

SAN MARCOS COMMUNITY FOUNDATION GRANT FUNDING SUBCOMMITTEE MEETING AGENDA

Wednesday, February 9, 2022 – 6:00 PM

Virtual Meeting

Pursuant to Governor Newsom's State of Emergency Proclamation issued with respect to the COVID-19 pandemic, this San Marcos Community Foundation will be conducted utilizing teleconferencing and electronic means. In the interest of reducing the spread of COVID 19, members of the public may only view the meeting online, and may not be present in the San Marcos Room. Click on the following link for the joining the meeting - <https://global.gotomeeting.com/join/615500373> or call [1 877 309 2073](tel:18773092073) using access code 615-500-373.

Public Comment: To submit a public comment at the San Marcos Community Foundation meeting, please email cityclerk@san-marcos.net and write "Public Comment" in the subject line, or identify the number of the Agenda item on which you are commenting. In the body of the email, include the item number and/or title of the item as well as your comments. Email comments on matters not on the agenda must be submitted prior to the time the Board President calls the Oral Communications item. Email comments on any agenda item must be submitted prior to the time the Board President closes public comments on the agenda item. Please be advised that all emailed comments are subject to the same rules as would otherwise apply to speaker comments at any Community Foundation meeting, and that electronic comments on agenda items for this meeting may only be submitted by email. Comments via text message and/or social media (Facebook, Twitter, Instagram, etc.), will not be accepted.

The Board Secretary will read all email comments, provided that the reading will not exceed five (5) minutes, or such other time as the Board may provide, consistent with its ability to set time parameters for public comment at a Board meeting. If persons submitting comments do not want their comment to be read out loud at the meeting (not to exceed five minutes), they should note "Do Not Read Out Loud at Meeting" at the top of the email. All emailed comments received by 4:00 pm will be provided to the Board Members and included as "Supplemental Information" on the City's website prior to the meeting. Those comments received after 4:00 pm and prior to the close of public comment on the applicable agenda item will be added to the record and will be shared with the Board Members at the meeting.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the Board Secretary at (760) 744-1050, ext. 3100. 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.

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 after distribution of the agenda packet are available for public inspection at the same time at the Administration department.

CALL TO ORDER

ROLL CALL

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**

NEW BUSINESS

1. **MINI GRANT APPLICATION PROPOSALS** – Consider one proposal from non-profit organizations requesting Foundation funds.
 - a. **Pro Kids, First Tee - San Diego** - \$1,500 request to support offsite golf experiences, community golf clinics and field trips for members. **CONSIDER/APPROVE**
2. **REGULAR GRANT APPLICATION PROPOSALS** – Consider six proposals from non-profit organizations requesting Foundation funds.
 - a. **Alzheimer's San Diego** - \$5,000 request for phone support for residents suffering from Alzheimers and Dementia. **CONSIDER/RECOMMEND**
 - b. **Classics 4 Kids** - \$2,500 request to provide educational programs and present three live shows of our educational program, STEAM: Pattern Play Trio in one day. **CONSIDER/RECOMMEND**
 - c. **The Elizabeth Hospice** - \$10,000 request to grief counseling to families. **CONSIDER/RECOMMEND**
 - d. **Fresh Start Surgical Gift s-** \$5,000 request to support surgical services to disadvantage infants, children and teens with physical deformities or other healthcare needs. **CONSIDER/RECOMMEND**
 - e. **Neighborhood Healthcare** - \$10,000 request to purchase waiting room furniture for a new Neighborhood Health Center in San Marcos. **CONSIDER/RECOMMEND**

ORAL COMMUNICATIONS –

Speakers are limited to five minutes. 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 SMCF Board is scheduled for Tuesday, February 15, 2022.

MISCELLANEOUS

ADJOURNMENT

AFFIDAVIT OF POSTING

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

I, Phil Scollick, 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 3, 2022, prior to 5:30 pm.



Phil Scollick, Recording Secretary

Winter Quarter Grant Requests 2021-22

Asset Balance on 6/30/2021: \$1,554,855
 Total Available for Distribution for FY 2021-22: \$62,194 - \$77,743
 Total FY 2021-22 Distributions Year to Date: \$ 34,250
 Total Funds Available for Quarter if Awarding Grants at 4% of Assets: \$ 15,549
 Total Funds Available for Quarter if Awarding Grants at 5% of Assets: \$ 19,436

Nonprofit	Program	# San Marcos Residents Served	Summary	Lead	Request	Recommend	Approved
			Mini-grants				
Pro Kids, First Tee - San Diego	Offsite golf experiences	10	request to support offsite golf experiences, community golf clinics and field trips for members		\$1,500		
Tech-Angels	Tech-Angels	500	Purchase of 20 lightly used iPads to donate to nursing homes in San Marcos		\$1,500	\$ 1,500	
San Marcos Youth Baseball	SMYB Aztecs to Cooperstown	46	Support expenses for 11 players to travel to Cooperstown to represent San Marcos		\$1,337	\$ 1,337	
			Regular Grants				
Alzheimer's San Diego	Phone Support	55	Phone Support for residents suffering from Alzheimers and Dementia		\$5,000	\$ 3,000	
Classics 4 Kids	Equal Access to Music Education in San Marcos	375	Classics 4 Kids (C4K) will provide educational programs and present three live shows of our educational program, STEAM: Pattern Play Trio in one day		\$2,500	\$ 2,500	
The Elizabeth Hospice	Grief Support Services	346	Any person grieving the death of someone dear to them can rely on The Elizabeth Hospice for bereavement support regardless of their ability to pay or how or when their loved one died.		\$10,000	\$ 3,000	
Fresh Start Surgical Gifts	Surgery Weekend Program	?	Provides surgical services to disadvantage infants, children and teens with physical deformities or other healthcare needs.		\$5,000	\$ 2,000	
Neighborhood Healthcare	San Marcos Medical Center	3000	used to purchase waiting room furniture for a new Neighborhood Health Center		\$10,000	\$ 3,000	
			Totals		\$36,837	\$16,337	\$0



Jewish Community Foundation of San Diego

Performance Evaluation Report

December 31, 2021

welcome to brighter

Jewish Community Foundation of San Diego

Asset Allocation & Performance

December 31, 2021



	Asset \$	Performance									
		1 Month	QTD	CYTD	Fiscal YTD	1 Year	3 Year	5 Year	10 Year	Inception	Inception Date
Endowment Pool	190,663,090	2.40	2.92	12.47	2.72	12.47	14.16	10.50	8.39	6.95	Jul-2008
<i>Endowment Pool Policy Index</i>		2.95	4.56	13.72	4.48	13.72	14.35	10.01	8.23	6.48	
Long Term ESG Focused Pool	71,449,636	3.48	4.73	10.59	3.55	10.59	14.19	10.39	8.39	7.16	Jul-2003
<i>Long Term ESG Focused Pool Policy Index</i>		2.88	4.20	11.44	3.49	11.44	14.90	10.44	8.28	7.18	
Long Term Index Pool	51,638,016	2.87	4.41	12.37	3.25	12.37	16.19	11.38	-	8.10	Jul-2014
<i>Index Pool Policy Index</i>		3.03	4.40	12.46	3.59	12.46	16.38	11.42	-	8.12	
Impact Investment Pool	15,457,676	3.09	6.40	15.20	6.40	15.20	16.59	-	-	11.31	Aug-2017
<i>Impact Investment Pool Policy Index</i>		2.91	5.59	14.31	5.81	14.31	15.68	-	-	10.11	
Mid Term Pool	31,999,723	0.88	1.16	3.22	0.93	3.22	8.11	6.08	4.73	5.14	Jul-2003
<i>Mid Term Pool Policy Index</i>		0.84	1.54	3.37	1.59	3.37	8.24	5.92	4.78	5.39	
Short Term Pool	48,968,252	0.00	0.01	0.05	0.01	0.05	1.09	1.09	0.70	1.36	Jul-2003
<i>Short Term Pool Policy Index</i>		0.01	0.01	0.05	0.03	0.05	0.99	1.14	0.63	1.26	
Total Assets	410,176,393										

Asset Allocation

Endowment Pool

Asset Class	Minimum	Maximum	Current
Growth Assets	60.0%	90.0%	76.3%
U.S. Equity	10.0%	35.0%	32.5%
International Equity	5.0%	25.0%	17.4%
Emerging Markets Equity	0.0%	15.0%	8.2%
Total Public Equity	20.0%	70.0%	58.0%
Private Equity	0.0%	25.0%	3.7%
Private Debt	0.0%	15.0%	1.4%
Private Real Estate	0.0%	15.0%	3.4%
Growth Fixed Income	0.0%	15.0%	4.8%
Other (Liquid) Real Assets	0.0%	15.0%	4.9%
Total Private/Real Assets/Growth Fixed Income	0.0%	55.0%	18.2%
Risk Reduction Assets	10.0%	40.0%	23.7%
Defensive Fixed Income	5.0%	40.0%	11.5%
Defensive Hedge Funds	5.0%	30.0%	11.8%
Cash	--	--	0.3%

Long Term ESG Focused Pool

Asset Class	Minimum	Maximum	Current
Growth Assets	60.0%	90.0%	75.1%
U.S. Equity	20.0%	50.0%	36.4%
International Equity	10.0%	35.0%	18.2%
Emerging Markets Equity	0.0%	20.0%	11.1%
Total Public Equity	40.0%	90.0%	65.6%
Growth Fixed Income	0.0%	15.0%	6.0%
Other (Liquid) Real Assets	0.0%	10.0%	3.5%
Total Growth Fixed Income & Real Assets	0.0%	20.0%	9.5%
Risk Reduction Assets	10.0%	40.0%	24.9%
Defensive Fixed Income	10.0%	40.0%	24.9%
Global Fixed Income	0.0%	15.0%	0.0%
Cash	--	--	0.0%

Short Term Pool

Asset Class	Minimum	Maximum	Current
Cash, Cash Equivalents, CDs	100%	100%	100%

*Totals may not sum due to rounding

Asset Allocation

Impact Pool

Asset Class	Minimum	Maximum	Current
Growth Assets	50.0%	90.0%	73.6%
U.S. Equity	25.0%	55.0%	54.4%
International Equity	0.0%	30.0%	18.4%
Total Public Equity	20.0%	70.0%	72.7%
Private Equity	0.0%	20.0%	0.3%
Private Debt	0.0%	20.0%	0.6%
Total Private Assets	0.0%	40.0%	0.9%
Risk Reduction Assets	10.0%	50.0%	26.4%
Defensive Fixed Income	10.0%	50.0%	19.1%
Global Fixed Income	0.0%	15.0%	0.8%
Cash	--	--	6.5%

Mid Term Pool

Asset Class	Minimum	Maximum	Current
Growth Assets	10.0%	35.0%	25.2%
U.S. Equity	5.0%	30.0%	11.2%
International Equity	4.0%	25.0%	6.7%
Emerging Markets Equity	0.0%	15.0%	2.2%
Total Public Equity	10.0%	35.0%	20.1%
Liquid Real Assets	0.0%	15.0%	5.0%
Total Real Assets	0.0%	15.0%	5.0%
Risk Reduction Assets	65.0%	90.0%	74.8%
Defensive Fixed Income	30.0%	90.0%	59.9%
Global Fixed Income	0.0%	30.0%	15.0%
Cash	--	--	0.0%

Long Term Index Pool

Asset Class	Minimum	Maximum	Current
Growth Assets	50.0%	90.0%	75.1%
U.S. Equity	20.0%	60.0%	41.2%
International Equity	5.0%	40.0%	24.0%
Emerging Markets Equity	0.0%	20.0%	9.9%
Total Public Equity	50.0%	90.0%	75.1%
Risk Reduction Assets	10.0%	50.0%	24.9%
Defensive Fixed Income	10.0%	50.0%	24.9%
Cash	--	--	0.0%

*Totals may not sum due to rounding

Jewish Community Foundation of San Diego - Endowment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Total Portfolio	190,663,090	100.0	2.40	2.92	12.47	12.47	14.16	10.50	8.05	8.39	6.95	Jul-2008
Endowment Pool Policy Index			2.95	4.56	13.72	13.72	14.35	10.01	7.72	8.23	6.48	
CPI + 5%			0.72	2.88	12.39	12.39	8.71	8.07	7.61	7.24	6.90	
Growth Assets	145,528,441	76.3	3.01	3.63	15.84	15.84	18.56	13.46	10.28	-	-	Jun-2012
Total Public Equity	110,676,293	58.0	3.56	4.35	16.47	16.47	20.23	14.53	11.14	11.54	11.54	Jan-2012
MSCI AC World IMI (Net)			3.97	6.10	18.22	18.22	20.20	14.12	10.81	11.84	11.84	
Global Equity	53,883,527	28.3	3.91	5.44	18.16	18.16	21.56	15.69	12.10	-	13.02	Jul-2012
Harding Loevner Global Equity Inst (HLMVX)	18,717,143	9.8	1.41	4.31	14.88	14.88	24.37	17.90	13.67	13.84	13.50	Jul-2012
MSCI AC World Index (Net)			4.00	6.68	18.54	18.54	20.38	14.40	10.90	11.85	11.86	
Dodge & Cox Global Stock (DODWX)	16,560,607	8.7	4.76	3.28	20.75	20.75	16.61	10.97	8.86	12.07	12.01	Jul-2012
MSCI AC World Index Value (Net)			6.24	6.28	19.62	19.62	12.86	8.69	6.95	8.82	8.79	
Walter Scott Dreyfus Global Stock I (DGLRX)	18,605,777	9.8	5.85	8.43	17.77	17.77	22.16	17.36	13.10	13.15	13.03	Jul-2012
MSCI AC World Index Growth (Net)			1.87	6.95	17.10	17.10	27.58	19.92	14.63	14.70	14.75	
US Equity Composite	32,295,330	16.9	4.07	7.93	22.69	22.69	21.49	15.50	12.61	-	16.41	Jul-2012
Russell 3000 Index			3.94	9.28	25.66	25.66	25.79	17.97	14.55	16.30	16.14	
Large Cap Equity	16,037,284	8.4	4.48	11.02	25.84	25.84	22.71	17.17	13.57	-	14.84	Jul-2012
Fidelity 500 Index Fund (FXAIX)	16,037,284	8.4	4.48	11.02	28.69	28.69	26.06	18.46	14.93	16.54	14.27	Jun-2021
S&P 500			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	14.28	
SMID Cap Equity	6,978,371	3.7	1.42	1.56	8.56	8.56	23.47	18.90	14.98	-	15.58	Jul-2012
William Blair (WSMDX)	6,978,371	3.7	1.42	1.56	8.56	8.56	23.40	18.86	14.95	16.46	15.59	Jul-2013
Russell 2500 Growth Index			0.49	0.20	5.04	5.04	25.09	17.65	13.78	15.75	14.71	
Russell 2500 Index			3.28	3.82	18.18	18.18	21.91	13.75	11.74	14.15	12.69	
Small Cap Equity	9,279,675	4.9	5.66	7.28	33.58	33.58	18.57	8.82	8.52	-	11.97	Jul-2012
Victory Integrity Small-Cap Value Y (VSVIX)	9,279,675	4.9	5.66	7.28	33.58	33.58	18.50	8.77	8.48	11.80	11.94	Jul-2012
Russell 2000 Value Index			4.08	4.36	28.27	28.27	17.99	9.07	9.45	12.03	11.77	
Russell 2000 Index			2.23	2.14	14.82	14.82	20.02	12.02	10.76	13.23	13.00	

Jewish Community Foundation of San Diego - Endowment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
International Developed	11,523,816	6.0	4.61	1.66	14.24	14.24	15.75	10.16	8.91	-	10.05	Jul-2012
MSCI EAFE (Net)			5.12	2.69	11.26	11.26	13.54	9.55	6.76	8.03	8.14	
DFA International Small Company I (DFISX)	11,523,816	6.0	4.61	1.66	14.24	14.24	15.74	10.23	8.96	9.97	10.09	Jul-2012
MSCI EAFE Small Cap (Net)			4.36	0.07	10.10	10.10	15.62	11.04	9.52	10.80	10.84	
Emerging Markets Equity	12,973,620	6.8	-0.05	-6.07	-3.60	-3.60	15.01	11.92	7.31	-	6.45	Jul-2012
MSCI Emerging Markets (Net)			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	5.36	
Touchstone Sands Cptl Emerg Mkts (TSEGX)	6,663,702	3.5	-3.77	-11.78	-10.00	-10.00	20.48	16.00	9.94	-	14.23	Jun-2016
MSCI Emerging Markets (Net)			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	10.43	
Wells Fargo Emerging Markets Equity (EQIIX)	6,309,917	3.3	3.93	0.32	3.12	3.12	9.14	7.56	4.56	-	7.73	Jun-2016
MSCI Emerging Markets (Net)			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	10.43	
Private Equity	7,136,433	3.7	0.00	0.00	20.56	20.56	-	-	-	-	13.17	Jul-2019
MSCI World (Net)			4.27	7.77	21.82	21.82	21.70	15.03	11.53	12.70	18.88	
Glouston Capital Partners	174,396	0.1	0.00	0.00	40.49	40.49	11.60	9.24	7.65	-	9.94	Jul-2012
Vista Equity Partners VII	2,650,908	1.4	0.00	0.00	20.36	20.36	-	-	-	-	9.03	Mar-2019
Apollo Investment Fund IX	1,149,696	0.6	0.00	0.00	38.06	38.06	-	-	-	-	17.53	Apr-2019
Spur Ventures VI	621,094	0.3	0.00	0.00	23.34	23.34	-	-	-	-	4.79	Jul-2019
Apax X	1,068,628	0.6	0.00	0.00	23.41	23.41	-	-	-	-	337.24	Dec-2020
One Rock Capital Partners III	569,898	0.3	0.00	0.00	-	-	-	-	-	-	-2.12	Jul-2021
Sweetwater Private Equity III	901,813	0.5	0.00	0.00	-	-	-	-	-	-	-5.03	Sep-2021

Jewish Community Foundation of San Diego - Endowment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Growth Fixed Income Composite	9,165,068	4.8	1.10	0.17	2.60	2.60	-	-	-	-	7.38	Jun-2020
<i>Blmbg. U.S. Corporate Investment Grade Index</i>			-0.08	0.23	-1.04	-1.04	7.59	5.26	4.51	4.70	3.48	
PIMCO Income Fund Institutional Class (PIMIX)	9,165,068	4.8	1.10	0.17	2.61	2.61	5.46	5.08	5.24	6.97	7.67	Jun-2020
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	0.22	
Private Debt Composite	2,759,976	1.4	0.00	0.00	8.73	8.73	11.20	10.12	-	-	9.63	Jun-2016
<i>Blmbg. U.S. Corporate Investment Grade Index</i>			-0.08	0.23	-1.04	-1.04	7.59	5.26	4.51	4.70	4.84	
Golub Capital BDC 3	1,833,650	1.0	0.00	0.00	2.31	2.31	-	-	-	-	3.42	Sep-2020
GEMS Fund 5 International	926,326	0.5	0.00	0.00	11.22	11.22	-	-	-	-	21.48	Oct-2020
Liquid Real Assets	9,267,047	4.9	4.02	4.65	17.34	17.34	12.34	7.56	4.21	-	4.21	Jan-2015
Principal Diversified Real Asset (PDRDX)	9,267,047	4.9	4.02	4.65	17.34	17.34	11.95	7.32	4.05	4.38	4.05	Jan-2015
<i>Real Assets Custom Benchmark</i>			3.35	3.05	18.60	18.60	9.88	5.84	3.78	3.15	3.78	
Private Real Assets	6,523,626	3.4	0.00	0.00	21.45	21.45	9.16	8.81	-	-	13.39	Jul-2016
<i>FTSE NAREIT Equity REIT Index</i>			8.83	16.31	43.24	43.24	18.41	10.75	9.32	11.38	8.86	
Apollo Natural Resources II L.P.	853,249	0.4	0.00	0.00	36.61	36.61	4.37	5.49	-	-	10.26	Jul-2016
WHI Real Estate Partners IV	1,161,096	0.6	0.00	0.00	18.82	18.82	16.56	-	-	-	14.91	Nov-2017
Brookfield Strategic Real Estate Partners III	2,411,838	1.3	0.00	0.00	11.32	11.32	-	-	-	-	5.96	May-2019
Apollo Natural Resources Partners III, L.P.	797,993	0.4	0.00	0.00	113.96	113.96	-	-	-	-	-368.90	Jan-2020
Related Real Estate Fund III	744,280	0.4	0.00	0.00	10.80	10.80	-	-	-	-	17.01	Aug-2020
Bain Capital Real Estate Fund II	555,169	0.3	0.00	0.00	-	-	-	-	-	-	0.00	Oct-2021

