 2002, 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.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

KID'S COLLEGE
BOARD OF DIRECTORS
December 1, 2018

Chairman of the Board: Joe Longo – Management Consultant, Businessman

Board Secretary: Tami Noorzay – Art Instructor

Board Members:

Carole Beeson – Founder/Program Director

Glenda Cuevas – Principal (Oceanside High School)

Joanne Tawfilis – Commissioner/Public Institution

FORTISSIMO
SAN MARCOS UNIFIED SCHOOL DISTRICT
ORCHESTRAL PROGRAM
TITLE I ELEMENTARY/SECONDARY
SCHOOLS
December 31, 2018

CONTRIBUTORS/SUPPORTERS:

- San Marcos Unified School District Superintendent/Board (Authorized program/advocates and provides logistical support)
- San Diego Youth Symphony (Advisors and the loan of any string instrument needed as well as training our teaches and consulting—instruments valued at \$12,000)
- Classics for Kids Foundation (\$5,000 matching grant received in Jan. 2014 for our own instruments)(\$2,000 matching grant in 2015)
- Supervisor Bill Horn Community Reinvestment grant (\$5,000match grant for instruments) received June 2014
- San Marcos Community Foundation (\$5,000 donation)(\$2,000 in 2015)
- Hitzke Development Corporation (\$500 donation)
- Altman Nursery (\$200 donation)
- San Marcos Kiwanis Club (Hosted a \$200 Kick off Luncheon)
- Cal State University San Marcos Center/Artes (Advisors and coaches)
- Palomar College Music Department (Music students will receive credit for serving as coaches)
- San Marcos Historical Society hosted fundraiser
- Kid's College (Program development)
- Stone Brewery fund raiser support - \$300
- San Marcos Arts Council \$750
- Greg and Betty Evans Family \$1,400
- Dr. Ingrid Sharpf \$250
- Mission Federal Credit Union \$2,500
- Hunter Family Advised Fund+ - \$10,000
- Jim Desmond - \$250

- Charlie/Jane McGee - \$2,000
- Kiwanis Lake San Marcos - \$500
- Steve/DeeDee Beeson - \$200
- David/Laura Collins - \$250
- James Meade - \$250
- Larry/Linda Loughnane - \$100
- Pinkas Family Foundation - \$5,000
- San Marcos Rotary Club - \$250
- Roberto Mendoza (Parent) - \$20
- Belem & Gael Medina (Parents) - \$44
- Aaron Eighmey Memorial Foundation - \$2,300
- Sunwest Bank - \$2,000

2016:

- Hunter Family Advised Fund+ - \$20,000 (1/16)
- Supervisor Bill Horn Community Reinvestment grant - \$5,000
- Jim Desmond - \$100
- Mission Federal Credit Union - \$1,500
- Aaron Eighmey Memorial Foundation - \$1,000
- Ann Moore Corley - \$300
- Susan Halfaker - \$300
- Lusardi - \$1,000
- Hunter Family Advised Fund+ - \$20,000 (7/16)
- Don/Lone Beeson - \$100
- Staples Foundation - \$3,000
- Classics for Kids - \$2,500
- Hunter Family Advised Fund+ - \$15,000
- Tippet Foundation - \$5,000

2017:

- Supervisor Bill Horn Community Reinvestment Act - \$10,000
- Don/Lone Beeson - \$100
- Greg and Betty Evans - \$1,300
- Classics for Kids - \$2,000
- Lusardi - \$1,000

- Nordson Foundation - \$2,000
- Hunter Family Advised Fund+ - \$20,000 (9/17)
- Carolyn Funes - \$500
- Pinkas Family Foundation - \$3,000
- Staples/Current Wisdom Foundations - \$1,500
- California Latino School Board Assoc. - \$250
- Lucia and Camillo Patrignani - \$1,000
- McGee Foundation - \$1,500
- Ruth Fountain - \$100
- Tony Poulis - \$100
- Tippet Foundation - \$5,000

2018:

- Supervisor Bill Horn Community Reinvestment Act - \$10,000
- Classics for Kids - \$2,500
- San Marcos Community Foundation - \$1,750
- Marty Faga - \$100
- Dr. James Beeson - \$500
- Aaron Eighmey Memorial Foundation - \$1,000
- Glenn Thomas - \$50
- Ruth Fountain - \$100
- Double Peak - \$1,500
- Hunter Family Advised Fund - \$10,000
- MTS Investments - \$500
- Nordson - \$5,000
- Lusardi - \$2,500
- Marlys Simmons - \$50
- Marion Gillette - \$50
- Glenn Thomas - \$95
- Arnstein Family - \$100
- Kris Smith Design - \$100
- Legoland - \$1,069
- Hunter Family Advised Fund - \$10,000
- San Marcos Elementary Fund - \$6,000
- Shirley Corley - \$25
- Rancho De Lu Cruz Bunko Group - \$375