Jewish Community Foundation of San Diego - Endowment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Risk Reduction Assets	45,134,648	23.7	0.44	0.60	2.75	2.75	5.14	4.35	3.40	-	-	Jul-2008
Defensive Fixed Income	21,962,402	11.5	-0.32	-0.12	-1.79	-1.79	4.17	3.21	2.52	3.12	4.47	Jul-2008
<i>Bloomberg U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	3.94	
Fidelity U.S. Bond Index Fund (FXNAX)	21,962,402	11.5	-0.32	-0.12	-1.79	-1.79	4.72	3.52	2.96	2.86	-0.85	Sep-2020
<i>Bloomberg U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	-0.71	
Defensive Hedge Funds	22,523,111	11.8	1.18	1.30	6.83	6.83	6.99	5.53	4.24	4.96	3.29	Jul-2008
<i>HFRI FOF: Conservative Index</i>			0.61	0.47	7.38	7.38	6.71	4.64	3.62	4.03	2.18	
Magnitude International Class A	12,632,709	6.6	0.96	1.94	9.42	9.42	8.34	6.81	5.26	5.63	5.61	Sep-2012
BlackRock Tempus	832,856	0.4	6.16	2.60	-0.11	-0.11	-2.45	-2.23	-1.47	0.92	0.46	Sep-2012
HG Vora	153,935	0.1										
Davidson Kempner	2,812,510	1.5	0.20	0.08	6.97	6.97	7.25	-	-	-	5.95	Apr-2018
<i>HFRI Fund Weighted Composite Index</i>			1.24	0.52	10.26	10.26	10.84	7.09	5.64	5.79	7.20	
Capstone	2,488,790	1.3	1.76	-2.37	-1.50	-1.50	5.93	5.11	5.51	4.24	5.40	Aug-2018
<i>HFRI RV: Multi-Strategy Index</i>			-0.32	-0.90	6.78	6.78	6.25	4.49	4.20	4.88	4.86	
Wolverine Flagship Fund Limited	3,602,310	1.9	1.27	2.41	10.51	10.51	-	-	-	-	13.02	Mar-2020
<i>HFRI FOF: Conservative Index</i>			0.61	0.47	7.38	7.38	6.71	4.64	3.62	4.03	7.84	
Cash	649,136	0.3	0.00	0.00	0.00	0.00	-	-	-	-	-	Sep-1996

- Totals might not sum due to rounding
- Performance for periods longer than one year is annualized
- Inception period starts with the first full month of available performance
- Private Equity returns are updated on a quarterly basis. MTD and QTD performance will not be available
- The Policy Index consists of 12% Bloomberg Barclays Aggregate Index, 13% HFRI FOF: Conservative Index, 22% Russell 3000 Index, 14% MSCI EAFE Index, 4% MSCI Emerging Markets Index, 15% MSCI World Index, 5% FTSE NAREIT Index, 10% Bloomberg Barclays US Corp. IG Index, and 5% Real Assets Custom Benchmark

Jewish Community Foundation of San Diego - Long Term ESG Focused Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Total Portfolio	71,449,636	100.0	3.48	4.73	10.59	10.59	14.19	10.39	8.03	8.39	7.16	Jul-2003
Long Term ESG Focused Pool Policy Index			2.88	4.20	11.44	11.44	14.90	10.44	8.10	8.28	7.18	
CPI + 5%			0.72	2.88	12.39	12.39	8.71	8.07	7.61	7.24	7.39	
Growth Assets	53,681,964	75.1	4.76	6.35	15.95	15.95	19.68	14.30	10.95	-	-	Aug-2003
Total Equity	46,902,708	65.6	4.98	6.74	17.04	17.04	20.90	15.16	11.71	12.22	8.91	Aug-2003
MSCI AC World IMI (Net)			3.97	6.10	18.22	18.22	20.20	14.12	10.81	11.84	9.40	
US Equity Composite	25,842,441	36.2	5.26	11.33	26.74	26.74	23.87	16.92	13.58	-	17.07	Jul-2012
Russell 3000 Index			3.94	9.28	25.66	25.66	25.79	17.97	14.55	16.30	16.14	
Large Cap Equity	20,056,373	28.1	4.77	11.35	22.51	22.51	21.60	16.54	13.14	-	14.52	Jul-2012
Parnassus Core Equity Fund - Institutional Shares PRILX (PRILX)	10,026,931	14.0	4.37	10.79	27.82	27.82	26.69	18.90	14.75	16.64	13.98	May-2021
S&P 500			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	15.08	
iShares S&P 500 Index Fund Institutional Shares BSPIX (BSPIX)	10,029,442	14.0	4.48	11.00	28.56	28.56	25.95	18.37	14.83	16.42	15.00	May-2021
S&P 500			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	15.08	
SMID Cap Equity	5,786,068	8.1	6.57	10.71	23.98	23.98	28.99	22.07	17.15	-	17.20	Jul-2012
Boston Trust SMID Cap Fund BTSMX (BTSMX)	5,786,068	8.1	6.57	10.71	30.46	30.46	21.42	14.87	12.94	13.47	13.47	May-2021
Russell Midcap Index			4.08	6.44	22.58	22.58	23.29	15.10	12.23	14.91	7.86	

Jewish Community Foundation of San Diego - Long Term ESG Focused Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
International Developed	12,643,226	17.7	4.74	1.86	10.60	10.60	14.53	9.54	8.48	-	9.73	Jul-2012
MSCI EAFE (Net)			5.12	2.69	11.26	11.26	13.54	9.55	6.76	8.03	8.14	
iShares MSCI EAFE Value ETF EFV (EFV)	6,330,371	8.9	5.45	1.48	11.09	11.09	7.66	5.24	3.57	5.58	1.06	May-2021
MSCI EAFE Value Index (Net)			5.96	1.17	10.89	10.89	7.82	5.34	3.65	5.81	1.27	
AB Concentrated International Growth (CIGYX)	3,148,258	4.4	3.18	-0.22	3.39	3.39	19.52	14.52	-	-	-0.22	May-2021
MSCI EAFE (Net)			5.12	2.69	11.26	11.26	13.54	9.55	6.76	8.03	4.38	
Virtus Vontobel Foreign Opportunities Fund Class I JVXIX (JVXIX)	3,164,597	4.4	4.38	3.93	12.38	12.38	18.31	14.01	9.66	9.54	8.78	May-2021
MSCI AC World ex USA (Net)			4.13	1.82	7.82	7.82	13.18	9.61	6.56	7.28	1.21	
Emerging Markets Equity	8,417,041	11.8	4.21	0.25	-3.11	-3.11	15.37	12.15	7.11	-	6.74	Jun-2012
MSCI Emerging Markets (Net)			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	5.73	
Ninety One Emerging Markets Equity Fund I Shares ZEMIX (ZEMIX)	8,417,041	11.8	4.21	0.25	-0.77	-0.77	11.09	-	-	-	-7.98	May-2021
MSCI Emerging Markets (Net)			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	-7.03	
Growth Fixed Income	4,267,877	6.0	1.10	0.17	2.59	2.59	-	-	-	-	7.35	Jun-2020
Blmbg. U.S. Corporate Investment Grade Index			-0.08	0.23	-1.04	-1.04	7.59	5.26	4.51	4.70	3.48	
PIMCO Income Fund Institutional Class (PIMIX)	4,267,877	6.0	1.10	0.17	2.61	2.61	5.46	5.08	5.24	6.97	7.67	Jun-2020
Blmbg. U.S. Aggregate			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	0.22	
Total Real Assets	2,511,380	3.5	6.72	9.85	20.84	20.84	13.04	7.95	4.48	0.11	3.82	May-2009
MSCI World Core Infrastructure USD Hedged			7.05	9.41	19.70	19.70	14.32	11.55	9.02	11.44	11.92	
Lazard Global Listed Infrastructure (GLIFX)	2,511,380	3.5	6.72	9.85	19.87	19.87	11.87	10.24	9.97	13.11	12.57	May-2021
MSCI World Core Infrastructure USD Hedged			7.05	9.41	19.70	19.70	14.32	11.55	9.02	11.44	9.80	

Jewish Community Foundation of San Diego - Long Term ESG Focused Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Risk Reduction Assets	17,767,672	24.9	-0.37	-0.16	-1.82	-1.82	3.78	3.15	2.69	-	-	Dec-2003
Defensive Fixed Income	17,767,672	24.9	-0.32	-0.12	-1.70	-1.70	4.28	3.50	2.66	3.22	4.59	Jul-2003
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	3.92	
Fidelity U.S. Bond Index Fund (FXNAX)	17,767,672	24.9	-0.32	-0.12	-1.79	-1.79	4.72	3.52	2.96	2.86	-0.85	Sep-2020
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	-0.71	
Cash	-	0.0	0.00	0.00	0.00	0.00	-	-	-	-	-	Sep-1996

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Jewish Community Foundation of San Diego - Long Term Index Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Total Portfolio	51,638,016	100.0	2.87	4.41	12.37	12.37	16.19	11.38	8.83	-	8.10	Jul-2014
Index Pool Policy Index			3.03	4.40	12.46	12.46	16.38	11.42	8.85	-	8.12	
CPI +5%			0.72	2.88	12.39	12.39	8.71	8.07	7.61	7.24	7.22	
Growth Assets	38,789,414	75.1	3.95	5.94	17.48	17.48	20.03	14.17	10.92	-	-	Jul-2014
Equity	38,789,414	75.1	3.95	5.94	17.48	17.48	20.00	14.16	10.88	-	9.85	Jul-2014
MSCI AC World IMI (Net)			3.97	6.10	18.22	18.22	20.20	14.12	10.81	11.84	9.72	
Vanguard FTSE All-World ex-US Idx Admiral (VFWAX)	17,524,280	33.9	4.08	2.13	8.12	8.12	13.53	9.88	6.95	7.62	5.12	Jul-2014
FTSE All World ex U.S. (Net)			4.26	1.77	8.36	8.36	13.66	9.89	6.95	7.68	5.21	
Vanguard Total Stock Market (VTSAX)	21,265,134	41.2	3.82	9.16	25.71	25.71	25.78	17.99	14.54	16.32	14.32	Jul-2014
CRSP U.S. Total Market TR Index			3.82	9.16	25.72	25.72	25.79	18.00	14.55	16.29	14.29	
Risk Reduction Assets	12,848,602	24.9	-0.34	-0.12	-1.69	-1.69	4.63	3.47	2.91	-	-	Jul-2014
Fixed Income	12,848,602	24.9	-0.32	-0.12	-1.79	-1.79	4.71	3.52	2.94	-	3.17	Jul-2014
Blmbg. U.S. Aggregate			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	3.06	
Fidelity U.S. Bond Index Fund (FXNAX)	12,848,602	24.9	-0.32	-0.12	-1.79	-1.79	4.72	3.52	2.96	2.86	-1.52	Dec-2020
Blmbg. U.S. Aggregate			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	-1.30	
Cash	-	0.0	-	-	-	-	-	-	-	-	-	Jul-2014

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- The Policy Index consists of 25% Bloomberg Barclays US Aggregate Index, 41% Russell 3000 Index, 26% MSCI EAFE Index, 8% MSCI Emerging Markets Index.

Jewish Community Foundation of San Diego - Impact Investment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Impact Investment Pool	15,457,676	100.0	3.09	6.40	15.14	15.14	16.57	-	-	-	11.30	Aug-2017
Impact Investment Pool Policy Index			2.91	5.59	14.31	14.31	15.68	-	-	-	10.11	
CPI +5%			0.72	2.88	12.39	12.39	8.71	8.07	7.61	7.24	8.14	
Growth Assets	11,382,351	73.6	4.17	8.70	21.28	21.28	22.50	-	-	-	14.87	Jul-2017
Public Equity	11,242,558	72.7	4.22	8.82	21.74	21.74	22.99	-	-	-	15.49	Aug-2017
MSCI AC World IMI (Net)			3.97	6.10	18.22	18.22	20.20	14.12	10.81	11.84	12.65	
US Public Equities	8,406,515	54.4	4.23	10.59	26.28	26.28	25.84	-	-	-	17.95	Aug-2017
S&P 500			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	18.19	
Jewish Advocacy Strategy	8,406,515	54.4	4.23	10.59	26.36	26.36	25.87	18.22	14.54	16.52	17.96	Aug-2017
S&P 500			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	18.19	
Jewish Advocacy Strategy Benchmark			4.48	10.82	28.02	28.02	25.43	17.92	14.31	15.95	17.57	
International Equities	1,791,449	11.6	5.05	3.51	10.94	10.94	14.73	-	-	-	7.62	Aug-2017
MSCI EAFE ESG Leaders Index			5.43	3.30	11.89	11.89	15.65	10.81	8.04	9.24	8.35	
Pax MSCI EAFE (PXNIX)	1,791,449	11.6	5.10	3.53	11.19	11.19	14.86	10.23	7.13	8.39	7.71	Aug-2017
MSCI EAFE ESG Leaders Index			5.43	3.30	11.89	11.89	15.65	10.81	8.04	9.24	8.35	
Israeli Equities	1,044,594	6.8	2.76	4.57	9.96	9.96	21.44	-	-	-	12.42	Aug-2017
BlueStar Israel Global Index TR Net			2.71	4.57	10.20	10.20	21.30	14.01	8.84	-	12.53	
VanEck Bluestar ETF (ISRA)	1,044,594	6.8	2.76	4.57	9.96	9.96	21.44	13.87	8.67	-	12.42	Aug-2017
BlueStar Israel Global Index TR Net			2.71	4.57	10.20	10.20	21.30	14.01	8.84	-	12.53	
Private Equity	39,793	0.3	0.00	0.00	-20.41	-20.41	-	-	-	-	-20.41	Jan-2021
SJF Ventures V, LP	39,793	0.3	0.00	0.00	-20.41	-20.41	-	-	-	-	-20.41	Jan-2021
Private Debt	100,000	0.6	0.00	0.00	0.00	0.00	-	-	-	-	0.00	Mar-2019
Mission Driven Finance	100,000	0.6	0.00	0.00	0.00	0.00	-	-	-	-	0.00	Mar-2019

Jewish Community Foundation of San Diego - Impact Investment Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Risk Reduction Assets	4,075,325	26.4	-0.11	-0.55	-1.35	-1.35	2.76	-	-	-	1.89	Aug-2017
Defensive Fixed Income	2,946,659	19.1	-0.14	-0.64	-1.43	-1.43	3.50	-	-	-	2.49	Aug-2017
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	3.42	
Breckinridge	1,399,535	9.1	-0.10	-0.61	-1.59	-1.59	3.90	2.93	2.62	2.49	2.79	Aug-2017
<i>Blmbg. Intermed. U.S. Government/Credit</i>			-0.13	-0.57	-1.44	-1.44	3.86	2.91	2.53	2.38	2.80	
CRA Qualified Investment Institutional (CRANX)	1,547,124	10.0	-0.16	-0.67	-1.28	-1.28	2.95	2.43	2.16	2.12	3.26	Oct-2018
<i>Blmbg. Intermed. U.S. Government/Credit</i>			-0.13	-0.57	-1.44	-1.44	3.86	2.91	2.53	2.38	4.08	
Israeli Debt	119,833	0.8	-0.03	0.05	-0.23	-0.23	0.06	-	-	-	-0.13	Sep-2017
Israel Bonds	119,833	0.8	-0.03	0.05	-0.23	-0.23	0.06	-	-	-	-0.13	Sep-2017
Cash	1,008,833	6.5	0.00	0.00	0.00	0.00	0.04	-	-	-	0.02	Oct-2017

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- Inception period starts with the first full month of available performance
- Private Equity returns are updated on a quarterly basis. MTD and QTD performance will not be available
- The Policy Index consists of 20% Bloomberg Barclays US Aggregate Index, 40% S&P 500 Index, 15% MSCI EAFE Index, 10% MSCI World Index, 5% Bloomberg Barclays Global Aggregate Index (Hedged), and 10% Bloomberg Barclays US Corp. IG Index
- Jewish Advocacy Benchmark consists of 95% S&P 500 and 5% MSCI Israel Index.

Jewish Community Foundation of San Diego - Mid Term Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Total Portfolio	31,999,723	100.0	0.88	1.16	3.22	3.22	8.11	6.08	4.70	4.73	5.14	Jul-2003
<i>Mid Term Pool Policy Index</i>			0.84	1.54	3.37	3.37	8.24	5.92	4.74	4.78	5.39	
Growth Assets	8,049,833	25.2	3.56	5.39	15.87	15.87	18.44	13.73	10.09	-	-	Aug-2003
Total Equity	6,434,303	20.1	3.43	5.54	15.38	15.38	19.67	15.14	11.50	12.25	9.12	Aug-2003
<i>MSCI AC World IMI (Net)</i>			3.97	6.10	18.22	18.22	20.20	14.12	10.81	11.84	9.40	
Global Equity	4,212,336	13.2	3.73	5.19	13.86	13.86	18.30	14.16	10.38	-	10.56	Sep-2012
Harding Loevner Global Equity Inst (HLMVX)	2,272,154	7.1	1.41	4.31	14.88	14.88	24.37	17.90	13.67	13.84	13.36	Sep-2012
<i>MSCI AC World Index (Net)</i>			4.00	6.68	18.54	18.54	20.38	14.40	10.90	11.85	11.67	
Tweedy Browne Worldwide High Dividend Yield Value Fund (TBHDX)	1,940,182	6.1	6.44	6.00	11.95	11.95	9.24	8.48	5.48	6.74	6.43	Sep-2012
<i>MSCI World Value (Net)</i>			6.57	7.19	21.94	21.94	13.64	8.92	7.31	9.53	9.31	
<i>MSCI World (Net)</i>			4.27	7.77	21.82	21.82	21.70	15.03	11.53	12.70	12.51	
Emerging Markets Composite	451,877	1.4	-3.77	-11.78	-10.00	-10.00	-	-	-	-	7.98	Sep-2020
Touchstone Sands Cptl Emerg Mkts Gr Inst (TSEGX)	451,877	1.4	-3.77	-11.78	-10.00	-10.00	20.48	16.00	9.94	-	5.92	Sep-2020
<i>MSCI Emerging Markets (Net)</i>			1.88	-1.31	-2.54	-2.54	10.94	9.87	6.11	5.49	10.89	
US Equity	1,770,091	5.5	4.48	11.02	25.84	25.84	22.68	17.16	13.56	-	14.63	Aug-2012
Fidelity 500 Index Fund FXAIX (FXAIX)	1,770,091	5.5	4.48	11.02	28.69	28.69	26.06	18.46	14.93	16.54	14.27	Jun-2021
<i>S&P 500</i>			4.48	11.03	28.71	28.71	26.07	18.47	14.93	16.55	14.28	
Total Real Assets	1,615,530	5.0	4.02	4.65	17.34	17.34	11.95	7.33	4.05	-	-0.97	Sep-2012
<i>Real Assets Custom Benchmark</i>			3.35	3.05	18.60	18.60	9.88	5.84	3.78	3.15	2.41	
Principal Diversified Real Asset (PDRDX)	1,615,530	5.0	4.02	4.65	17.34	17.34	11.95	7.32	4.05	4.38	4.05	Jan-2015
<i>Real Assets Custom Benchmark</i>			3.35	3.05	18.60	18.60	9.88	5.84	3.78	3.15	3.78	

Jewish Community Foundation of San Diego - Mid Term Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Risk Reduction Assets	23,949,890	74.8	-0.01	-0.25	-0.72	-0.72	5.04	3.61	2.94	-	-	Jun-2003
Defensive Fixed Income	19,164,615	59.9	-0.09	-0.17	-0.76	-0.76	4.92	3.61	2.93	3.00	4.28	Jul-2003
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	3.92	
Fidelity U.S. Bond Index Fund (FXNAX)	11,969,386	37.4	-0.32	-0.12	-1.79	-1.79	4.72	3.52	2.96	2.86	-0.85	Sep-2020
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	-0.71	
BlackRock Strategic Income (BSIKX)	7,195,229	22.5	0.35	-0.20	1.05	1.05	5.34	4.08	3.37	4.05	4.21	May-2018
<i>Blmbg. U.S. Aggregate</i>			-0.26	0.01	-1.55	-1.55	4.79	3.57	3.00	2.90	4.54	
Global Fixed Income	4,785,275	15.0	0.38	-0.48	-0.54	-0.54	4.55	-	-	-	3.57	Mar-2018
PIMCO Global Bond (USD-Hedged) I (PGBIX)	4,785,275	15.0	0.38	-0.48	-0.54	-0.54	4.45	3.42	3.31	4.12	3.50	Mar-2018
<i>Blmbg. Global Aggregate Index (Hedged)</i>			-0.41	0.04	-1.40	-1.40	4.05	3.39	3.13	3.49	3.89	
Cash	-	0.0	-	-	-	-	-	-	-	-	-	Jun-2004

- Totals might not sum due to rounding
- Performance for periods longer than one year is annualized
- Inception period starts with the first full month of available performance
- Private Equity returns are updated on a quarterly basis. MTD and QTD performance will not be available
- The Policy Index consists of 60% Bloomberg Barclays Aggregate Index, 11% S&P 500 Index, 7% MSCI EAFE Index, 2% MSCI Emerging Markets Index, 15% Bloomberg Barclays Global Aggregate Index(Hedged), and 5% Real Assets Custom Benchmark

Jewish Community Foundation of San Diego - Short Term Pool

Asset Allocation & Performance (Net of Fees)

December 31, 2021



	Allocation		Performance									
	Asset \$	%	1 Month	QTD	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Inception	Inception Date
Total Portfolio	48,968,252	100.0	0.00	0.01	0.05	0.05	1.09	1.09	0.88	0.70	1.36	Jul-2003
<i>Short Term Pool Policy Index</i>			<i>0.01</i>	<i>0.01</i>	<i>0.05</i>	<i>0.05</i>	<i>0.99</i>	<i>1.14</i>	<i>0.87</i>	<i>0.63</i>	<i>1.26</i>	
Dreyfus Treasury & Agency Cash Mgmt. (DTRXX)	15,515,764	31.7										
Dreyfus Treasury & Agency Cash Mgmt. (DTRXX)	15,515,764	31.7	0.00	0.00	0.01	0.01	0.82	0.96	0.72	0.50	1.16	Jul-2003
UBS Cash Equivalents	10,842,980	22.1										
UBS Cash Equivalents	10,842,980	22.1	0.00	0.00	0.01	0.01	0.67	0.69	0.52	-	0.44	Oct-2013
UBS Short-Term Investments	22,609,507	46.2										
UBS Short-Term Investments	22,609,507	46.2	0.01	0.01	0.10	0.10	1.45	1.31	1.11	0.92	0.95	Feb-2009

• **Estimated Yield as of 12/31/2021: 0.10%.**

- Totals might not sum due to rounding
- Performance for periods longer than one year is annualized
- Inception period starts with the first full month of available performance
- Private Equity returns are updated on a quarterly basis. MTD and QTD performance will not be available
- The Policy Index consists of 100% BofA Merrill Lynch US 3 Month T-Bill Index

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SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Pro Kids Oceanside Engagement Date Submitted: 2/1/22	Total # of people served: 156 Total # of San Marcos residents served: 10	Amount Requested: \$1,500
Non-Profit Organization Name and Address, Website Pro Kids, First Tee – San Diego 821 Douglas Drive Oceanside, CA 92058 thefirstteesandiego.org		Contact Person – Name, Title & Phone, email Alison Aragon Director of Development 619-454-5037 aaragon@prokidsonline.org
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p><i>A grant from the San Marcos Community Foundation will help provide more opportunity for offsite golf experiences, community golf clinics, interactive workshops, and field trips for our Pro Kids Members during spring semester. Our goal as an organization is to continue to foster growth and provide unique opportunities on and off the golf course while remaining fiscally responsible. In some cases, this forces us to be more selective on which experiences we can offer, and the kids miss out. Additional funding creates more opportunity for our program and golf staff to engage and excite our members more thoroughly.</i></p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p><i>The mission of Pro Kids, First Tee - San Diego is to challenge underserved youth to excel in life by promoting character development, life skills, and values through education and the game of golf. Our Oceanside campus serves families in surrounding communities including ten members from San Marcos, but our connection is so much deeper. We currently have four Pro Kids Scholars attending CSUSM including two on the women's golf team. Additionally, CSUSM Assistant Golf Coach Tiffany Joh is a proud Pro Kids alumnus. We have partnered with the men's and women's golf teams to provide mentorship for our youth and the teams are able to use our Oceanside facility to practice during the season. The partnership also provides a gateway for more outreach in the San Marcos community and lights a trail for current members to potentially explore in the future.</i></p>		
Please attach the following items. Both 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 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 		Expected date project will begin/end: 3/1/22 Date by which funds will be expended: 9/1/22 Signature of President or Authorized Officer <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> _____ Name, Title </div> <div style="text-align: center;"> Director of Development 2/1/22 Date </div> </div>
		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): cityclerk@san-marcos.net

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

DEPARTMENT OF THE TREASURY

Date: APR 01 1999

PRO KIDS GOLF ACADEMY INC
C/O ERNEST H WRIGHT SR
4085 52ND ST
SAN DIEGO, CA 92105-2274

Employer Identification Number:

33-0617741

DLN:

17053051871039

Contact Person:

GREGG A TAYLOR

ID# 31366

Contact Telephone Number:

(877) 829-5500

Our Letter Dated:

February 1995

Addendum Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

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

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)

Additional Offsite Golf Experiences – Transportation & Food	\$300
Community Golf Clinics – Food & Prizes	\$300
Interactive Workshops - Vendors & Supplies	\$400
Field Trips – Transportation & Fees	\$500
Total budget for this PROJECT:	\$1,500

Grant Request Amount: **\$1,500**
(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).**

\$ _____ (N/A) _____	** _____
\$ _____ (N/A) _____	** _____
\$ _____ (N/A) _____	** _____
\$ _____ (N/A) _____	** _____

	2022 Budget	2021 Budget	2020	2019	2018	2017
OPERATING INCOME (Cash)						
Contributions						
4010-Individual Contributions	\$ 125,000	\$ 235,000	\$ 716,427	\$ 134,529	\$ 278,747	\$ 466,605
4020-Memorial Gifts	\$ 2,500	\$ -	\$ 256,156	\$ 26,652		
4030-Donor Directed Foundation	\$ 125,000	\$ -	\$ 22,000	\$ 53,049	\$ 265,000	\$ 200,000
4040-Naming	\$ -	\$ -	\$ 150			
4050-Corporate Matching Gifts	\$ 2,500	\$ -	\$ 2,620	\$ 9,823		
4060-Corporate Donations	\$ 220,000	\$ 315,000	\$ 367,798	\$ 412,177	\$ 140,789	\$ 140,973
4070-In-Kind Gifts	\$ -	\$ -	\$ -			
7080-Donated Items	\$ -	\$ -	\$ -			
7090-Pledge Discount	\$ -	\$ -	\$ -			
4110-Grants	\$ 628,000	\$ 452,500	\$ 675,900	\$ 647,425	\$ 379,250	\$ 445,250
4120-Scholarship Fund	\$ 5,000	\$ -	\$ -			\$ 130,000
4130-Government	\$ 170,000	\$ 150,000	\$ 436,830	\$ 160,000	\$ 335,052	\$ 240,000
	\$ 1,278,000	\$ 1,152,500	\$ 2,477,882	\$ 1,443,654	\$ 1,398,838	\$ 1,622,828
Special Events						
4210-Celebrates	\$ 675,000	\$ 550,000	\$ -	\$ 684,127	\$ 561,222	\$ 530,077
4220-Other Events	\$ 5,000	\$ -	\$ 50	\$ 3,169	\$ 42,606	\$ 50,357
4230-Pro Kids Golf Tournament	\$ 400,000	\$ 350,000	\$ -	\$ 363,000	\$ 340,938	\$ 261,180
4240-Farmers Insurance Open	\$ 25,000	\$ 10,000	\$ 62,355	\$ 67,233	\$ 75,361	\$ 60,103
4250-Other Tournaments	\$ -	\$ 10,500	\$ -	\$ 5,380		\$ 102,149
	\$ 1,105,000	\$ 920,500	\$ 62,405	\$ 1,122,909	\$ 1,020,126	\$ 1,003,866
Business Income						
4310-Membership	\$ 137,000	\$ 40,000	\$ 51,087	\$ 33,590	\$ 49,437	\$ 47,665
4320-Camps & Clinics	\$ 30,000	\$ -	\$ 1,260	\$ 23,042		
4330-Member Discounts	\$ (79,500)	\$ -	\$ (16,963)	\$ (3,302)		
4410-Greens Fees	\$ 409,000	\$ 300,000	\$ 260,315	\$ 191,544	\$ 239,301	\$ 191,895
4420-Youth on Course	\$ -	\$ -	\$ 1,851	\$ 1,578		
4430-ACE Fund	\$ -	\$ -	\$ 189	\$ 679		
4440-Groupon	\$ -	\$ -	\$ 1,148	\$ 2,654		
4450-Food & Beverage	\$ -	\$ -	\$ 13,655	\$ 18,529		
4460-Merchandise	\$ -	\$ -	\$ 19,589	\$ 37,607		
4470-Discounts	\$ -	\$ -	\$ (3,807)	\$ (4,373)		
4480-Over/Short	\$ -	\$ -	\$ (868)	\$ (782)		
4510-Rent	\$ -	\$ -	\$ 258	\$ 1,064	\$ 7,445	\$ 1,935
	\$ 496,500	\$ 340,000	\$ 327,714	\$ 301,828	\$ 296,183	\$ 241,495
TOTAL OPERATING INCOME	\$ 2,879,500	\$ 2,413,000	\$ 2,868,001	\$ 2,868,391	\$ 2,715,147	\$ 2,868,188
Investment & Other Income						
4520-Interest & Cash Back	\$ -	\$ -	\$ 1,838			
4530-Gain (Loss) on Sales of Assets	\$ -	\$ -	\$ -	\$ 3,500		
4610-Dividends & Interest	\$ -	\$ -	\$ 27,840	\$ 30,406	\$ 25,794	\$ 33,018
4620-Unrealized Investment Income	\$ -	\$ -	\$ 88,150	\$ 119,186	\$ (56,473)	\$ 91,434
Total Investment & Other Income	\$ -	\$ -	\$ 117,828	\$ 153,092	\$ (30,679)	\$ 124,452
EXPENSES (Accrual)						
Employee Comp						
6010-Wages	\$ 1,556,198	\$ 1,399,456	\$ 1,249,220	\$ 1,147,746	\$ 1,069,915	\$ 1,086,723
6020-Employee Recognition	\$ 2,000	\$ 2,000	\$ -			
6030-Payroll Taxes	\$ 125,823	\$ 113,184	\$ 93,961	\$ 86,071	\$ 80,269	\$ 81,150
6040-Employee Benefit	\$ 84,000	\$ 84,000	\$ 74,084	\$ 55,926	\$ 54,055	\$ 56,064
6050-403 (b)	\$ 24,000	\$ 24,000	\$ 17,245	\$ 19,195	\$ 16,558	\$ 6,066
6110-Membership Dues	\$ 3,600	\$ 3,600	\$ 2,020	\$ 2,449	\$ 4,503	\$ 2,325
6115-Uniforms	\$ 1,500	\$ 2,800	\$ 1,515	\$ 2,138	\$ 965	\$ 814
6120-Mileage	\$ 4,920	\$ 4,920	\$ 4,694	\$ 3,228	\$ 3,396	\$ 1,869
6125-Cell Phones	\$ 7,920	\$ 7,920	\$ 6,650	\$ 3,860	\$ 3,410	\$ 1,598
6130-Professional Training	\$ 12,675	\$ -	\$ 6,338	\$ 13,671	\$ 8,249	\$ 20,993
6135-Professional Travel	\$ -	\$ -	\$ 160	\$ 8,338	\$ 5,091	\$ 5,164
6210-Americorps	\$ -	\$ -	\$ -	\$ 16,978	\$ 12,618	\$ 12,628
6215-Contractors	\$ -	\$ -	\$ -			
6220-Temp Services	\$ -	\$ -	\$ -			
6225-Payroll Processing Fees	\$ 44,700	\$ 30,000	\$ 20,395	\$ 4,495	\$ 4,619	\$ 4,660
6230-Job Posting	\$ 200	\$ 200	\$ 449	\$ 680	\$ 1,311	\$ 605
6235-Staff Screening	\$ 1,050	\$ 190	\$ 1,480	\$ 2,195	\$ 2,300	\$ 2,104
6240-Workers Compensation	\$ 24,600	\$ 24,600	\$ 26,153	\$ 40,407	\$ 57,733	\$ 56,163
4245-Unemployment	\$ 6,000	\$ 6,000	\$ 8,251	\$ 9,527	\$ 9,058	\$ 13,784
4250-PTO	\$ -	\$ -	\$ 7,075	\$ 5,547	\$ (6,226)	\$ (7,542)
Total Employee Comp	\$ 1,899,186	\$ 1,702,870	\$ 1,519,690	\$ 1,422,452	\$ 1,327,823	\$ 1,345,170
General Marketing						
6310-Advertising & PR	\$ 2,000	\$ 900	\$ 131	\$ 2,151		\$ 4,500
6320-Donor Premiums	\$ 1,500	\$ -	\$ 50	\$ 562		\$ 1,153
6330-Photography & Video	\$ 4,000	\$ 500	\$ 2,728	\$ -		
6340-Printing & Reproduction	\$ 11,260	\$ 3,800	\$ 1,937	\$ 4,262	\$ 9,410	\$ 7,266
6350-Professional Fundraising Services	\$ 44,400	\$ 42,000	\$ 42,000	\$ 42,553	\$ 42,000	\$ 1,855
6360-Uncollectable Pledges	\$ -	\$ -	\$ 51,000			\$ 10,000

Total Marketing	\$	63,160	\$	47,200	\$	97,846	\$	49,528	\$	51,410	\$	24,774
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Administration

6410-CC Processing	\$ 28,700	\$ 21,600	\$ 19,046	\$ 25,142	\$ 19,961	\$ 21,132
6415-Dues & Subscriptions	\$ 3,920	\$ 2,220	\$ 2,764	\$ 5,143	\$ 8,771	\$ 2,811
6420-Finance Charges & Bank Fees	\$ 955	\$ 660	\$ 657	\$ 515	\$ 809	\$ 882
6425-Insurance	\$ 64,000	\$ 50,400	\$ 60,954	\$ 42,131	\$ 58,480	\$ 41,066
6430-Interest	\$ -	\$ -	\$ 1,838		\$ 2,214	\$ 8,503
6435-Licenses, Permits & Certificates	\$ 2,100	\$ 2,100	\$ 1,185	\$ 1,484	\$ 1,602	\$ 1,353
6440-Meals & Entertainment	\$ 7,520	\$ 1,905	\$ 4,228	\$ 7,750	\$ 6,718	\$ 6,300
6445-Postages & Supplies	\$ 7,830	\$ 2,420	\$ 8,332	\$ 4,935	\$ 6,989	\$ 8,416
6450-Recognition & Gifts	\$ 4,850	\$ 200	\$ 2,286	\$ 5,129	\$ 1,247	\$ 259
6455-Property Taxes	\$ 75	\$ 75	\$ -	\$ 60	\$ 1,653	
6510-Computer Hardware	\$ 3,800	\$ 2,500	\$ 16,736	\$ 3,640		\$ 355
6520-Computer SaaS	\$ 24,000	\$ 24,000	\$ 83,433	\$ 39,852	\$ 23,557	\$ 20,333
6530-Computer Supplies	\$ 300	\$ 300	\$ 797	\$ 146	\$ 317	
6540-IT Support	\$ 38,400	\$ 38,000	\$ 38,262	\$ 50,606	\$ 53,534	\$ 29,274
6550-Website	\$ -	\$ -	\$ -	\$ 4,560	\$ 8,988	\$ 8,988
6610-Accounting	\$ 18,300	\$ 17,800	\$ 17,800	\$ 17,800	\$ 16,500	\$ 16,000
6620-Consulting	\$ -	\$ 7,000	\$ 82,478	\$ 24,980	\$ 36,000	\$ 36,000
6630-Legal	\$ 500	\$ 500	\$ 1,711	\$ 2,182	\$ 2,500	
6710-Rent	\$ 6,950	\$ 6,853	\$ 6,953	\$ 6,838	\$ 6,698	\$ 6,500
Total Administration	\$ 212,200	\$ 178,533	\$ 349,459	\$ 242,892	\$ 256,535	\$ 208,172

Pro Shop

6810-Food & Beverage	\$ 10,500	\$ 10,000	\$ 7,116	\$ 9,203	\$ 8,128	\$ 7,562
6820-Merchandise	\$ 30,500	\$ 20,000	\$ 8,530	\$ 20,260	\$ 26,727	\$ 20,825
6830-Vendor Discounts	\$ -	\$ -	\$ -		\$ (73)	\$ (117)
6840-Inventory Cost Variance	\$ -	\$ -	\$ -			
6850-Pro Shop Advertising	\$ 360	\$ 360	\$ 257	\$ 510	\$ 262	\$ 248
6860-Pro Shop Supplies	\$ 3,000	\$ 2,400	\$ 4,048	\$ 1,652	\$ 747	\$ 756
Total Pro Shop	\$ 44,360	\$ 32,760	\$ 19,950	\$ 31,625	\$ 35,792	\$ 29,275

Special Events

6910-Celebrates	\$ 132,650	\$ 130,875	\$ 3,221	\$ 151,329	\$ 115,085	\$ 124,312
6920-Donor Events	\$ 1,100	\$ -	\$ 223	\$ 103		
6930-Other Events	\$ 4,250	\$ -	\$ 1,837	\$ 4,881	\$ 5,637	\$ 8,014
6940-PK Golf Tournament	\$ 44,500	\$ 28,500	\$ 31,213	\$ 55,197	\$ 48,438	\$ 43,717
6950-Other Tournaments	\$ 2,000	\$ 2,500	\$ 2,499	\$ 1,919	\$ 1,426	\$ 4,721
6960-Farmers	\$ 500	\$ -	\$ 23,045	\$ 13,440	\$ 5,145	\$ 3,920
6970-PK WGT	\$ 5,000					
Total Special Events	\$ 190,000	\$ 161,875	\$ 62,038	\$ 226,869	\$ 175,731	\$ 184,684

Vehicle

7010-Vehicle R&M	\$	4,200	\$	2,400	\$	3,267	\$	3,471	\$	9,919	\$	4,058
7020-Gas	\$	4,150	\$	3,000	\$	3,308	\$	9,423	\$	7,096	\$	8,409
Total Vehicle	\$	8,350	\$	5,400	\$	6,575	\$	12,894	\$	17,016	\$	12,467

Total General

Facility

Clubhouse

7110-Clubhouse Supplies	\$ 7,200	\$ 3,600	\$ 7,464	\$ 7,538	\$ 6,342	\$ 6,925
7120-Clubhouse R&M	\$ 6,600	\$ 5,400	\$ 12,073	\$ 27,115	\$ 12,739	\$ 27,012
7130-Furnishings	\$ 900	\$ 1,450	\$ 975	\$ 2,705	\$ 1,885	\$ 517
7140-Janitorial	\$ 20,736	\$ 16,464	\$ 14,667	\$ 15,543	\$ 13,493	\$ 13,290
7150-Elevator R&M	\$ 3,600	\$ 3,460	\$ 3,800	\$ 4,388	\$ 3,336	\$ 3,042
7160-Internet & Telephone	\$ 14,700	\$ 16,980	\$ 17,053	\$ 19,182	\$ 18,703	\$ 24,141
7170-Office Equipment	\$ 15,600	\$ 2,400	\$ 15,249	\$ 15,154	\$ 17,423	\$ 15,020
Total Clubhouse	\$ 69,336	\$ 49,754	\$ 71,281	\$ 91,624	\$ 73,921	\$ 89,947

Course

7210-Irrigation	\$ 5,000	\$ 3,000	\$ 3,808	\$ 3,944	\$ 1,229	\$ 3,184
7220-Landscape R&M	\$ 1,500	\$ 1,200	\$ 1,643	\$ 4,517	\$ 1,807	\$ 1,001
7230-Maintenance Materials	\$ 24,000	\$ 18,000	\$ 21,153	\$ 17,999	\$ 15,442	\$ 13,432
7240-Pesticides	\$ 12,000	\$ 8,000	\$ 10,022	\$ 5,526	\$ 6,644	\$ 8,123
7250-Pond Maintenance	\$ 8,400	\$ 4,000	\$ 3,910	\$ 3,186	\$ 1,737	\$ 2,933
7260-Tree Trimming	\$ 13,000	\$ 10,500	\$ 6,950	\$ 3,000	\$ 9,250	\$ 5,725
7270-Outsourced Services	\$ 121,140	\$ 123,000	\$ 110,937	\$ 117,883	\$ 117,600	\$ 120,410
7280-Storage Shed Rent	\$ 1,980	\$ 1,800	\$ 2,068	\$ 1,970	\$ 1,926	\$ 1,272
Total Course	\$ 187,020	\$ 169,500	\$ 160,492	\$ 158,025	\$ 155,635	\$ 156,079

Equipment

7310-Equipment R&M	\$ 8,000	\$ 7,000	\$ 7,694	\$ 14,547	\$ 6,874	\$ 7,827
7320-Fuel	\$ 6,000	\$ 6,000	\$ 4,645	\$ 3,940	\$ 4,329	\$ 2,844
7330-Equipment Leases	\$ -	\$ -	\$ -	\$ -		\$ 1,745
7340-Equipment Rental	\$ 1,100	\$ 1,000	\$ 893	\$ 914	\$ 928	\$ 776
7350-Equipment Purchases	\$ 5,000	\$ 5,000	\$ 2,320	\$ 6,300	\$ 2,778	
Total Equipment	\$ 20,100	\$ 19,000	\$ 15,552	\$ 25,701	\$ 14,909	\$ 13,192