- Ruth Fountain - \$100

Note: + indicates "at the Rancho Santa Fe Foundation"

Fortissimo Orchestra Program

						2019				
Revenue	August	September	October	November	December	January	February	March	Total	Notes
Actual		\$ 250.00	\$ 10,000.00		\$ 25.00					
Projected From the District										
Projected Fundraising										
Total Actual & Projected Revenue	\$ -	\$ 250.00	\$ 10,000.00	\$ -	\$ 25.00	\$ -	\$ -	\$ -	\$ 197,359.27	Total from November 2014 to present
10% of actual to Kid's College	\$ -	\$ 25.00	\$ 1,000.00	\$ -	\$ 2.50	\$ -	\$ -	\$ -	\$ 19,610.93	KC Portion - 10%
Total Donations to Fortissimo	\$ -	\$ 225.00	\$ 9,000.00	\$ -	\$ 22.50	\$ -	\$ -	\$ -	\$ 177,748.34	
Expenses										
Actual Expenses										
Fingerprinting										
Printing		\$ 237.37			\$ 133.34					
Personnel Costs	\$ 1,875.00	\$ 1,875.00	\$ 5,250.00	\$ 5,225.00						Personnel Costs paid in the following month (i.e. December hours paid in January)
Kid's College Personnel Time										
Materials		\$ 644.00								for new instruments and supplies
LEGOLAND Performance Tickets and Shirts										
WebFront End / Logo										
Other Fortissimo	\$ 456.50									
Total Actual Expenses	\$ 2,331.50	\$ 2,756.37	\$ 5,250.00	\$ 5,225.00	\$ 133.34	\$ -	\$ -	\$ -	\$ 172,396.63	
Projected Expenses										
Printing										
Personnel Costs					\$ 4,450.00	\$ 3,750.00				Estimate:
Kid's College Personnel Time										
Materials										
WebFront End / Logo										
Other Fortissimo										
Total Projected Expenses	\$ -	\$ -	\$ -	\$ -	\$ 4,450.00	\$ 3,750.00	\$ -	\$ -	\$ 8,200.00	
Total Actual & Projected Expenses	\$ 2,331.50	\$ 2,756.37	\$ 5,250.00	\$ 5,225.00	\$ 4,583.34	\$ 3,750.00	\$ -	\$ -	\$ 180,596.63	
Net	\$ (2,331.50)	\$ (2,531.37)	\$ 3,750.00	\$ (5,225.00)	\$ (4,560.84)	\$ (3,750.00)	\$ -	\$ -	\$ (2,848.29)	
Rolling	\$ 9,468.92	\$ 6,937.55	\$ 10,687.55	\$ 5,462.55	\$ 901.71	\$ (2,848.29)	\$ (2,848.29)	\$ (2,848.29)		



MINUTES

SAN MARCOS COMMUNITY FOUNDATION GRANT FUNDING SUBCOMMITTEE SPECIAL MEETING

Wednesday, November 7, 2018

San Marcos Conference Room, 1 Civic Center Drive

CALL TO ORDER

Recording Secretary Magee called the meeting to order at 4:30p.m. and adjourned until 6:00p.m.

President Lukoff called the meeting to order at 6:00 p.m.

ROLL CALL:

PRESENT: BOARD MEMBERS: DAVIS, LUKOFF
ABSENT: BOARD MEMBERS: NUTALL

ALSO PRESENT: Program Manager Julie Magee and Office Specialist II Joseline Cadima.

OLD BUSINESS

1. GRANT AWARD HISTORY – Noted and filed.

NEW BUSINESS

2. MINI GRANT APPLICATION PROPOSAL

Board members discussed four mini grant requests:

A). Operation Hope-Vista, requested \$1,500.00 to purchase consumable paper goods and 60 single day bus passes; Program Manager Magee noted that an amount of \$300.00 was awarded during the October 10, 2018 GFC meeting and that this item is being included once again for the purpose of being recognized in the motion of approval by the committee.

B). Brother Bennos-North County San Diego, requested \$1,500.00 to purchase diapers for families experiencing homelessness.