<i>Utilities</i>						
7410-Electric	\$ 47,150	\$ 47,150	\$ 42,153	\$ 46,531	\$ 46,322	\$ 43,569
7420-Water	\$ 40,500	\$ 40,500	\$ 35,958	\$ 38,124	\$ 53,119	\$ 38,692
7430-Waste Disposal	\$ 5,640	\$ 8,520	\$ 5,173	\$ 5,506	\$ 4,865	\$ 4,756
7440-Security	\$ 4,324	\$ 4,324	\$ 4,325	\$ 8,885	\$ 5,566	\$ 4,298
Total Utilities	\$ 97,614	\$ 100,494	\$ 87,609	\$ 99,046	\$ 109,872	\$ 91,314
Total Facilities						
	\$ 374,070	\$ 338,748	\$ 334,934	\$ 374,396	\$ 354,336	\$ 350,533
Programming						
<i>Golf</i>						
8010-Junior Golf Membership	\$ 960	\$ 1,800	\$ 342	\$ 594	\$ 1,354	\$ 623
8020-PGA Junior Golf	\$ -	\$ -	\$ 775	\$ 3,005	\$ 2,372	\$ 645
8030-Golf Clinics	\$ -	\$ -	\$ -			
8040-Golf Outings	\$ 800	\$ -	\$ 370	\$ 1,181	\$ 2,789	\$ 2,551
8050-Golf & Fitness Equipment	\$ 3,600	\$ 3,600	\$ 6,782	\$ 5,298	\$ 9,181	\$ 11,181
8060-EOM Tournaments	\$ 1,200	\$ 1,200	\$ 193	\$ 1,407	\$ 1,230	\$ 1,267
8070-First Tee Events	\$ 2,000	\$ 1,000	\$ 1,663		\$ 1,400	\$ 490
8080-Monterey Trip	\$ 20,000	\$ -	\$ -	\$ 17,504	\$ 20,828	\$ 16,974
Total Golf	\$ 28,560	\$ 7,600	\$ 10,125	\$ 28,989	\$ 39,154	\$ 33,730
<i>Programs</i>						
8110-Program Supplies	\$ 6,500	\$ 6,000	\$ 6,755	\$ 7,283	\$ 7,525	\$ 6,971
8120-Program Equipment	\$ 2,950	\$ 2,400	\$ 1,045	\$ 3,358	\$ 1,019	\$ 1,706
8130-Educational Materials	\$ 2,900	\$ -	\$ 193	\$ 724	\$ 1,657	\$ 1,397
8210-Boys Mentoring Committee	\$ 240	\$ -	\$ -	\$ 268	\$ 263	\$ 31
8220-Girls Mentoring Committee	\$ 280	\$ 750	\$ 166	\$ 1,800	\$ 1,220	\$ 383
8230-All Stars	\$ 480	\$ 600	\$ 277	\$ 477	\$ 158	\$ 466
8310-Field Trips	\$ 2,875	\$ 825	\$ 140	\$ 1,585	\$ 1,679	\$ 2,620
8320-Workshops	\$ 2,200	\$ 1,500	\$ 1,241	\$ 3,683	\$ 1,579	\$ 1,445
8330-Camps	\$ 7,000	\$ 8,000	\$ 277	\$ 5,768	\$ 3,583	\$ 822
8410-Onsite College	\$ 710	\$ 720	\$ 34	\$ 447	\$ 4,020	\$ 1,407
8420-Offsite College	\$ 7,000	\$ 4,500	\$ -	\$ 7,149	\$ 104	\$ 6,016
8430-Scholarships Awarded	\$ 133,000	\$ 133,000	\$ 140,338	\$ 149,522	\$ 146,260	\$ 149,000
8440-Scholarship Expenses	\$ 600	\$ 250	\$ -	\$ 310		
8510-Leadership	\$ 600	\$ -	\$ -		\$ 54	\$ 1,250
8520-Internships	\$ 5,000	\$ -	\$ -	\$ 4,850	\$ 1,885	\$ 1,500
8530-Other Plus Programs	\$ -	\$ -	\$ -		\$ 10	\$ 206
8610-YE General	\$ 900	\$ -	\$ -	\$ 47	\$ 819	\$ 309
8620-YE Awards & Recognition	\$ 1,600	\$ 1,100	\$ -	\$ 2,690	\$ 2,217	\$ 1,748
8630-YE Holiday Party	\$ 1,500	\$ 750	\$ 3,307	\$ 1,445	\$ 1,309	\$ 534
8710-Adult Communication	\$ -	\$ -	\$ -		\$ 58	
8720-Family Activities	\$ 2,300	\$ 1,300	\$ 309	\$ 2,603	\$ 1,199	\$ 1,139
Total Programs	\$ 178,635	\$ 161,695	\$ 154,082	\$ 194,007	\$ 176,617	\$ 178,951
Total Programming	\$ 207,195	\$ 169,295	\$ 164,207	\$ 222,996	\$ 215,771	\$ 212,682
TOTAL EMPLOYEE COMP	\$ 1,899,186	\$ 1,702,870	\$ 1,519,690	\$ 1,422,452	\$ 1,327,823	\$ 1,345,170
TOTAL OTHER	\$ 1,099,335	\$ 933,811	\$ 1,035,009	\$ 1,161,200	\$ 1,106,592	\$ 1,022,585
TOTAL EXPENSES	\$ 2,998,521	\$ 2,636,680	\$ 2,554,698	\$ 2,583,651	\$ 2,434,415	\$ 2,367,755
NET OPERAING INCOME	\$ (119,021)	\$ (223,680)	\$ 313,302	\$ 284,740	\$ 280,732	\$ 500,434
<i>Depreciation & Investment</i>						
9010-Depreciation Expense	\$ -	\$ -	\$ 321,737	\$ 302,600	\$ 256,430	\$ 269,897
9020-Investment Fees	\$ 26,000	\$ 3,825	\$ 3,825	\$ 7,640	\$ 9,113	\$ 8,047
Total Depreciation & Investment	\$ 26,000	\$ 3,825	\$ 325,562	\$ 310,240	\$ 265,542	\$ 277,944

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
Contributions													
4010-Individual Contributions	\$2,500.00	\$5,000.00	\$2,500.00	\$2,500.00	\$25,000.00	\$5,000.00	\$2,500.00	\$1,000.00	\$1,000.00	\$5,000.00	\$15,000.00	\$58,000.00	\$125,000.00
4020-Memorial Gifts		\$500.00		\$500.00		\$500.00		\$500.00		\$500.00			\$2,500.00
4030-Donor Directed Foundation		\$100,000.00				\$25,000.00							\$125,000.00
4040-Naming													\$0.00
4050-Corporate Matching Gifts	\$500.00		\$500.00			\$500.00		\$500.00		\$500.00			\$2,500.00
4060-Corporate Donations	\$4,000.00	\$12,500.00	\$45,000.00	\$2,000.00	\$7,500.00	\$25,000.00	\$20,000.00	\$9,000.00	\$15,000.00	\$25,000.00	\$45,000.00	\$10,000.00	\$220,000.00
4070-In-Kind Gifts													\$0.00
7080-Donated Items													\$0.00
7090-Pledge Discount													\$0.00
4110-Grants	\$25,000.00	\$227,000.00	\$25,000.00	\$33,000.00	\$50,000.00	\$30,000.00	\$45,000.00	\$23,000.00	\$20,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$628,000.00
4120-Scholarship Fund				\$2,000.00	\$2,000.00	\$1,000.00							\$5,000.00
4130-Government						\$170,000.00							\$170,000.00
Special Events													
4210-Celebrates			\$10,000.00	\$15,000.00	\$50,000.00	\$100,000.00	\$350,000.00	\$100,000.00	\$40,000.00	\$5,000.00	\$5,000.00		\$675,000.00
4220-Other Events						\$2,500.00			\$2,500.00				\$5,000.00
4230-Pro Kids Golf Tournament						\$50,000.00	\$45,000.00	\$65,000.00	\$75,000.00	\$100,000.00	\$65,000.00		\$400,000.00
4240-Farmers Insurance Open		\$10,000.00	\$10,000.00						\$5,000.00				\$25,000.00
4250-Other Tournaments													\$0.00
4260-PK Women's Golf Tournament									\$5,000.00	\$10,000.00			\$15,000.00
Business Income													
4310-Membership	\$15,000.00	\$10,000.00	\$10,000.00	\$12,000.00	\$10,000.00	\$15,000.00	\$12,000.00	\$10,000.00	\$10,000.00	\$15,000.00	\$8,000.00	\$10,000.00	\$137,000.00
4320-Camps & Clinics				\$20,000.00	\$5,000.00	\$5,000.00							\$30,000.00
4330-Member Discounts	(\$7,500.00)	(\$6,500.00)	(\$5,000.00)	(\$13,500.00)	(\$7,500.00)	(\$7,500.00)	(\$5,000.00)	(\$5,000.00)	(\$5,500.00)	(\$7,500.00)	(\$3,500.00)	(\$5,500.00)	(\$79,500.00)
4410-Greens Fees	\$30,000.00	\$24,000.00	\$45,000.00	\$30,000.00	\$35,000.00	\$40,000.00	\$45,000.00	\$40,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$409,000.00
4420-Youth on Course													\$0.00
4430-ACE Fund													\$0.00
4440-Groupon													\$0.00
4450-Food & Beverage													\$0.00
4460-Merchandise													\$0.00
4470-Discounts													\$0.00
4480-Over/Short													\$0.00
4510-Rent													\$0.00
Investment & Other Income													\$0.00
4520-Interest & Cash Back													\$0.00
4530-Gain (Loss) on Sales of Assets													\$0.00
4610-Dividends & Interest													\$0.00
4620-Unrealized Investment Income													\$0.00
	\$69,500.00	\$382,500.00	\$143,000.00	\$103,500.00	\$177,000.00	\$462,000.00	\$514,500.00	\$244,000.00	\$198,000.00	\$233,500.00	\$214,500.00	\$152,500.00	\$2,894,500.00

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
6010-Wages	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 178,774	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 178,774	\$ 1,556,198
6020-Employee Recognition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
6030-Payroll Taxes	\$ 9,589	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 14,468	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 14,468	\$ 125,823
6040-Employee Benefit	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 84,000
6050-403 (b)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 24,000
6110-Membership Dues	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600
6115-Uniforms	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 1,500
6120-Mileage	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 4,920
6125-Cell Phones	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 7,920
6130-Professional Training	\$ 225	\$ 130	\$ 300	\$ 1,330	\$ 780	\$ 780	\$ 1,330	\$ 1,330	\$ 4,630	\$ 930	\$ 780	\$ 130	\$ 12,675
6135-Professional Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6210-AmeriCorps	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6215-Contractors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6220-Temp Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6225-Payroll Processing Fees	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,400	\$ 4,900	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 4,900	\$ 44,700
6230-Job Posting	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ -	\$ 200
6235-Staff Screening	\$ 75	\$ 125	\$ 75	\$ 125	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 125	\$ 1,050
6240-Workers Compensation	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 2,400	\$ 24,600
4245-Unemployment	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000
4250-PTO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6310-Advertising & PR	\$ 100	\$ 250	\$ 100	\$ 250	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 250	\$ 250	\$ 300	\$ 2,000
6320-Donor Premiums	\$ 100	\$ 100	\$ 250	\$ 100	\$ 100	\$ 250	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,500
6330-Photography & Video	\$ 500	\$ 500	\$ 250	\$ 250	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ -	\$ -	\$ -	\$ 4,000
6340-Printing & Reproduction	\$ 2,960	\$ 100	\$ 100	\$ 100	\$ 500	\$ 2,500	\$ 500	\$ 1,000	\$ 1,000	\$ 100	\$ 1,500	\$ 900	\$ 11,260
6350-Professional Fundraising Services	\$ -	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 6,600	\$ -	\$ 44,400
6360-Uncollectable Pledges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6410-CC Processing	\$ 2,900	\$ 2,500	\$ 2,000	\$ 2,000	\$ 2,500	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 28,700
6415-Dues & Subscriptions	\$ 210	\$ 410	\$ 210	\$ 410	\$ 210	\$ 410	\$ 410	\$ 410	\$ 210	\$ 410	\$ 210	\$ 410	\$ 3,920
6420-Finance Charges & Bank Fees	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 350	\$ 55	\$ 55	\$ 55	\$ 955
6425-Insurance	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 5,500	\$ 13,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 64,000
6430-Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6435-Licenses, Permits & Certificates	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 2,100
6440-Meals & Entertainment	\$ 575	\$ 440	\$ 425	\$ 565	\$ 575	\$ 500	\$ 625	\$ 440	\$ 575	\$ 440	\$ 740	\$ 1,620	\$ 7,520
6445-Postages & Supplies	\$ 510	\$ 800	\$ 1,310	\$ 500	\$ 510	\$ 530	\$ 500	\$ 820	\$ 510	\$ 510	\$ 810	\$ 520	\$ 7,830
6450-Recognition & Gifts	\$ 700	\$ 200	\$ 200	\$ 700	\$ 450	\$ 300	\$ 700	\$ 200	\$ 200	\$ 200	\$ 700	\$ 300	\$ 4,850
6455-Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ -	\$ 75
6510-Computer Hardware	\$ 500	\$ 800	\$ -	\$ -	\$ 1,000	\$ -	\$ 500	\$ -	\$ 500	\$ -	\$ 500	\$ -	\$ 3,800
6520-Computer SaaS	\$ 2,000	\$ 2,000	\$ 5,500	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 24,000
6530-Computer Supplies	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 100	\$ 300
6540-IT Support	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 38,400
6550-Website	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6610-Accounting	\$ -	\$ -	\$ -	\$ 8,300	\$ 6,500	\$ -	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -	\$ 18,300
6620-Consulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6630-Legal	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
6710-Rent	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,950	\$ -	\$ -	\$ -	\$ -	\$ 6,950
6810-Food & Beverage	\$ 900	\$ 800	\$ 750	\$ 700	\$ 650	\$ 800	\$ 1,300	\$ 1,100	\$ 900	\$ 800	\$ 800	\$ 1,000	\$ 10,500
6820-Merchandise	\$ 3,000	\$ 2,000	\$ 2,500	\$ 2,000	\$ 2,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 2,000	\$ 2,000	\$ 2,500	\$ 1,500	\$ 30,500
6830-Vendor Discounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6840-Inventory Cost Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6850-Pro Shop Advertising	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
6860-Pro Shop Supplies	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 3,000
6910-Celebrates	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 56,000	\$ -	\$ 50,000	\$ 1,650	\$ -	\$ -	\$ -	\$ 132,650
6920-Donor Events	\$ 500	\$ 100	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 1,100
6930-Other Events	\$ -	\$ 400	\$ -	\$ 500	\$ 100	\$ 500	\$ 750	\$ 500	\$ -	\$ 1,000	\$ -	\$ 500	\$ 4,250
6940-PK Golf Tournament	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,500	\$ 4,000	\$ -	\$ 26,000	\$ 12,000	\$ -	\$ 44,500
6950-Other Tournaments	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
6960-Farmers	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
6970-PKWGT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 3,000	\$ -	\$ -	\$ 5,000
7010-Vehicle R&M	\$ 200	\$ -	\$ -	\$ 200	\$ 1,000	\$ 300	\$ 500	\$ 500	\$ 500	\$ 300	\$ 500	\$ 200	\$ 4,200
7020-Gas	\$ 100	\$ 200	\$ 200	\$ 200	\$ 200	\$ 400	\$ 800	\$ 400	\$ 600	\$ 600	\$ 250	\$ 200	\$ 4,150
7110-Clubhouse Supplies	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
7120-Clubhouse R&M	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 6,600
7130-Furnishings	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 200	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900
7140-Janitorial	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 20,736
7150-Elevator R&M	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 3,600
7160-Internet & Telephone	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 14,700
7170-Office Equipment	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 15,600
7210-Irrigation	\$ 500	\$ 500	\$ 500	\$ 500	\$ -	\$ 500	\$ 500	\$ 500	\$ -	\$ 500	\$ 500	\$ 500	\$ 5,000
7220-Landscape R&M	\$ -	\$ -	\$ 300	\$ -	\$ 300	\$ -	\$ 300	\$ -	\$ 300	\$ -	\$ 300	\$ -	\$ 1,500
7230-Maintenance Materials	\$ 3,000	\$ -	\$ -	\$ 7,500	\$ -	\$ 3,000	\$ -	\$ 3,000	\$ -	\$ 7,500	\$ -	\$ -	\$ 24,000
7240-Pesticides	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000
7250-Pond Maintenance	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 8,400
7260-Tree Trimming	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ 13,000
7270-Outsourced Services	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 121,140
7280-Storage Shed Rent	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 1,980
7310-Equipment R&M	\$ -	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ -	\$ 1,000	\$ -	\$ -	\$ 2,000	\$ -	\$ 1,000	\$ 8,000
7320-Fuel	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000
7330-Equipment Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7340-Equipment Rental	\$ -	\$ -	\$ -	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 550	\$ -	\$ -	\$ 1,100
7350-Equipment Purchases	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 5,000
7410-Electric	\$ 3,550	\$ 3,550	\$ 3,550	\$ 3,550	\$ 3,600	\$ 4,100	\$ 4,150	\$ 4,950	\$ 4,750	\$ 4,200	\$ 3,600	\$ 3,600	\$ 47,150
7420-Water	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 4,000	\$ 4,000	\$ 4,500	\$ 5,000	\$ 4,500	\$ 4,000	\$ 4,000	\$ 4,000	\$ 40,500
7430-Waste Disposal	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 5,640
7440-Security	\$ 700	\$ -	\$ 186	\$ 910	\$ -	\$ 556	\$ 710	\$ -	\$ 186	\$ 610	\$ -	\$ 466	\$ 4,324
8010-Junior Golf Membership	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 960
8020-PGA Junior Golf	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8030-Golf Clinics	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8040-Golf Outings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ -	\$ 800
8050-Golf & Fitness Equipment	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600
8060-EOM Tournaments	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
8070-First Tee Events	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000
8080-Monterey Trip	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
8110-Program Supplies	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 300	\$ 550	\$ 550	\$ 550	\$ 600	\$ 650	\$ 6,500
8120-Program Equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 350	\$ 100	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 2,950
8130-Equipment Materials	\$ 2,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,900
8210-Boys Mentoring Committee	\$ 30	\$ 30	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 30	\$ 30	\$ 240
8220-Girls Mentoring Committee	\$ 3												

[illegible]

6030-Payroll Taxes	\$ 640	\$ 640	\$ 640	\$ 640	\$ 640	\$ 640	\$ 960	\$ 640	\$ 640	\$ 640	\$ 640	\$ 960	\$ 8,320
6040-Employee Benefits	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
6050-403 (b)	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
6110-Membership Dues													\$ -
6115-Uniforms													\$ -
6120-Mileage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6125-Cell Phones	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
6130-Professional Training													\$ -
6135-Professional Travel													\$ -
	\$ 8,820	\$ 8,820	\$ 8,820	\$ 8,820	\$ 8,820	\$ 8,820	\$ 13,140	\$ 8,820	\$ 8,820	\$ 8,820	\$ 8,820	\$ 13,140	\$ 114,480

Volunteer - CH

	3	2	2	2	2	2	3	2	2	2	2	2	
6010-Wages	\$ 2,950	\$ 2,950	\$ 2,950	\$ 2,950	\$ 2,950	\$ 2,950	\$ 4,425	\$ 2,950	\$ 2,950	\$ 2,950	\$ 2,950	\$ 4,425	\$ 38,350
6020-Employee Recognition													\$ -
6030-Payroll Taxes	\$ 236	\$ 347	\$ 347	\$ 347	\$ 347	\$ 347	\$ 520	\$ 347	\$ 347	\$ 347	\$ 347	\$ 520	\$ 4,396
6040-Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6050-403 (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6110-Membership Dues													\$ -
6115-Uniforms													\$ -
6120-Mileage	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 180
6125-Cell Phones	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$ 360
6130-Professional Training													\$ -
6135-Professional Travel													\$ -
	\$ 3,231	\$ 3,342	\$ 3,342	\$ 3,342	\$ 3,342	\$ 3,342	\$ 4,990	\$ 3,342	\$ 3,342	\$ 3,342	\$ 3,342	\$ 4,990	\$ 43,286

Volunteer - OS

	3	2	2	2	2	2	3	2	2	2	2	2	
6010-Wages	\$ 4,155	\$ 4,155	\$ 4,155	\$ 4,155	\$ 4,155	\$ 4,155	\$ 6,233	\$ 4,155	\$ 4,155	\$ 4,155	\$ 4,155	\$ 6,233	\$ 54,016
6020-Employee Recognition													\$ -
6030-Payroll Taxes	\$ 332	\$ 332	\$ 332	\$ 332	\$ 332	\$ 332	\$ 499	\$ 332	\$ 332	\$ 332	\$ 332	\$ 499	\$ 4,321
6040-Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6050-403 (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6110-Membership Dues													\$ -
6115-Uniforms													\$ -
6120-Mileage	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 180
6125-Cell Phones	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
6130-Professional Training													\$ -
6135-Professional Travel													\$ -
	\$ 4,532	\$ 4,532	\$ 4,532	\$ 4,532	\$ 4,532	\$ 4,532	\$ 6,777	\$ 4,532	\$ 4,532	\$ 4,532	\$ 4,532	\$ 6,777	\$ 58,877

TOTAL

6010-Wages	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 178,774	\$ 119,865	\$ 119,865	\$ 119,865	\$ 119,865	\$ 178,774	\$ 1,556,198
6020-Employee Recognition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
6030-Payroll Taxes	\$ 9,589	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 14,468	\$ 9,700	\$ 9,700	\$ 9,700	\$ 9,700	\$ 14,468	\$ 125,823
6040-Employee Benefits	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 84,000
6050-403 (b)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 24,000
6110-Membership Dues	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600
6115-Uniforms	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 1,500
6120-Mileage	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 410	\$ 4,920
6125-Cell Phones	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 660	\$ 7,920
6130-Professional Training	\$ 225	\$ 130	\$ 300	\$ 1,330	\$ 780	\$ 780	\$ 1,330	\$ 1,330	\$ 4,630	\$ 930	\$ 780	\$ 130	\$ 12,675
6135-Professional Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 140,049	\$ 140,065	\$ 140,235	\$ 142,265	\$ 140,715	\$ 140,715	\$ 204,942	\$ 141,265	\$ 144,565	\$ 141,365	\$ 140,715	\$ 205,742	\$ 1,822,636

General Admin

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
6210-Americorps	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6215-Contractors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6220-Temp Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6225-Payroll Processing Fees	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,400	\$ 4,900	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 4,900	\$ 44,700
6230-Job Posting	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ -	\$ 200
6235-Staff Screening	\$ -	\$ 50	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 150
6240-Workers Compensation	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 1,800	\$ 2,400	\$ 1,800	\$ 2,400	\$ 24,600
6245-Unemployment	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000
4250-PTO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6410-CC Processing	\$ 2,900	\$ 2,500	\$ 2,000	\$ 2,000	\$ 2,500	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 28,700
6415-Dues & Subscriptions	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 200	\$ 1,200
6420-Finance Charges & Bank Fees	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 55	\$ 350	\$ 55	\$ 55	\$ 55	\$ 955
6425-Insurance	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 5,500	\$ 13,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 64,000
6430-Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6435-Licenses, Permits & Certificates	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175	\$ 2,100
6440-Meals & Entertainment	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,200	\$ 2,850
6445-Postages & Supplies	\$ 200	\$ 500	\$ 1,000	\$ 200	\$ 200	\$ 200	\$ 200	\$ 500	\$ 200	\$ 200	\$ 500	\$ 200	\$ 4,100
6450-Recognition & Gifts	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800
6455-Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ -		\$ -		\$ 75
6610-Accounting	\$ -	\$ -	\$ -	\$ 8,300	\$ 6,500	\$ -	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -	\$ 18,300
6620-Consulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6630-Legal	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
6710-Rent	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,950	\$ -	\$ -	\$ -	\$ -	\$ 6,950
9010-Depreciation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9020-Investment Fees	\$ 6,500	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ 26,000
	\$ 21,030	\$ 14,620	\$ 13,830	\$ 31,720	\$ 20,030	\$ 13,570	\$ 21,930	\$ 18,995	\$ 26,225	\$ 20,770	\$ 13,730	\$ 16,730	\$ 233,180

Marketing

6310-Advertising & PR
6320-Donor Premiums
6330-Photography & Video
6340-Printing & Reproduction
6350-Fundraising
6360-Uncollectable Pledges
6415-Dues & Subscriptions
6440-Meals & Entertainment
6445-Postage & Supplies
6450-Recognition & Gifts

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
\$ 100	\$ 250	\$ 100	\$ 250	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 250	\$ 250	\$ 300	\$ 2,000.00
\$ 100	\$ 100	\$ 250	\$ 100	\$ 100	\$ 100	\$ 250	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,500.00
\$ 500	\$ 500	\$ 250	\$ 250	\$ 250	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ -	\$ -	\$ -	\$ 4,000.00
\$ 2,960	\$ 100	\$ 100	\$ 100	\$ 100	\$ 500	\$ 2,500	\$ 500	\$ 1,000	\$ 1,000	\$ 100	\$ 1,500	\$ 900	\$ 11,260.00
	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 6,600		\$ 44,400.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800.00
\$ 175	\$ 175	\$ 175	\$ 300	\$ 175	\$ 175	\$ 175	\$ 175	\$ 215	\$ 175	\$ 175	\$ 300	\$ 175	\$ 2,390.00
\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600.00
\$ 500	\$ -	\$ -	\$ 500	\$ 250	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 500		\$ 2,250.00
\$ 4,785	\$ 5,775	\$ 5,525	\$ 6,150	\$ 6,275	\$ 8,175	\$ 6,525	\$ 6,565	\$ 6,525	\$ 6,525	\$ 5,275	\$ 9,700	\$ 1,925	\$ 73,200.00

Special Events

6910-Celebrates
6920-Donor Events
6930-Other Events
6940-PK Golf Tournament
6950-Other Tournaments
6960-Farmers
6970-PKWGT

\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ 56,000	\$ -	\$ 50,000	\$ 1,650	\$ -	\$ -	\$ -	\$ -	\$ 132,650.00
\$ 500	\$ 100	\$ -	\$ -	\$ 250		\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ 1,100.00
\$ -	\$ 400	\$ -	\$ 500	\$ 100	\$ 500	\$ 750	\$ 500	\$ -	\$ 1,000	\$ -	\$ 500	\$ -	\$ 4,250.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,500	\$ 4,000	\$ -	\$ 26,000	\$ 12,000	\$ -	\$ -	\$ 44,500.00
\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000.00
\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 3,000	\$ -	\$ -	\$ 5,000.00
\$ 1,000	\$ 500	\$ 25,000	\$ 2,500	\$ 350	\$ 57,500	\$ 2,250	\$ 55,500	\$ 2,900	\$ 30,000	\$ 12,000	\$ 500	\$ -	\$ 190,000.00

\$ 263,200.00

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
Technology													
6510-Computer Hardware	\$ 500	\$ 800		\$ -	\$ 1,000	\$ -	\$ 500	\$ -	\$ 500		\$ 500	\$ -	\$ 3,800
6520-Computer SaaS	\$ 2,000	\$ 2,000	\$ 5,500	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 24,000
6530-Computer Supplies	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 100	\$ 300
6540-IT Support	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 38,400
6550-Website	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 5,700	\$ 6,050	\$ 8,700	\$ 5,200	\$ 5,700	\$ 4,800	\$ 5,200	\$ 4,700	\$ 5,750	\$ 4,700	\$ 5,200	\$ 4,800	\$ 66,500

Vehicle R&M

7010-Vehicle R&M
7020-Gas

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
\$ 200	\$ -	\$ -	\$ 200	\$ 1,000	\$ 300	\$ 500	\$ 500	\$ 500	\$ 300	\$ 500	\$ 200	\$ 4,200
\$ 100	\$ 200	\$ 200	\$ 200	\$ 200	\$ 400	\$ 800	\$ 400	\$ 600	\$ 600	\$ 250	\$ 200	\$ 4,150
\$ 300	\$ 200	\$ 200	\$ 400	\$ 1,200	\$ 700	\$ 1,300	\$ 900	\$ 1,100	\$ 900	\$ 750	\$ 400	\$ 8,350

[illegible]

Pro Shop

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
6810-Food & Beverage	\$ 900	\$ 800	\$ 750	\$ 700	\$ 650	\$ 800	\$ 1,300	\$ 1,100	\$ 900	\$ 800	\$ 800	\$ 1,000	\$ 10,500
6820-Merchandise	\$ 3,000	\$ 2,000	\$ 2,500	\$ 2,000	\$ 2,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 2,000	\$ 2,000	\$ 2,500	\$ 1,500	\$ 30,500
6830-Vendor Discounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6840-Inventory Cost Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6850-Pro Shop Advertising	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
6860-Pro Shop Supplies	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 3,000
6415-Dues & Subscriptions	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
	\$ 4,210	\$ 3,110	\$ 3,560	\$ 3,010	\$ 3,460	\$ 4,610	\$ 5,110	\$ 4,910	\$ 3,210	\$ 3,110	\$ 3,610	\$ 2,810	\$ 44,720

Facility	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
Clubhouse City Heights													
7110-Clubhouse Supplies	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 4,800
7120-Clubhouse R&M	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 4,200
7130-Furnishings	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
7140-Janitorial	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 1,086	\$ 13,032
7150-Elevator R&M	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 3,600
7160-Internet & Telephone	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 9,000
7170-Office Equipment R&M	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 12,480
	\$ 4,526	\$ 3,626	\$ 4,126	\$ 4,526	\$ 3,626	\$ 3,626	\$ 4,526	\$ 3,626	\$ 3,626	\$ 4,526	\$ 3,626	\$ 3,626	\$ 47,612
Utilities City Heights													
7410-Electric	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,500	\$ 3,500	\$ 4,250	\$ 4,000	\$ 3,500	\$ 3,000	\$ 3,000	\$ 39,750
7420-Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7430-Waste Disposal	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 5,640
7440-Security	\$ 490	\$ -	\$ 120	\$ 700	\$ -	\$ 490	\$ 500	\$ -	\$ 120	\$ 400	\$ -	\$ 400	\$ 3,220
	\$ 3,960	\$ 3,470	\$ 3,590	\$ 4,170	\$ 3,470	\$ 4,460	\$ 4,470	\$ 4,720	\$ 4,590	\$ 4,370	\$ 3,470	\$ 3,870	\$ 48,610
Clubhouse Oceanside													
7110-Clubhouse Supplies	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 2,400
7120-Clubhouse R&M	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 2,400
7130-Furnishings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400
7140-Janitorial	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 642	\$ 7,704
7150-Elevator R&M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7160-Internet & Telephone	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 475	\$ 5,700
7170-Office Equipment R&M	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260	\$ 3,120
	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,977	\$ 1,977	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,777	\$ 21,724
Utilities Oceanside													
7410-Electric	\$ 550	\$ 550	\$ 550	\$ 550	\$ 600	\$ 600	\$ 650	\$ 700	\$ 750	\$ 700	\$ 600	\$ 600	\$ 7,400
7420-Water	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 4,000	\$ 4,000	\$ 4,500	\$ 5,000	\$ 4,500	\$ 4,000	\$ 4,000	\$ 4,000	\$ 40,500
7430-Waste Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7440-Security	\$ 210	\$ -	\$ 66	\$ 210	\$ -	\$ 66	\$ 210	\$ -	\$ 66	\$ 210	\$ -	\$ 66	\$ 1,104
	\$ 2,260	\$ 2,050	\$ 2,116	\$ 2,760	\$ 4,600	\$ 4,666	\$ 5,360	\$ 5,700	\$ 5,316	\$ 4,910	\$ 4,600	\$ 4,666	\$ 49,004
Total Clubhouse													
7110-Clubhouse Supplies	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$7,200.00
7120-Clubhouse R&M	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$6,600.00
7130-Furnishings	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 200	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$900.00
7140-Janitorial	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$ 1,728	\$20,736.00
7150-Elevator R&M	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ 900	\$ -	\$ -	\$3,600.00
7160-Internet & Telephone	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$14,700.00
7170-Office Equipment R&M	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$15,600.00
	\$ 6,303	\$ 5,403	\$ 5,903	\$ 6,303	\$ 5,403	\$ 5,603	\$ 6,503	\$ 5,403	\$ 5,403	\$ 6,303	\$ 5,403	\$ 5,403	\$ 69,336
Total Utilities (includes Maintenance)													
7410-Electric	\$ 3,550	\$ 3,550	\$ 3,550	\$ 3,550	\$ 3,600	\$ 4,100	\$ 4,150	\$ 4,950	\$ 4,750	\$ 4,200	\$ 3,600	\$ 3,600	\$ 47,150
7420-Water	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 4,000	\$ 4,000	\$ 4,500	\$ 5,000	\$ 4,500	\$ 4,000	\$ 4,000	\$ 4,000	\$ 40,500
7430-Waste Disposal	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 470	\$ 5,640
7440-Security	\$ 700	\$ -	\$ 186	\$ 910	\$ -	\$ 556	\$ 710	\$ -	\$ 186	\$ 610	\$ -	\$ 466	\$ 4,324
	\$ 6,220	\$ 5,520	\$ 5,706	\$ 6,930	\$ 8,070	\$ 9,126	\$ 9,830	\$ 10,420	\$ 9,906	\$ 9,280	\$ 8,070	\$ 8,536	\$ 97,614
													\$ 166,950

Facility

Course

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
7210-Irrigation	\$ 500	\$ 500	\$ 500	\$ 500		\$ 500	\$ 500	\$ 500		\$ 500	\$ 500	\$ 500	\$ 5,000
7220-Landscape R&M			\$ 300		\$ 300		\$ 300		\$ 300		\$ 300		\$ 1,500
7230-Maintenance Materials	\$ 3,000			\$ 7,500		\$ 3,000		\$ 3,000		\$ 7,500			\$ 24,000
7240-Pesticides	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000
7250-Pond Maintenance	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 8,400
7260-Tree Trimming			\$ 5,000				\$ 4,000				\$ 4,000		\$ 13,000
7270-Outsourced Services	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 10,095	\$ 121,140
7280-Storage Shed Rent	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 165	\$ 1,980
	\$ 15,460	\$ 12,460	\$ 17,760	\$ 19,960	\$ 12,260	\$ 15,460	\$ 16,760	\$ 15,460	\$ 12,260	\$ 19,960	\$ 16,760	\$ 12,460	\$ 187,020

Equipment

7310-Equipment R&M		\$ 2,000			\$ 2,000		\$ 1,000			\$ 2,000		\$ 1,000	\$ 8,000
7320-Fuel	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000
7330-Equipment Leases													\$ -
7340-Equipment Rental				\$ 550						\$ 550			\$ 1,100
7350-Equipment Purchases		\$ 2,000					\$ 2,000				\$ 1,000		\$ 5,000
7410-Electric													\$ -
7420-Water													\$ -
7430-Waste Disposal													\$ -
7440-Security													\$ -
	\$ 500	\$ 4,500	\$ 500	\$ 1,050	\$ 2,500	\$ 500	\$ 3,500	\$ 500	\$ 500	\$ 3,050	\$ 1,500	\$ 1,500	\$ 20,100

Maintenance

6415-Dues & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6440-Meals & Entertainment	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
6445-Postage & Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6450-Recognition & Gifts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600

Course & Equipment **\$ 207,120**

Programming

Golf CH

6415-Dues & Subscriptions
6420-Finance Charges & Bank Fees
6440-Meals & Entertainment
6445-Postage & Supplies
6450-Recognition & Gifts
8010-Junior Golf Memberships
8020-PGA Junior Golf
8030-Golf Clinics
8040-Golf Outings
8050-Golf & Fitness Equipment
8060-EOM Tournaments
8070-First Tee Events

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
													\$ -
													\$ -
	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 300
													\$ -
													\$ -
	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
													\$ -
													\$ -
									\$ 600				\$ 600
	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800
	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
								\$ 1,000					\$ 1,000
	\$ 275	\$ 275	\$ 275	\$ 275	\$ 275	\$ 275	\$ 275	\$ 1,275	\$ 875	\$ 275	\$ 275	\$ 275	\$ 4,900

Golf OS

6415-Dues & Subscriptions
6420-Finance Charges & Bank Fees
6440-Meals & Entertainment
6445-Postage & Supplies
6450-Recognition & Gifts
8010-Junior Golf Memberships
8020-PGA Junior Golf
8030-Golf Clinics
8040-Golf Outings
8050-Golf & Fitness Equipment
8060-EOM Tournaments
8070-First Tee Events

													\$ -
													\$ -
	\$ 25		\$ 25		\$ 25		\$ 25		\$ 25		\$ 25		\$ 150
													\$ -
													\$ -
	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
													\$ -
													\$ -
									\$ 200				\$ 200
	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,800
	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
								\$ 1,000					\$ 1,000
	\$ 255	\$ 230	\$ 255	\$ 230	\$ 255	\$ 230	\$ 255	\$ 1,230	\$ 455	\$ 230	\$ 255	\$ 230	\$ 4,110

Golf Agency

8080-Monterey Trip

\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
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Total Golf

6415-Dues & Subscriptions
6420-Finance Charges & Bank Fees
6440-Meals & Entertainment
6445-Postage & Supplies
6450-Recognition & Gifts
8010-Junior Golf Memberships
8020-PGA Junior Golf
8030-Golf Clinics
8040-Golf Outings
8050-Golf & Fitness Equipment
8060-EOM Tournaments
8070-First Tee Events
8080-Monterey Trip

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 50	\$ 25	\$ 50	\$ 25	\$ 50	\$ 25	\$ 50	\$ 25	\$ 50	\$ 25	\$ 50	\$ 25	\$ 25	\$ 450
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80	\$ 960
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 800
\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600
\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
\$ 530	\$ 505	\$ 530	\$ 505	\$ 5,530	\$ 5,505	\$ 10,530	\$ 2,505	\$ 1,330	\$ 505	\$ 530	\$ 505	\$ 505	\$ 29,010

Programming

Programs - City Heights

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
6415-Dues & Subscriptions													\$ -
6420-Finance Charges & Bank Fees													\$ -
6440-Meals & Entertainment	\$ -	\$ 40	\$ -	\$ 40	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ 40	\$ 40	\$ 20	\$ 280
6445-Postage & Supplies						\$ 10		\$ 10				\$ 10	\$ 30
6450-Recognition & Gifts													\$ -
8110-Program Supplies	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,600
8120-Program Equipment	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
8130-Educational Materials	\$ 2,000												\$ 2,000
8210-Boys Mentoring Committee													\$ -
8220-Girls Mentoring Committee													\$ -
8230-All Stars	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 240
8310-Field Trips	\$ -	\$ 250	\$ -	\$ 250	\$ -	\$ 350	\$ 350	\$ 350	\$ -	\$ 250	\$ -	\$ 250	\$ 2,050
8320-Workshops	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
8330-Camps						\$ 600	\$ 2,000	\$ 1,200					\$ 3,800
8410-Onsite College	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
8420-Offsite College	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000						\$ 5,000
8430-Scholarships Awarded	\$ 30,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 93,000
8440-Scholar Expenses													\$ -
8510-Leadership													\$ -
8520-Internships								\$ 3,000					\$ 3,000
8530-Other Plus Programs													\$ -
8610-YE General													\$ -
8620-YE Awards & Recognition											\$ 750		\$ 750
8630-YE Holiday Party											\$ 500	\$ 500	\$ 1,000
8710-Adult Communication													\$ -
8720-Family Activities			\$ 300			\$ 300	\$ 300	\$ 300		\$ 300			\$ 1,500
	\$ 35,550	\$ 20,840	\$ 850	\$ 840	\$ 550	\$ 1,910	\$ 23,200	\$ 30,410	\$ 550	\$ 1,140	\$ 1,840	\$ 1,330	\$ 119,010

Programming

Programs - Oceanside

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022 Total
6415-Dues & Subscriptions	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 230	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 560
6420-Finance Charges & Bank Fees													\$ -
6440-Meals & Entertainment	\$ 150				\$ 150		\$ 200		\$ 150		\$ 150	\$ 150	\$ 950
6445-Postage & Supplies	\$ 10		\$ 10		\$ 10			\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 80
6450-Recognition & Gifts	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
8110-Program Supplies	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250		\$ 250	\$ 250	\$ 250	\$ 300	\$ 350	\$ 2,900
8120-Program Equipment	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 250		\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 1,750
8130-Educational Materials	\$ 900												\$ 900
8210-Boys Mentoring Committee	\$ 30	\$ 30	\$ 30	\$ 30					\$ 30	\$ 30	\$ 30	\$ 30	\$ 240
8220-Girls Mentoring Committee	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35				\$ 35		\$ 35	\$ 35	\$ 280
8230-All Stars	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 240
8310-Field Trips	\$ 200		\$ 50		\$ 75					\$ 200		\$ 300	\$ 825
8320-Workshops	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100			\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,000
8330-Camps				\$ 200		\$ 550	\$ 1,500	\$ 550				\$ 400	\$ 3,200
8410-Onsite College		\$ 50	\$ 50	\$ 50				\$ 50	\$ 50	\$ 50	\$ 50		\$ 350
8420-Offsite College							\$ 2,000						\$ 2,000
8430-Scholarships Awarded	\$ 10,000	\$ 12,000					\$ 8,000	\$ 10,000					\$ 40,000
8440-Scholar Expenses		\$ 300				\$ 300							\$ 600
8510-Leadership	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
8520-Internships							\$ 2,000						\$ 2,000
8530-Other Plus Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
8610-YE General		\$ 200								\$ 200	\$ 200	\$ 300	\$ 900
8620-YE Awards & Recognition											\$ 850		\$ 850
8630-YE Holiday Party											\$ 500		\$ 500
8710-Adult Communication	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8720-Family Activities			\$ 200		\$ 200			\$ 200		\$ 200			\$ 800
	\$ 11,975	\$ 13,265	\$ 1,025	\$ 965	\$ 1,120	\$ 1,500	\$ 14,050	\$ 11,460	\$ 925	\$ 1,340	\$ 2,525	\$ 1,975	\$ 62,125