C). Muscular Dystrophy Association-San Diego, requested \$1,500.00 to fund summer camp activities for children with muscular dystrophy and related muscle debilitating diseases.

D). Woodland Park Middle School Music Booster Club San Marcos, requested \$1,500.00 to purchase instructional music books and repairs to school-issued instruments.



BOARD MEMBER DAVIS MOVED TO AWARD \$1,500.00 TO BROTHER BENNO-NORTH COUNTY SAN DIEGO, \$1,500.00 TO WOODLAND PARK MIDDLE SCHOOL BOOSTER CLUB; AND TO DECLINE OPERATION HOPE-VISTA AND TO MUSCULAR DYSTROPHY OF SAN DIEGO. SECONDED BY PRESIDENT LUKOFF. MOTION PASSED BY UNANIMOUS VOICE VOTE.

AYES: BOARD MEMBERS: DAVIS, LUKOFF
NOES: BOARD MEMBERS: NONE
ABSENT: BOARD MEMBERS: NUTTALL
ABSTAIN: BOARD MEMBERS: NONE

3. REGULAR GRANT APPLICATION PROPOSALS

A). Alzheimer's San Diego, requested \$5,000.00 to provide dementia education in San Marcos.

B). North County Health Services, requested \$5,000.00 to purchase camera for the provision of diabetic retinopathy screening to prevent blindness.

C). Komen San Diego, requested \$3,877.00, to provide mobile mammogram screening event.

D). Jacobs & Cushman San Diego Food Bank requested \$10,000.00 to provide emergency food relief at the North County Food Bank

E). San Marcos Prevention Coalition, requested \$9,750.00 to purchase t-shirts, tablecloths, display boards, computers and printer toners for youth outreach events.

PRESIDENT LUKOFF MOVED TO RECOMMEND THE FOLLOWING GRANT AMOUNTS TO THE FULL FOUNDATION BOARD FOR CONSIDERATION AT ITS NEXT MEETING: \$0.00 TO ALZHEIMER'S SAN DIEGO, \$5,000.00 TO NORTH COUNTY HEALTH SERVICES, \$0.00 TO KOMEN SAN DIEGO, \$3,000.00 TO JACOB & CUSHMAN SAN DIEGO FOOD BANK, \$3,000.00 TO SAN MARCOS PREVENTION COALITION. SECONDED BY BOARD MEMBER DAVIS. MOTION PASSED BY UNANIMOUS VOICE VOTE.

AYES: BOARD MEMBERS: DAVIS, LUKOFF
NOES: BOARD MEMBERS: NONE
ABSENT: BOARD MEMBERS: NUTTALL
ABSTAIN: BOARD MEMBERS: NONE

CONSENT CALENDAR

MOVED BY PRESIDENT LUKOFF, SECONDED BY BOARD MEMBER DAVIS, TO APPROVE THE CONSENT CALENDAR.

AYES: BOARD MEMBERS: DAVIS, LUKOFF
NOES: BOARD MEMBERS: NONE



ABSENT: BOARD MEMBERS: NUTALL
ABSTAIN: BOARD MEMBERS: NONE

WAIVER OF TEXT – Waived

APPROVAL OF MINUTES – Approved - SMCF Grant Funding Subcommittee Meeting minutes of October 1, 2018.

ORAL COMMUNICATIONS

Dimitris Magemeneas, San Marcos Mega GamePlex Inc., provided an update on his organization's multi-use sports, recreation and convention center that is proposed to be built in the City of San Marcos; and noted his intent to apply for a future mini and/or regular grant through the San Marcos Community Foundation.

ITEMS FOR THE GOOD OF THE ORDER

NEXT MEETING DATE – The next meeting of the SMCF Board of Directors is scheduled for Tuesday, November 20, 2018 at 6:00 pm. The next meeting of the Grant Funding Subcommittee is scheduled for Wednesday, January 9, 2019 at 6:00 pm.

MISCELLANEOUS – President Lukoff noted that the current GFC group will have to attend the January 9, 2019 GFC meeting due to the three vacancy seats in the commission that will not be filled until late January of 2019.

ADJOURNMENT

MOVED BY BOARD MEMBER DAVIS, SECONDED BY PRESIDENT LUKOFF TO ADJOURN THE MEETING AT 6:37 PM. MOTION PASSED BY UNANIMOUS VOICE VOTE.

Colleen Lukoff, Board President

ATTEST:

Julie Magee, Recording Secretary