Programming

Total

6415-Dues & Subscriptions	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 230	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 560
6420-Finance Charges & Bank Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6440-Meals & Entertainment	\$ 150	\$ 40	\$ -	\$ 40	\$ 150	\$ 100	\$ 200	\$ -	\$ 150	\$ 40	\$ 190	\$ 170	\$ 1,230
6445-Postage & Supplies	\$ 10	\$ -	\$ 10	\$ -	\$ 10	\$ 10	\$ -	\$ 20	\$ 10	\$ 10	\$ 10	\$ 20	\$ 110
6450-Recognition & Gifts	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
8110-Program Supplies	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 300	\$ 550	\$ 550	\$ 550	\$ 600	\$ 650	\$ 6,500
8120-Program Equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 350	\$ 100	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 2,950
8130-Educational Materials	\$ 2,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,900
8210-Boys Mentoring Committee	\$ 30	\$ 30	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ 30	\$ 30	\$ 240
8220-Girls Mentoring Committee	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ -	\$ -	\$ -	\$ 35	\$ -	\$ 35	\$ 35	\$ 280
8230-All Stars	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 480
8310-Field Trips	\$ 200	\$ 250	\$ 50	\$ 250	\$ 75	\$ 350	\$ 350	\$ 350	\$ -	\$ 450	\$ -	\$ 550	\$ 2,875
8320-Workshops	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 100	\$ 100	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 2,200
8330-Camps	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 1,150	\$ 3,500	\$ 1,750	\$ -	\$ -	\$ -	\$ 400	\$ 7,000
8410-Onsite College	\$ 30	\$ 80	\$ 80	\$ 80	\$ 30	\$ 30	\$ 30	\$ 80	\$ 80	\$ 80	\$ 80	\$ 30	\$ 710
8420-Offsite College	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000
8430-Scholarships Awarded	\$ 40,000	\$ 32,000	\$ -	\$ -	\$ -	\$ -	\$ 26,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 133,000
8440-Scholar Expenses	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600
8510-Leadership	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 600
8520-Internships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
8530-Other Plus Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8610-YE General	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ 200	\$ 300	\$ 900
8620-YE Awards & Recognition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,600	\$ -	\$ 1,600
8630-YE Holiday Party	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 500	\$ 1,500
8710-Adult Communication	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8720-Family Activities	\$ -	\$ -	\$ 500	\$ -	\$ 200	\$ 300	\$ 300	\$ 500	\$ -	\$ 500	\$ -	\$ -	\$ 2,300
	\$ 47,525	\$ 34,105	\$ 1,875	\$ 1,805	\$ 1,670	\$ 3,410	\$ 37,250	\$ 41,870	\$ 1,475	\$ 2,480	\$ 4,365	\$ 3,305	\$ 181,135

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Phone Support for San Marcos Residents Impacted by Dementia Date Submitted: 1/4/2022	Total # of people served: 20,000 Total # of San Marcos residents served: 55	Amount Requested: \$5,000
Non-Profit Organization Name and Address, Website Alzheimer's San Diego 6632 Convoy Court San Diego, CA 92111 www.alzsd.org	Contact Person – Name, Title & Phone, email Regina Lagasca Grants & Advocacy Manager 858-966-3294 rlagasca@alzsd.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Alzheimer's San Diego's mission is to help local families impacted by dementia, fight stigma, and support research. Since 2015, Alzheimer's San Diego has offered a suite of dementia services without cost to participants, built with a foundation of access to dementia experts who assist individuals and families in communities like San Marcos. With the rise of COVID-19, this personalized support has become an even more crucial connection for caregivers to stay informed on dementia-related knowledge. To ensure there is no gap in supportive services for these families, Alzheimer's San Diego is requesting funds from the San Marcos Community Foundation to continue delivering personalized dementia support to San Marcos residents impacted by memory loss. A grant award will directly finance the salaries of key staff who manage this one-on-one support. Funds will additionally offset the costs of phones, program materials for families, the data software system, and Zoom.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Alzheimer's San Diego assists the San Marcos community through free, quality phone support that allows residents to speak with dementia experts who provide further education on the disease, long term care plans, community resources, and emotional support. Now more than ever, residents living in San Marcos need specialized and personal one-on-one coaching to navigate this everchanging disease. The County's Department of San Diego Health and Human Services expects that San Marcos and other communities in the North Inland Region will have a combined total of over 17,000 persons living with dementia within ten years, corresponding with a rise of caregivers. Ultimately, a partnership with the San Marcos Community Foundation will enhance the quality of life for the growing number of San Marcos individuals living with dementia and those who care for them.</p>		
<p>Please attach the following items.</p> <p><u>Both Mini-Grant & Regular:</u></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 <p><u>5. Regular Grants Only:</u></p> <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 		
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Expected date project will begin/end: 4/1/22-3/31/23</p> <p>Date by which funds will be expended: 3/31/2023</p> </div> <div style="width: 45%;"> <p>Signature of President or Authorized Officer</p> <p> <u>President & CEO</u> <u>1/4/22</u></p> <p>Name, Title Date</p> </div> </div>		
<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): cityclerk@san-marcos.net</p>		

Alzheimer's disease, the third leading cause of death in San Diego County, is a progressive and irreversible brain disorder that impacts one's memory, behavior, and thinking. Cognitive decline is compounded by physical decline, and a person living with dementia will eventually require 24-hour care and constant supervision. Caring for someone living with Alzheimer's disease or related dementia takes an emotional, physical, and financial toll on the person and a family. Due to the extensive amount of time and energy put into caring for a person with dementia, caregivers often neglect their own needs and become more at risk for depression, anxiety, and burnout. Further stress and isolation brought on by the pandemic has only exacerbated these challenges, creating a perfect storm of immense emotional and physiological strain.

To meet the needs of local individuals living with Alzheimer's disease or a related dementia and their caregivers, Alzheimer's San Diego offers a wide range of services with personalized dementia support at the heart of the organization. The team of experienced dementia experts tailor consultations to each individual's situation, delivering all-inclusive guidance on disease-related information, local resources, and solutions for everyday obstacles while also supporting individuals and families through emotional hardships. Every weekday, dementia experts are available to answer questions and even serve as a listening ear; supporting individuals in the ways they need. The team routinely addresses inquiries on topics such as signs and symptoms of the disease, managing personality and behavior changes, communication techniques, grief and loss, legal and financial considerations, and long-term care options.

Although Alzheimer's San Diego's phone support has always been an important way for people to receive personalized care, this connection has become a lifeline for San Marcos residents during the pandemic. With the suspension of many in-person services, care options and daily routines of those impacted by dementia have been dramatically disrupted. Alzheimer's San Diego's dementia experts have experienced a reflection of the changes in community needs during one-on-one interactions with families. Since the daily struggles of caregivers have become more immediate, the length of calls, depth of grief work, and emotional weight of conversations have grown to a new level of required support. One caregiver expressed their gratitude for a consultation on behalf of her family with an expert, stating, "I was guided by a wonderful Social Worker, who helped me and guided me enormously about my mothers' memory loss situation, I really appreciate her time and help. Thank you so much for helping me and my sister, we feel much better and less lost!!!" This feedback illustrates the impact of personalized support for caregivers who are experiencing the overwhelming challenges of dementia amid the pandemic.

Like the San Marcos Community Foundation, Alzheimer's San Diego aims to serve San Marcos residents, contributing to a community in which all residents can thrive. A grant award will finance salaries of staff members who are fundamental in managing phone support and its overall benefits to the people of San Marcos. Grant funding will additionally help sustain the costs of operating the phones and distributing dementia materials such as tip sheets for families. Funds will also contribute to Zoom costs as well as Neon, the data software system the staff uses for the program, that provides quality assurance for both staff and families. These necessary components of personalized one-on-one support will continue to ensure dementia assistance for people who call San Marcos their home.

While COVID-19 has put much of the world on hold, Alzheimer's disease and other dementia continues to affect the lives of 100,000 San Diego County residents, and countless others who care for them, in communities like San Marcos. While many people begin to resume their regular activities, the negative effects of this disease will continue far beyond the pandemic. Through personalized one-on-one support, Alzheimer's San Diego helps local families live well and maintain a quality of life while living with dementia, now and beyond the pandemic.

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)

Salaries – (5 Clinical Care Coach’s @ \$62,400 x .05 FTE =)	\$ 15,600.00
Materials - (Tip sheets, resources, reading material & postage)	\$ 500.00
Rent – (Portion of total rent)	\$ 1568.43
Phones – (\$725 x 12 months x 5% =)	\$ 435.00
Neon – (\$1284 x 12 months x 5% =)	\$ 770.40
Zoom – (\$14.99 x 12 months =)	\$ 179.88
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total budget for this PROJECT: **\$ 19,053.71**

Grant Request Amount: **\$ 5,000.00**
(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).**

\$ _____ No Committed Funds _____	** _____
\$ _____ No Conditional Funds _____	** _____
\$ _____ No Pending Funds _____	** _____
\$ _____	** _____

Alzheimer's San Diego

FY22 Budget

July 1, 2021 through June 30, 2022

Alzheimer's San Diego

FY 22 BUDGET TOTAL

INCOME

4000 · Contributed Support	\$600,000.00
4010 · Direct Gifts	\$220,000.00
4012 · Major Gifts	\$155,000.00
4050 · Research Income C4C	\$50,000.00
4100 · Planned Gifts	\$100,000.00
4200 · Grants - Other	\$235,000.00
4210 · Grants - Reimbursement	\$361,639.00
4310 · Contracted Revenue - Government	\$150,000.00
4321 · Corporate Sponsorships	\$225,000.00
4300 · Earned Revenues - Other	\$650,000.00
5591 · Misc Revenue	\$25,500.00
TOTAL INCOME	\$2,772,139.00

EXPENSE

6000 · Personnel Related Expenses	\$2,003,751.00
6200 · Contract Service Expenses	\$209,100.00
6300 · Postage, Printing and other Supplies	\$134,570.00
6400 · Facility and Equipment Expenses	\$282,324.68
6510 · Advertising and Event Expenses	\$268,000.00
6800 · Other Types of Expenses	\$57,200.00
TOTAL EXPENSES	\$2,954,945.68

*Alzheimer's San Diego has budgeted a deficit year due to an anticipated decrease in donations as a result of the pandemic.

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

DEPARTMENT OF THE TREASURY

Date: JAN 20 2016

ALZHEIMERS SAN DIEGO
6632 CONVOY COURT
SAN DIEGO, CA 92111

Employer Identification Number:
47-5534541
DLN:
17053331316045
Contact Person:
JODI L GARUCCIO ID# 31481
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
November 9, 2015
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.

ALZHEIMERS SAN DIEGO

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

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Cooper', with a stylized flourish at the end.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements



State of California
Franchise Tax Board

PO Box 1286
Rancho Cordova CA 95741-1286

ALZHEIMER'S SAN DIEGO
6632 CONVOY CT
SAN DIEGO CA 92111

Date: 04.04.16
Case: 30820602506309890
Case Unit: 30820602506309893
In reply refer to: 760:GRW:F120

Regarding:	Tax-Exempt Status
Organization's Name:	ALZHEIMER'S SAN DIEGO
CCN:	3841875
Purpose:	Charitable
R&TC Section:	23701d
Form of Organization:	Incorporated
Accounting Period Ending:	12/31
Tax-Exempt Status Effective:	11/09/2015

Exempt Acknowledgement Letter

We have received your federal determination letter that shows tax exemption under Internal Revenue Code (IRC) Section 501(c)(3).

Under California law, Revenue and Taxation Code (R&TC) Section 23701 provides that an organization is exempt from taxes imposed under Part 11 upon submission of the federal determination letter approving the organization's tax-exempt status.

Generally, the effective date of an organization's California tax-exempt status is the same date as the federal tax-exempt status.

To retain tax-exempt status, the organization must be organized and operating for nonprofit purposes within the provisions of the above R&TC section. An inactive organization is not entitled to tax-exempt status.

In order for us to determine any effect on the tax-exempt status, the organization must immediately report to us any change in:

- Operation
- Character
- Purpose
- Name
- Address

For filing requirements, refer to FTB Pub.1068, *Exempt Organizations - Filing Requirements and Filing Fees*. Go to **ftb.ca.gov** and search for **1068**.

This exemption is for state franchise or income tax purposes only. For information regarding sales tax exemption, contact the State Board of Equalization at 800.400.7115 or go to their website at **boe.ca.gov**.

George R. Walker
Telephone: 916.845.4171
Fax: 916.845.9501

cc: PAUL J. DOSTART, ESQ



2022 Board of Directors

Derrick Walsh (Chair)

SVP and Chief Accounting Officer, AXOS Bank

Ann Owens (Vice Chair)

Retired Senior Vice President, Qualcomm

Marcea Lloyd (Secretary)

Former SVP and General Counsel, Amylin

Vince Kingsley (Treasurer)

Senior Vice President/Regional Manager, Torrey Pines Bank

Bari Berkman

Retired, International Real Estate, Leidos (Formerly SAIC)

Carlo Cecchetto

Newscaster, KFMB-TV 8

Linda Cho

Owner/Executive Director, Stellar Care

Dr. Abraham Chyung

MD-PhD, Division of Neurology, Scripps Clinic Medical Group, Inc.

Katrina DeLeon, MD

Scripps Clinic, Geriatric Medicine, Division Head

Sheriff Bill Gore

San Diego County Sheriff

Susan Guerra

COO, Chesnut Properties

Herb Liberman

Business Consultant

Claudia Mazanec (At Large)

Retired, Qualcomm Executive

Jill Mendlen

President & CEO, Lightbridge Hospice

Kimberly Mendoza

Aetna International, A CVS Company

Inez Thomas

Retired Educator

Judy Wenker

Retired, Attorney

2020

990

PUBLIC

DISCLOSURE

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)

OMB No. 1545-0047

2020

Open to Public Inspection

▶ 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.

A For the 2020 calendar year, or tax year beginning **JUL 1, 2020** and ending **JUN 30, 2021**

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 <div style="border: 1px solid black; padding: 2px;">ALZHEIMER'S SAN DIEGO</div> Doing business as <div style="border: 1px solid black; padding: 2px;">Number and street (or P.O. box if mail is not delivered to street address) Room/suite</div> <div style="border: 1px solid black; padding: 2px;">6632 CONVOY COURT</div> City or town, state or province, country, and ZIP or foreign postal code <div style="border: 1px solid black; padding: 2px;">SAN DIEGO, CA 92111</div> F Name and address of principal officer: EUGENIA WELCH SAME AS C ABOVE	D Employer identification number <div style="border: 1px solid black; padding: 2px;">47-5534541</div> E Telephone number <div style="border: 1px solid black; padding: 2px;">858-492-4400</div> G Gross receipts \$ 2,956,778. 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.ALZSD.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: 2015 M State of legal domicile: CA		

Part I Summary

1	Briefly describe the organization's mission or most significant activities: PROVIDE SAN DIEGO FAMILIES WITH CARE & SUPPORT WHILE ADVANCING CRITICAL LOCAL RESEARCH FOR A CURE.		
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	16
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	16
5	Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	24
6	Total number of volunteers (estimate if necessary)	6	350
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
9	Program service revenue (Part VIII, line 2g)	2,576,795.	2,935,959.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	0.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	30,969.	7,519.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-42,665.	-31,455.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,565,099.	2,912,023.
14	Benefits paid to or for members (Part IX, column (A), line 4)	15,000.	147,500.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	1,671,369.	1,821,709.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 485,600.	0.	0.
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	632,165.	565,776.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,318,534.	2,534,985.
19	Revenue less expenses. Subtract line 18 from line 12	246,565.	377,038.
20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
21	Total liabilities (Part X, line 26)	3,285,032.	3,837,725.
22	Net assets or fund balances. Subtract line 21 from line 20	409,201.	490,603.
		2,875,831.	3,347,122.

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 <div style="border: 1px solid black; padding: 2px;">EUGENIA WELCH, PRESIDENT/CEO</div> Type or print name and title	Date <div style="border: 1px solid black; padding: 2px;"></div>
Paid Preparer Use Only	Print/Type preparer's name <div style="border: 1px solid black; padding: 2px;"></div> Preparer's signature <div style="border: 1px solid black; padding: 2px;"></div> Date <div style="border: 1px solid black; padding: 2px;">12/01/21</div> Check if self-employed <input type="checkbox"/> PTIN <div style="border: 1px solid black; padding: 2px;"></div>	Firm's name ▶ ALDRICH CPAS AND ADVISORS, LLP Firm's EIN ▶ <div style="border: 1px solid black; padding: 2px;"></div> 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

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:

ALZHEIMER'S SAN DIEGO PROVIDES SAN DIEGO FAMILIES WITH CARE AND SUPPORT WHILE ADVANCING CRITICAL LOCAL RESEARCH FOR A CURE.

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 \$ 1,312,310. including grants of \$ 147,500.) (Revenue \$)
 ALZHEIMER'S SAN DIEGO IS LOCALLY GOVERNED AND FUNDED BY THE COMMUNITY WE SERVE. CONTINUING A LEGACY STARTED MORE THAN 35 YEARS AGO, ALZHEIMER'S SAN DIEGO IS DEDICATED TO PROVIDING THE EDUCATION, SUPPORT, AND COMPASSION CARE PARTNERS NEED TO ENSURE THE BEST POSSIBLE OUTCOME FOR BOTH THE PERSON LIVING WITH DEMENTIA, AND THEMSELVES. SINCE ITS CREATION IN 2015, ALZHEIMER'S SAN DIEGO HAS PROVIDED INNOVATIVE SUPPORT SERVICES THAT ARE TAILOR-MADE FOR THE UNIQUE NEEDS OF THE SAN DIEGO COMMUNITY - COMPLETELY FREE OF CHARGE.

SEE SCHEDULE O FOR MORE DETAILS OF PROGRAM SERVICES.

4b (Code:) (Expenses \$ 393,357. including grants of \$) (Revenue \$)
 EDUCATION - ALZHEIMER'S SAN DIEGO IS THE LEADING SOURCE FOR DEMENTIA-RELATED EDUCATION IN SAN DIEGO COUNTY, OFFERING CLASSES AND WORKSHOPS ON MORE THAN 25 DIFFERENT TOPICS SUCH AS LIVING WITH MEMORY LOSS, CHANGING RELATIONSHIPS AND INTIMACY, DEMENTIA 101, AND SAFETY AT HOME. SUPPORT AND DISCUSSION GROUPS - ALZHEIMER'S SAN DIEGO CURRENTLY OFFERS MORE CAREGIVER SUPPORT GROUPS THAN ANY OTHER LOCAL PROVIDER - HELD IN ENGLISH, SPANISH, AND KOREAN. GROUPS PROVIDE REGULAR OPPORTUNITIES TO FIND COMFORT, GAIN HOPE AND STRENGTH, WHILE LEARNING FROM OTHER CAREGIVERS WHO UNDERSTAND WHAT THEY ARE GOING THROUGH.

4c (Code:) (Expenses \$ 231,347. including grants of \$) (Revenue \$)
 SOCIAL ACTIVITIES AND OUTINGS - THESE EXCITING AND COGNITIVELY STIMULATING ACTIVITIES ARE DESIGNED TO ENCOURAGE STAYING ACTIVE, BEING SOCIAL, AND CONNECTING WITH OTHERS - FOR BOTH PEOPLE LIVING WITH DEMENTIA AND THEIR CARE PARTNERS. ACTIVITIES FOCUS ON POSITIVE EXPERIENCES WHILE ALSO TEACHING CAREGIVERS TECHNIQUES AND STRATEGIES THAT CAN BE USED AT HOME.

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

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

4e Total program service expenses **1,937,014.**

Form 990 (2020)

Alzheimer's San Diego

Financial Statements

Years Ended June 30, 2021 and 2020



ALZHEIMER'S SAN DIEGO

Financial Statements

Years Ended June 30, 2021 and 2020

Table of Contents

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Alzheimer's San Diego
San Diego, California

We have audited the accompanying financial statements of Alzheimer's San Diego (a nonprofit organization), which are comprised of the Statements of Financial Position as of June 30, 2021 and 2020, the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

We believe 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 Alzheimer's San Diego as of June 30, 2021 and 2020, 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.

Aldrich CPAs + Advisors LLP

San Diego, California
November 16, 2021

ALZHEIMER'S SAN DIEGO
Statements of Financial Position
June 30, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,900,436	\$ 1,417,966
Grants receivable	108,500	49,785
Accounts receivable	8,750	55,458
Prepaid expenses	71,965	71,039
Investments	480,303	1,459,031
Beneficial interest	249,307	201,082
Furniture and equipment, net of accumulated depreciation	<u>18,464</u>	<u>30,671</u>
Total Assets	<u>\$ 3,837,725</u>	<u>\$ 3,285,032</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 21,752	\$ 33,587
Accrued payroll	141,216	113,514
Deferred revenue	6,500	6,500
Note payable	<u>321,135</u>	<u>255,600</u>
Total Liabilities	490,603	409,201
Net Assets:		
Without donor restrictions	3,031,597	2,569,352
With donor restrictions:		
Restricted for time and purpose	66,218	105,397
Perpetual in nature	<u>249,307</u>	<u>201,082</u>
	<u>315,525</u>	<u>306,479</u>
Total Net Assets	<u>3,347,122</u>	<u>2,875,831</u>
Total Liabilities and Net Assets	<u>\$ 3,837,725</u>	<u>\$ 3,285,032</u>

ALZHEIMER'S SAN DIEGO**Statement of Activities**

Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	\$ 1,244,109	\$ 100,600	\$ 1,344,709
Grants and contracts	748,669	-	748,669
Fundraising events revenue	600,281	-	600,281
PPP loan forgiveness	255,600	-	255,600
Other income	53,547	-	53,547
In-kind contributions	22,500	-	22,500
Change in value of beneficial interest in assets	-	48,225	48,225
Net assets released from restrictions, satisfaction of program restrictions	139,779	(139,779)	-
Total Support and Revenue	3,064,485	9,046	3,073,531
Expenses:			
Program services:			
Family support services	1,186,594	-	1,186,594
Education	393,357	-	393,357
Social programs	231,347	-	231,347
Research	148,216	-	148,216
Total Program Expenses	1,959,514	-	1,959,514
Supporting services:			
Management and general	112,371	-	112,371
Fundraising	530,355	-	530,355
Total Expenses	2,602,240	-	2,602,240
Change in Net Assets	462,245	9,046	471,291
Net Assets, beginning of year	2,569,352	306,479	2,875,831
Net Assets, end of year	\$ 3,031,597	\$ 315,525	\$ 3,347,122

ALZHEIMER'S SAN DIEGO**Statement of Activities**Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	\$ 1,039,597	\$ 75,000	\$ 1,114,597
Grants and contracts	836,959	-	836,959
Fundraising events revenue	686,580	-	686,580
Other income	40,551	-	40,551
Change in value of beneficial interest in assets	-	(7,342)	(7,342)
Net assets released from restrictions, satisfaction of program restrictions	158,937	(158,937)	-
Total Support and Revenue	2,762,624	(91,279)	2,671,345
Expenses:			
Program services:			
Family support services	1,219,886	-	1,219,886
Social programs	275,351	-	275,351
Education	233,467	-	233,467
Research	15,000	-	15,000
Total Program Expenses	1,743,704	-	1,743,704
Supporting services:			
Management and general	129,597	-	129,597
Fundraising	549,239	-	549,239
Total Expenses	2,422,540	-	2,422,540
Change in Net Assets	340,084	(91,279)	248,805
Net Assets, beginning of year	2,229,268	397,758	2,627,026
Net Assets, end of year	\$ 2,569,352	\$ 306,479	\$ 2,875,831

ALZHEIMER'S SAN DIEGO
Statement of Functional Expenses
Year Ended June 30, 2021

	Program Services					Supporting Services		
	Family Support Services	Social Programs	Education	Research	Total	Management and General	Fundraising	Total
Salaries	\$ 767,272	\$ 109,610	\$ 219,221	\$ -	\$ 1,096,103	\$ 63,802	\$ 330,672	\$ 1,490,577
Employee benefits	115,932	16,562	33,124	-	165,618	26,591	26,959	219,168
Payroll taxes	54,612	7,802	15,603	-	78,017	4,117	29,830	111,964
Subtotal, personnel expenses	937,816	133,974	267,948	-	1,339,738	94,510	387,461	1,821,709
Outside services	43,324	10,983	14,890	147,530	216,727	-	3,288	220,015
Occupancy	78,288	11,184	22,368	-	111,840	8,527	21,742	142,109
Postage	66,983	9,569	19,138	-	95,690	588	6,448	102,726
Advertising	27,636	3,948	7,896	-	39,480	35	30,125	69,640
Equipment rental and maintenance	-	23,612	22,082	-	45,694	1,732	15,146	62,572
Professional fees	-	22,742	20,882	686	44,310	3,297	13,246	60,853
Bank and credit card fees	-	-	-	-	-	-	35,858	35,858
Printing and publications	6,606	6,569	7,138	-	20,313	828	6,432	27,573
Insurance	10,096	1,442	2,885	-	14,423	1,100	2,804	18,327
Depreciation	9,427	1,347	2,693	-	13,467	1,027	2,618	17,112
Telephone and internet	5,306	1,252	1,252	-	7,810	-	-	7,810
Supplies and miscellaneous	270	2,128	2,016	-	4,414	686	1,322	6,422
Dues and subscriptions	842	1,961	1,672	-	4,475	36	1,635	6,146
Events	-	226	135	-	361	5	1,956	2,322
Travel	-	410	362	-	772	-	274	1,046
	<u>\$ 1,186,594</u>	<u>\$ 231,347</u>	<u>\$ 393,357</u>	<u>\$ 148,216</u>	<u>\$ 1,959,514</u>	<u>\$ 112,371</u>	<u>\$ 530,355</u>	<u>\$ 2,602,240</u>

See accompanying notes to financial statements.

ALZHEIMER'S SAN DIEGO
Statement of Functional Expenses
Year Ended June 30, 2020

	Program Services					Supporting Services		
	Family Support Services	Social Programs	Education	Research	Total	Management and General	Fundraising	Total
Salaries	\$ 796,776	\$ 129,708	\$ 79,195	\$ -	\$ 1,005,679	\$ 59,944	\$ 313,357	\$ 1,378,980
Employee benefits	107,744	17,540	10,709	-	135,993	24,805	25,476	186,274
Payroll taxes	57,822	9,414	5,747	-	72,983	3,801	29,331	106,115
Subtotal, personnel expenses	962,342	156,662	95,651	-	1,214,655	88,550	368,164	1,671,369
Occupancy	90,403	14,876	9,155	-	114,434	5,922	27,683	148,039
Outside services	61,481	18,560	45,500	15,000	140,541	-	3,218	143,759
Equipment rental and maintenance	2,100	24,694	23,605	-	50,399	1,079	17,026	68,504
Advertising	27,257	4,486	2,760	-	34,503	-	29,931	64,434
Events	-	24	6,032	-	6,056	-	52,790	58,846
Postage	33,995	5,594	3,443	-	43,032	396	7,323	50,751
Professional fees	-	19,614	18,008	-	37,622	1,947	9,101	48,670
Printing and publications	62	15,101	14,616	-	29,779	2,435	11,745	43,959
Bank and credit card fees	-	-	-	-	-	26,673	6,492	33,165
Supplies and miscellaneous	4,103	7,738	8,484	-	20,325	861	6,190	27,376
Depreciation	12,247	2,015	1,240	-	15,502	802	3,750	20,054
Insurance	10,610	1,746	1,075	-	13,431	695	3,425	17,551
Travel	9,781	615	556	-	10,952	158	796	11,906
Telephone and internet	5,057	1,245	1,245	-	7,547	-	-	7,547
Dues and subscriptions	448	2,381	2,097	-	4,926	79	1,605	6,610
	<u>\$ 1,219,886</u>	<u>\$ 275,351</u>	<u>\$ 233,467</u>	<u>\$ 15,000</u>	<u>\$ 1,743,704</u>	<u>\$ 129,597</u>	<u>\$ 549,239</u>	<u>\$ 2,422,540</u>

See accompanying notes to financial statements.

ALZHEIMER'S SAN DIEGO**Statements of Cash Flows**

Years Ended June 30, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities:		
Change in net assets	\$ 471,291	\$ 248,805
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	17,112	20,054
PPP Note payable forgiven	(255,600)	-
Change in value of beneficial interest in trusts	(48,225)	7,342
Net unrealized gain on investments	(49,235)	(1,790)
Changes in operating assets and liabilities:		
Grants receivable	(58,715)	102,665
Accounts receivable	46,708	(35,620)
Prepaid expenses	(926)	(36,208)
Accounts payable and accrued expenses	(11,835)	26,229
Accrued payroll	27,702	32,487
Deferred revenue	-	6,500
Net Cash Provided by Operating Activities	138,277	370,464
Cash Flows from Investing Activities:		
Proceeds from maturity of investments	1,027,963	935,515
Purchases of investments	-	(1,440,000)
Purchases of furniture and equipment	(4,905)	(2,711)
Net Cash Provided (Used) by Investing Activities	1,023,058	(507,196)
Cash Flows Provided by Financing Activities:		
Proceeds from PPP note payable	321,135	255,600
Net Increase in Cash and Cash Equivalents	1,482,470	118,868
Cash and Cash Equivalents, beginning of year	1,417,966	1,299,098
Cash and Cash Equivalents, end of year	\$ 2,900,436	\$ 1,417,966

See accompanying notes to financial statements.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities

Alzheimer's San Diego (Organization) is a local independently governed nonprofit organization. Incorporated in San Diego in November 2015, the Organization continues a more than 30-year legacy of support and service established by the original San Diego chapter of the Alzheimer's Association, which disaffiliated from the National organization in 2015. The Organization provides person-to-person family support, neighborhood classes and workshops, social activities and outings, support groups, innovative programs to promote brain health, and collaborations with local industry, government, and researchers to promote safety, improve care, and fund local drug discovery for a cure. The Organization is a central participant in the Alzheimer's Project and Collaboration4Cure (C4C) and hosts many community events including Date With A Cure, Walk4ALZ, Rides4ALZ, and others.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which requires the Organization to report information regarding their financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

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

Fair Value Measurement

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

- Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

As a practical expedient, certain financial instruments may be valued using net assets value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

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

Fair Value Measurement, continued

Pooled funds: The assets held by the San Diego Foundation (SDF) are invested in pooled funds. Pooled funds mainly invest in a variety of domestic stock, international stock, commercial paper, mutual funds and other investments. In general, the majority of the underlying assets have observable Level 1 or Level 2 inputs. Pooled funds are valued at NAV of the shares held by the Organization at year end.

The carrying value of cash, receivables, other current assets, and payables approximate fair values as of June 30, 2021 and 2020 due to the relative short maturities of these instruments.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Grants and Accounts Receivable

Grants receivable are stated at the amount management expects to collect from balances outstanding. Accounts receivable arise in the normal course of business. Management closely monitors outstanding balances throughout the year and writes off balances that are considered uncollectible. No allowance for doubtful accounts is deemed necessary as of June 30, 2021 and 2020 as management has determined that all amounts are collectible.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statements of Financial Position. The fair value is determined using quoted market prices. Alternative investments, for which quoted market prices are not readily available, are valued at net asset value which is the amount of net assets attributable to each share of outstanding capital stock at the end of the period. Overall value is determined by the investment manager based on factors deemed relevant by the manager including, but not limited to, market conditions, purchase price, estimated liquidation value, restrictions on transfer and meaningful third-party transactions in the private market. Because of the inherent uncertainty of valuations, the estimated net asset values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material. Unrealized gains and losses are included in the change in net assets in the Statements of Activities.

Investment return on restricted assets is reported as an increase in net assets without donor restrictions if the asset restriction expires in the reporting period in which the income is recognized. All other restricted investment return is reported as an increase or decrease in net assets with donor restrictions, depending on the nature of the restriction.

Beneficial Interest

The Organization has transferred assets to SDF which is holding them as endowed agency funds (Funds) for the benefit of the Organization. The Organization has granted SDF variance power which gives SDF's Board of Directors the power to use the Funds for other purposes in certain circumstances; however, the Organization is named as the beneficiary of these funds. The Organization reports the fair value of the beneficial interest in assets held at SDF in the Statements of Financial Position. Changes in the value of the Funds are reported as gains or losses in the Statements of Activities.

Furniture and Equipment

Acquisitions of furniture and equipment of \$5,000 or more are capitalized. Furniture and equipment are recorded at cost or, if donated, at the approximate 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 three to seven years.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

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

Support and Revenue

Revenues for the Organization consist primarily of contributions, grants and contracts. Management has determined that these sources of revenue are most appropriately classified as contributions that, in some instances, carry conditions, such as measurable performance barriers and rights of return exist. If conditions exist, those revenues are not recognized until the conditions on which they depend have been met, which is typically when services are performed. Management has analyzed the provisions of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts (Topic 606)* and ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)* and has concluded that no changes are necessary to conform to the new standards.

Contributions received are recorded as increases in without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Revenue Recognition

The Organization recognizes revenue in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services.

Contributed Materials and Services

The Organization utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) required specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Advertising

The Organization expenses the cost of advertising as incurred, and includes advertising expense as a program expense in the Statement of Functional Expense when it relates to marketing and advertising information about the disease of Alzheimer's.

Functional Expense Allocations

The costs of providing program and other activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program services and supporting services benefitted. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Occupancy	Time and effort
Professional services	Time and effort
Printing, postage, office Supplies	Direct
Other	Time and effort

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. However, the Organization remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

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

Income Taxes, continued

The Organization follows US GAAP related to the recognition of uncertain tax positions. The Organization recognized accrued interest and penalties associated with uncertain tax positions as part of the Statements of Activities, when applicable. Management has determined that the Organization has no uncertain tax positions as of June 30, 2021 and 2020 and, therefore, no amounts have been accrued.

Future Accounting Standards

The FASB has issued a substantial ASU which becomes effective in future years.

In February 2016, the FASB issued ASU 2016-02, *Leases*. The primary change in US GAAP addressed by ASU 2016-02 is the requirement for a lessee to recognize on the Statement of Financial Position a liability to make lease payments ("lease liability") and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 also requires qualitative and quantitative disclosures to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The Organization is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

Subsequent Events

The Organization has evaluated subsequent events through November 16, 2021, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

The following reflects the Organization's financial assets as of the Statement of Financial Position date, reduced by amounts not available for general use because of contractual obligations within one year of the Statement of Financial Position date.

	2021	2020
Cash and cash equivalents	\$ 2,900,436	\$ 1,417,966
Grants receivable	108,500	49,785
Accounts receivable	8,750	55,458
Investments	480,303	1,459,031
Total Financial Assets Available for General Operations	3,497,989	2,982,240
Less amounts not available for general operations within one year:		
Restricted by donor with purpose or time restrictions	(66,218)	(105,397)
Financial assets available to meet cash needs for general expenditures within one year	\$ 3,431,771	\$ 2,876,843

The Organization monitors liquidity on a routine basis, and the Finance Committee discusses it as a regular agenda item. The targeted amount of cash on-hand is three months or more so that enough is available for operational expenses. Remaining funds are held in several certificates of deposit with one-year maturities that come due quarterly on a staggered schedule.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 3 - Concentrations of Credit Risk

Cash

The Organization maintains cash accounts at several financial institutions. The balances at times exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000. The Organization has not experienced any losses in such accounts and management believes that it is not exposed to any significant credit risk for cash and cash equivalents.

Note 4 - Grants Receivable

Grants receivable consist of the following at June 30:

	2021	2020
County of San Diego	\$ 32,500	\$ 31,985
Administration for Community Living	22,250	17,800
Geriatrics Workforce Enhancement Program/San Diego State University	20,000	-
ICON Building Supplies, Inc.	20,000	-
Grossmont Hospital	13,750	-
	<u>\$ 108,500</u>	<u>\$ 49,785</u>

Note 5 - Investments Beneficial Interests, and Fair Value

Investments Beneficial Interests, consist of the following as of June 30, 2021:

	Level 1	Level 2	Level 3	NAV	Total
Certificates of deposits	\$ -	\$ 480,303	\$ -	\$ 249,307	\$ 729,610

Investments Beneficial Interests, consist of the following as of June 30, 2020:

	Level 1	Level 2	Level 3	NAV	Total
Certificates of deposits	\$ -	\$ 1,459,031	\$ -	\$ 201,082	\$ 1,660,113

Note 6 – Beneficial Interest and Fair Value

The Organization is the beneficiary of two endowment funds held at the SDF. The original San Diego chapter of the Alzheimer's Association, which disaffiliated from the National organization in 2015, was the previous beneficiary to the trusts.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021 and 2020.

Beneficial Interest in Funds – The interest in assets held by SDF has been valued, as a practical expedient, at the fair value of the Organization's share of SDF's investment pool as of the measurement date. SDF values securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of SDF, which includes private placements and other securities for which prices are not readily available, are determined by the management of SDF and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 6 – Beneficial Interest and Fair Value, continued

The following is a summary of changes in the fair value of the beneficial interest in funds at June 30:

	2021	2020
Fair value, beginning	\$ 201,082	\$ 208,424
Investment activity, net	57,458	1,798
Distributions to Organization	(9,233)	(9,140)
	<u>\$ 249,307</u>	<u>\$ 201,082</u>

Note 7 - Furniture and Equipment

Furniture and equipment consist of the following at June 30:

	2021	2020
Furniture and fixtures	\$ 36,974	\$ 36,974
Computer hardware	52,190	47,285
	<u>89,164</u>	<u>84,259</u>
Less accumulated depreciation	(70,700)	(53,588)
	<u>\$ 18,464</u>	<u>\$ 30,671</u>

Note 8 - Note Payable

On April 20, 2020, the Organization obtained a loan from Western Alliance Bank in the amount of \$255,600, pursuant to the Paycheck Protection Plan (PPP) under Division A, Title I of the CARES Act, which was enacted March 27, 2020 in response to the COVID-19 pandemic. Funds disbursed under the PPP program are expected to be used for eligible costs, which include payroll, health care benefits, mortgage or rent payments, and/or utilities incurred during the 8- or 24-week period that starts on the date proceeds were disbursed to the Organization. The PPP permits recipients of loan funds to seek forgiveness of the loan up to the amount of eligible costs incurred. The loan may also be repaid at any time without prepayment penalty.

On November 16, 2020, the Organization received a loan forgiveness approval with the financial institution. The \$255,600 of the PPP – 1st round loan balance was recognized as PPP loan forgiveness income on fiscal year ended June 30, 2021.

On January 28, 2021, the Organization obtained a PPP – 2nd round loan from Western Alliance Bank in the amount of \$321,135, with monthly payments of \$5,531, including interest of 1 percent, commencing in November 2021 and maturing in October 2026. The Organization used proceeds for eligible costs and sought forgiveness of the debt as described in the CARES Act.

Note payable consists of the following at June 30:

	2021	2020
PPP - 1st Round	\$ -	\$ 255,600
PPP - 2nd Round	321,135	-
	<u>(39,795)</u>	<u>(56,957)</u>
Less current portion		
Note payable, less current portion	<u>\$ 281,340</u>	<u>\$ 198,643</u>

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 8 - Note Payable, continued

Minimum future payments due as follows at June 30, 2021:

<u>Year Ending June 30,</u>	
2022	\$ 39,795
2023	63,847
2024	64,489
2025	65,136
2026	65,791
Thereafter	22,077
	<u>\$ 321,135</u>

Note 9 - Net Assets

Net assets with donor restrictions consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Purpose and time restricted:		
Respite grants	\$ 66,218	\$ 75,000
Clinical trials	-	30,397
	<u>66,218</u>	<u>105,397</u>
Endowments:		
Subject to appropriation and expenditure when a specified event occurs		
Beneficial interest	249,307	201,082
	<u>249,307</u>	<u>201,082</u>
	<u>\$ 315,525</u>	<u>\$ 306,479</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows at June 30:

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose and time restrictions:		
Clinical trials	\$ 130,997	\$ -
Respite grants	8,782	75,000
General contributions	-	83,937
	<u>139,779</u>	<u>158,937</u>

Note 10 - Commitments

Lease Commitments

The Organization has a non-cancelable operating lease agreement for its office space with monthly payments of \$10,201, increasing 3% annually, that expires in March 2022. Rent expense is being amortized over the life of the lease on a straight-line basis. The Organization also leases equipment under a non-cancelable agreement that expires in June 2025. Monthly payments are approximately \$1,340 for this agreement. Deferred rent is included in the Statements of Financial Position under accrued expenses and had a balance of \$3,565 and \$2,971 as of June 30, 2021 and 2020, respectively. Annual rental expense approximated \$136,000 and \$142,000 for the years ended June 30, 2021 and 2020, respectively.

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 10 – Commitments, continued

Lease Commitments, continued

Minimum future lease payments under these operating leases are due as follows at June 30, 2021:

<u>Year Ending June 30,</u>	
2022	\$ 89,629
2023	16,080
2024	16,080
2025	<u>16,080</u>
	<u>\$ 137,869</u>

Note 11 – Endowment

The Organization's endowment was established to provide support for the programs and activities of the Organization. As required by US GAAP net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions. The Organization holds its endowment funds as a beneficial interest in SDF.

The endowment funds of the Organization held by SDF are managed in accordance with Uniform Prudent Management of Institutional Funds Act (UPMIFA). The investment objectives are to maintain the purchasing power (real value) of the endowment funds. However, from time to time, the fair value of the assets in the endowment fund may fall below the level that the donors require the Organization to retain as a fund of perpetual duration. Net assets perpetual in nature held by SDF are comprised of:

- The original value of gifts donated to the fund
- The original value of Organization funds transferred to the fund
- The original value of subsequent gifts donated to the fund
- Investment income and realized and unrealized gains and losses on investments
- Less distributions from the fund in accordance with the spending policy

SDF's endowment funds are invested in a portfolio of equity and debt securities, which is structured for long-term total return. To provide diversification and to moderate risk, the investments are divided into carefully defined asset classes. Funding available for each asset classification is invested by professional money managers hired by SDF through a competitive process. The investment performance of each money manager is monitored by an independent consultant hired by SDF. SDF's spending policy is to disburse 5% annually, based upon endowment principal market value over the last 36 months. These calculations are made on a monthly basis. If the market value of the endowment principal of any fund, at the end of each month, is less than the initial value of all contributions made to the endowment principal, then distributions will be limited to interest and dividends received.

Endowment composition by type of fund as of June 30, 2021:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ -	\$ 201,082	\$ 201,082
Investment return:			
Realized and unrealized gains, net	-	57,458	57,458
Distributions to Organization	-	(9,233)	(9,233)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 249,307</u>	<u>\$ 249,307</u>

ALZHEIMER'S SAN DIEGO

Notes to Financial Statements

Years Ended June 30, 2021 and 2020

Note 11 – Endowment, continued

Endowment composition by type of fund as of June 30, 2020:

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ -	\$ 208,424	\$ 208,424
Investment return:			
Realized and unrealized gains, net	-	1,798	1,798
Distributions to Organization	-	(9,140)	(9,140)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 201,082</u>	<u>\$ 201,082</u>

Note 12 - Retirement Plan

The Organization has a 403(b) retirement plan for eligible employees. The plan is structured to provide for employee salary reduced contributions on a voluntary basis. Employee contributions are limited to the legal maximum allowed and include catch-up contributions for participants age 50 or older. The Organization may make discretionary contributions to the plan. The Organization made \$25,302 and \$21,568 in discretionary contributions during the years ended June 30, 2021 and 2020, respectively.


Note 13 - Contingency

On March 11, 2020 the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of businesses and shelter in place orders. The mandates enforced by public health and governmental authorities to contain and combat the outbreak and spread, adversely affected workforces, economies, and financial markets globally. In response, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which includes significant provisions to provide relief and assistance to affected organizations. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization's customers, employees, and vendors, all of which at present, cannot be determined.

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



(Choose one) **MINI-GRANT** (Choose one) **X REGULAR GRANT**

Project Name: Equal Access to Music Education in San Marcos Date Submitted: 10/27/21	Total # of people served: 375 Total # of San Marcos residents served: 375	Amount Requested: \$ 2,500
Non-Profit Organization Name and Address, Website Classics 4 Kids 3740 Fourth Ave San Diego, CA 92103 www.classics4kids.org	Contact Person – Name, Title & Phone, email Kelly Makley Communications & Development Coordinator (619) 231-2311 kmakley@classics4kids.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Classics 4 Kids (C4K) will provide educational programs in one Title 1 San Marcos Unified School District Elementary school. We will provide three musicians to present three live shows of our educational program, <i>STEAM: Pattern Play Trio</i> in one day at a Title 1 San Marcos Elementary School, benefitting up to 375 students. The Foundation can select the Title 1 school, or Classics 4 Kids will reach out to the educational community to select the school.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Your funding can improve educational issues and the health and well-being of elementary students from San Marcos Unified School District elementary schools by providing FREE virtual music education. Although schools are back in session, many restrictions are still in place due to the COVID-19 Pandemic. Teachers are trying to manage learning loss and keep their students engaged, particularly in areas of high poverty. Additionally, music education programs are critically underfunded due to budget cuts, further widening the academic achievement gap during the pandemic. This project will affect the San Marcos community by reaching young students at a critical time with important music education - improving youth academic achievement, behavioral health and character development.</p>		
Please attach the following items. Both 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 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 	Expected date project will begin/end: The project will take place in one day in Spring 2022. Date by which funds will be expended: June 2022 <hr/> Signature of President or Authorized Officer  Communications & Development Coordinator 10/27/21 <hr/> 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): cityclerk@san-marcos.net	



San Marcos Community Foundation - Grant Narrative

OVERVIEW: Classics 4 Kids has been serving San Diego County students since its inception in 1994. Our mission is to inspire children through the experience of music, generating creativity, academic success and cultural understanding.

During our 2020/2021 season, Classics 4 Kids served over 36,000 students, teachers and families – through our new free online programming designed to accommodate schools during the Pandemic. We impacted 236 schools throughout San Diego County. 67% of those qualified as attending Title 1, low-income schools. We are grateful for previous funding from the San Marcos Community Foundation, which enabled us to provide free programming for over 1,100 students within the San Marcos Unified School District. The population in need of support is expanding and we seek funding to continue our outreach to elementary schools in the San Marcos Unified School District.

NEED: San Marcos schools and teachers are continuing to struggle with learning changes and challenges due to COVID-19 restrictions. Teachers are trying to combat learning loss and engage their students, particularly in areas of high poverty. Additionally, music education programs are critically underfunded due to budget cuts, further widening the academic achievement gap during the pandemic.

SOLUTION: Numerous studies show that music, especially classical, can have a beneficial effect on human's physiological functions, slowing the pulse and heart rate, lowering blood pressure and decreasing stress levels. Researchers believe that music has impacted the evolution of humans as a way to create a feeling of cohesion and interconnectedness. School music programs are typically linked to greater academic performance among participating students, which correlates to boosted self-esteem and creativity.

Social and Emotional learning is an important concept we design into our programming to impact our participants' well-being. This is the process of developing and using social and emotional skills to cope with feelings, set goals, make decisions, and feel empathy for others. Studies show that people with strong social-emotional skills are better equipped to manage daily challenges, build positive relationships, and make informed decisions. These skillsets are especially important to build among students in Title 1 elementary schools who are facing daily struggles living at or below the poverty level.

PROJECT DESCRIPTION: We aim to address educational issues caused by the COVID-19 Pandemic by improving the academic experience of approximately 375 students in a Title 1 San Marcos Unified School District elementary school in Spring, 2022.

This STEAM-centered on-campus assembly connects patterns in music to science, mathematics, and language arts. Students learn about string and woodwind instruments and hear a variety of music of many genres: classical, ragtime, jazz, ballroom, and more. Our curriculum includes Social and Emotional learning (SEL) concepts and music by Black, Indigenous, People of Color and female composers. This interactive program is aligned with CA Arts Standards and provides an arts integration opportunity for a Title 1 school.

Classics 4 Kids' programs comply with all safety protocols outlined by the California Department of Public Health for COVID-19. Each program is approximately 45 minutes long and can be held indoors or outdoors. Our staff would provide three back-to-back presentations on campus to audiences of approximately 125 students throughout one day, reaching up to 375 students. We will work with your school to schedule an appropriate date in Spring, 2022 and to meet any health and safety requirements.

OUTCOMES: We believe that our innovative and effective curriculum helps build a foundation for creative, thoughtful citizens who will shape our region's future audiences, workforce, government and community. Anticipated outcomes for San Marco's community include:

1. Increase participation by economically disadvantaged Title 1 students who would otherwise not have this opportunity due to budget cuts and low- income barriers.
2. Expand students' music knowledge and appreciation, science topics and cultural awareness.
3. Diversify and further our reach in schools across San Marcos.
4. Incorporate Social and Emotional Learning (SEL) strategies within our programs to help students feel connected, "seen," and understood.
5. Produce music by Black, Indigenous, People of Color (BIPOC), and female classical composers on every program.

These outcomes are measured in the following ways:

1. Reports back from our partner school on how many low-income students participated
2. Participants (teachers and students) feedback compiled by C4K
3. How many musicians and guest artists hired to support local and talented professionals

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)

Three shows in one day of <i>Pattern Play Trio</i>	\$1,500
Program Administration	\$350
Program Design	\$500
Mileage x3	\$100
Supplies	\$50
	\$
	\$
	\$
	\$
	\$
	\$
	\$

Total budget for this PROJECT: **\$2,500**

Grant Request Amount: **\$2,500**
(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)	**

Income

Corporate Grants, Foundation Grants and Sponsorships	\$145,000
Individual Donations & Fundraisers	\$82,000
Government Funding	\$72,638
Board Contribution	\$4,000
Professional Development	\$1,000
Student Concert Subsidized Tickets	\$16,000
Low-Income School Bus Scholarships	\$10,000
In-School Workshops	\$20,000
Total Income	\$350,638

Expenses

Administrative Management (2 Staff Members)	\$86,320
Program Staff (2 Staff Members)	\$72,774
Equal Access to Virtual Programs for low-income students	\$5,000
Equal Access to Student Concert Programs	\$69,000
Equal Access Bus Scholarships for Low-Income Schools	\$10,000
Equal Access to Presto Concerts for Low-Income Students	\$25,000
Equal Access to In-School Workshops	\$7,000
Family Outdoor Concert	\$7,500
Therapeutic Music at Rady Hospital & Ronald McDonald House	\$200.00
State and Federal Payroll Taxes	\$17,000
Professional Services - Bookkeeper & CPA	\$2,800
Development Expenses and Government Grant Writer	\$16,000
Public Relations and Marketing	\$1,000
Office Rent and Storage	\$6,840
Outlook Email and Phone	\$1,608
Zoom and Streamyard Platforms for virtual learning	\$480
Website/ IT Maintenance	\$400
Office Supplies	\$1,200
Benefits	\$5,700
General Liability, Property, Accident, D&O and Workers Comp	\$12,000
Cal Non-Profits Insurance Membership	\$75
Professional Development	\$1,000
Total Expenses	\$348,897

\$1,741

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

DEPARTMENT OF THE TREASURY

Date: **NOV 30 2000**

CLASSICS FOR KIDS INC
C/O MARION SCIRE
1036 ENCINO ROW
CORONADO, CA 92118

Employer Identification Number:
33-0706949
DLN:
17053288731010
Contact Person:
RICHARD COMBS ID# 31024
Contact Telephone Number:
(877) 829-5500
Our Letter Dated:
September 1996
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Letter 1050 (DO/CG)

CLASSICS FOR KIDS INC

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Steven T. Miller

Steven T. Miller
Director, Exempt Organizations



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.

Connect With Us

Web: **ftb.ca.gov**

Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States

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



STATE OF CALIFORNIA

FRANCHISE TAX BOARD

P.O. BOX 1286
RANCHO CORDOVA, CA. 95741-1286

March 21, 1997

In reply refer to
755:G :JCA

CLASSICS FOR KIDS, INC.
17952 CIELO CT
POWAY CA 92064-0000

Purpose : CHARITABLE
Code Section : 23701d
Form of Organization : Corporation
Accounting Period Ending: August 31
Organization Number : 1901613

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 also must 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. 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 5th month (4 1/2 months) after the close of your

March 21, 1997
CLASSICS FOR KIDS, INC.
Entity ID 1901613
Page 2

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.

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

J AMAYA
EXEMPT ORGANIZATIONS
PROCESSING SERVICE BUREAU
Telephone (916) 845-6644

EO :
cc: TIMOTHY J FITZPATRICK



Executive Board

Dr. Angela Wang, MD, Chair

Director – Outpatient Pulmonary, UC San Diego Healthcare

Kathleen Lincoln, Secretary

Senior Manager – Special Programs, Viasat Inc.

Jake Moelter, Treasurer

Vice President – Finance, Support.com

Brian Marshall, Board Member

Retired Superintendent La Mesa-Spring Valley Schools

Gaston Guerrero, Board Member

President & CEO – Mercantile Capital Advisors, LLC

Elyse Nguyen, Board Member

Auditor, Qualcomm Inc.

Susan Roth, Board Member

Assistant Vice President and Branch Manager, U.S. Bank

Nirmala Kripanarayanan, Board Member

Principal and Consultant, Concorde Consulting Group

Melissa Marin, Board Member

Director of Retirement Plan Services, MWM Retirement Solutions

990Form
(Rev. January 2020)
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

2019Open to Public
Inspection**A** For the 2019 calendar year, or tax year beginning **SEP 1, 2019** and ending **AUG 31, 2020**

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 CLASSICS FOR KIDS, INC.		D Employer identification number 33-0706949
	Doing business as		E Telephone number 619-231-2311
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 343,943.
	3740 FOURTH AVENUE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code SAN DIEGO, CA 92103		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
F Name and address of principal officer: KEVIN FANNAN SAME AS C ABOVE			H(c) Group exemption number ▶
J 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			
K Website: ▶ WWW.CLASSICS4KIDS.ORG			
L Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			M Year of formation: 1994 N State of legal domicile: CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: CULTURALLY DIVERSE ORCHESTRA CONCERTS, IN-SCHOOL WORKSHOPS AND PROGRAMMING AT LOCAL HOSPITALS TO		
	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	9
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	9
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	10
	6 Total number of volunteers (estimate if necessary)	6	100
	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 39	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	296,616.	259,408.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	101,904.	84,359.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	102.	176.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	398,622.	343,943.
	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)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	159,512.	174,330.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 55,410.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	189,738.	162,197.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	349,250.	336,527.
19 Revenue less expenses. Subtract line 18 from line 12	49,372.	7,416.	
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)	122,141.	164,543.
	22 Net assets or fund balances. Subtract line 21 from line 20	4,974.	39,960.
		117,167.	124,583.

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
	JACOB MOELTER, TREASURER		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	JEANNE M. MANN, CPA		
Preparer Use Only	Firm's name ▶ MANN & ASSOCIATES, APC	Firm's EIN ▶ 46-4553740	PTIN P00229468
	Firm's address ▶ 2535 TRUXTUN ROAD, STE 205 SAN DIEGO, CA 92106	Phone no. 619-222-5900	

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 ☒ **X****1** Briefly describe the organization's mission:

INSPIRING CHILDREN THROUGH THE EXPERIENCE OF MUSIC, GENERATING CREATIVITY, ACADEMIC SUCCESS AND CULTURAL UNDERSTANDING. CLASSICS FOR KIDS PROGRAMS ARE OPEN TO ALL STUDENTS, TEACHERS, AND FAMILIES REGARDLESS OF SOCIO-ECONOMIC STATUS ALTHOUGH WE PRIORITIZE OUTREACH TO

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 \$ 247,819. including grants of \$) (Revenue \$ 84,359.)
 CLASSICS FOR KIDS PROVIDES EDUCATIONAL, PROFESSIONAL ORCHESTRA CONCERTS, INTERACTIVE IN-SCHOOL WORKSHOPS, "HEARTSTRINGS" PROGRAMS AT LOCAL HOSPITALS AND ONLINE PROGRAMS. LAST YEAR, WE SERVED ALMOST 17,000 STUDENTS, TEACHERS AND FAMILIES. OF THOSE STUDENTS, 75% WERE FROM LOW-INCOME SCHOOLS.

1) PROFESSIONAL ORCHESTRA CONCERTS AT THE BALBOA THEATRE - EACH SEASON, CLASSICS FOR KIDS PERFORMS 12 PROFESSIONAL ORCHESTRA CONCERTS IN 3 UNIQUELY THEMED, CULTURALLY DIVERSE SERIES AT THE HISTORIC BALBOA THEATRE. EACH PARTICIPATING CLASS RECEIVES A FREE DOCENT VISIT AND AUDIO CD, AS WELL AS DETAILED LESSON PLANS. DUE TO COVID-19, CLASSICS FOR KIDS PIVOTED TO ONLINE FREE PROGRAMS.

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

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

4e Total program service expenses **247,819.**

Classic For Kids, Inc.
Balance Sheet
As of September 30, 2021

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
Chase Checking	51,169.90
Torrey Pines Bank	220,954.52
US Bank	125.52
Total Checking/Savings	272,249.94
Total Current Assets	272,249.94
Fixed Assets	
accumulated Depreciation	-8,410.00
furniture & equipment	14,413.36
Total Fixed Assets	6,003.36
Other Assets	
Donor Data base	7,572.00
Total Other Assets	7,572.00
TOTAL ASSETS	285,825.30
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Loan Payable - PPP	35,387.00
Loan Payable - PPP (2)	35,387.00
Payroll Liabilities	5,222.67
Total Other Current Liabilities	75,996.67
Total Current Liabilities	75,996.67
Total Liabilities	75,996.67
Equity	
Retained Earnings	178,788.24
Net Income	31,040.39
Total Equity	209,828.63
TOTAL LIABILITIES & EQUITY	285,825.30

Classic For Kids, Inc.
Profit & Loss
September 2021

	Sep 21	Sep 20
Ordinary Income/Expense		
Income		
FUNDRAISING INCOME - GRANTS		
Fundraising & Private Donations	14,451.60	47,037.60
Government Grants	12,450.00	0.00
Grants	53,400.00	33,612.86
Total FUNDRAISING INCOME - GRANTS	80,301.60	80,650.46
Total Income	80,301.60	80,650.46
Expense		
ADMINISTRATION COSTS		
Bank Service Charges	-47.91	0.00
Computer and Internet	137.22	143.73
Dues and Subscriptions	0.00	15.00
Facility		
Rent	400.00	400.00
Utilities		
Telephone	30.32	85.01
Total Utilities	30.32	85.01
Total Facility	430.32	485.01
Insurance		
Medical	477.76	477.17
Total Insurance	477.76	477.17
Legal/accounting/admin services		
Accounting/Bookkeeping	100.00	100.00
Retirement plan	1,581.25	0.00
Total Legal/accounting/admin services	1,681.25	100.00
Marketing	366.20	607.30
Meeting; Conferences	0.00	39.15
Office Expense		
Supplies	70.04	22.40
Total Office Expense	70.04	22.40
Payroll Expenses		
Payroll service Fees	33.25	33.25
Salary and Wages - Admin	8,760.00	11,716.09
Salary and Wages - Artists	6,724.25	0.00
Taxes - Payroll	1,198.15	1,194.35
Payroll Expenses - Other	0.00	3,244.50
Total Payroll Expenses	16,715.65	16,188.19
Total ADMINISTRATION COSTS	19,830.53	18,077.95
FUNDRAISING COSTS		
Benefit Concert Costs	7,440.21	203.71
Grant Writer	500.00	500.00
Total FUNDRAISING COSTS	7,940.21	703.71
Total Expense	27,770.74	18,781.66
Net Ordinary Income	52,530.86	61,868.80
Other Income/Expense		
Other Income		
Interest Income	9.07	5.48

11:41 PM

10/19/21

Cash Basis

Classic For Kids, Inc.

Profit & Loss

September 2021

	Sep 21	Sep 20
Other Income		
Rebate	0.46	0.00
Total Other Income	0.46	0.00
Total Other Income	9.53	5.48
Other Expense		
Loss on Asset	0.00	87.00
Total Other Expense	0.00	87.00
Net Other Income	9.53	-81.52
Net Income	52,540.39	61,787.28

Karen Childress-Evans, Ed. D.
7780 Eastridge Dr., La Mesa. CA 91941
619.206.1835 dr.kevans@gmail.com

April 5, 2021

To Whom It May Concern:

It is with great pleasure that I recommend Classics 4 Kids (C4K) to receive your much-needed support. I have worked with this unique organization since 2004, first as Director of Visual and Performing Arts (VAPA) for San Diego Unified School District, and over the last several years as an Arts and Music Consultant and Advocate in East San Diego County.

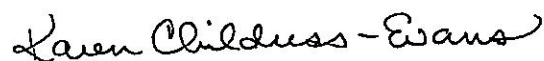
Dana Zimbric has brought together the talent of the Classics Philharmonic Orchestra with reputable music and arts educators to create one of the most popular music education programs in San Diego County. Her expertise, knowledge and charisma grabs the audience and keeps them entranced throughout the entire performance. Some of her narration and explanations remind me a bit of the old Young People's Concerts with Leonard Bernstein.

Prior to attending a concert, children and teachers are trained by docent volunteers through visual and audio slide shows and activities about the history and background of the music; including stories about the composers, musical and instrumental vocabulary, explanations about the orchestra and listening samples of the music they are about to hear. This is so that the children will have already "made friends" with the music before they are even seated in the auditorium.

I have been an educator of and an advocate for arts and music in the schools for over 50 years. As Director of VAPA for over ten years in the second largest school district in the state of California, I have come in contact with many community arts organizations and I personally rate C4K at the very top for elementary school children. Their programs are informative, engaging, follow the State Music Guideline Standards for Music, and give performances children will remember for a lifetime.

Generous grants such as yours allow C4K to continue to provide top quality musical adventures and enrichment for our children regardless of wealth, something our school districts are not financially able to do. Resources are limited. That is why we must combine our efforts to support outstanding community arts organizations such as this. Just one visit to a C4K concert to see the joy and amazement on the faces of the children will show you why I support C4K and their continued success for the students of San Diego County. I hope you will join me to help fund this valuable program and keep orchestral music alive for our students.

Sincerely,




Karen Childress-Evans, Ed.D.
Arts and Music Consultant
Professional Musician

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



(Choose one) **MINI-GRANT** (Choose one) **X REGULAR GRANT**

Project Name: Equal Access to Music Education in San Marcos Date Submitted: 10/27/21	Total # of people served: 375 Total # of San Marcos residents served: 375	Amount Requested: \$ 2,500
Non-Profit Organization Name and Address, Website Classics 4 Kids 3740 Fourth Ave San Diego, CA 92103 www.classics4kids.org	Contact Person – Name, Title & Phone, email Kelly Makley Communications & Development Coordinator (619) 231-2311 kmakley@classics4kids.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Classics 4 Kids (C4K) will provide educational programs in one Title 1 San Marcos Unified School District Elementary school. We will provide three musicians to present three live shows of our educational program, <i>STEAM: Pattern Play Trio</i> in one day at a Title 1 San Marcos Elementary School, benefitting up to 375 students.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Your funding can improve educational issues and the health and well-being of elementary students from San Marcos Unified School District elementary schools by providing FREE virtual music education. Although schools are back in session, many restrictions are still in place due to the COVID-19 Pandemic. Teachers are trying to manage learning loss and keep their students engaged, particularly in areas of high poverty. Additionally, music education programs are critically underfunded due to budget cuts, further widening the academic achievement gap during the pandemic. This project will affect the San Marcos community by reaching young students at a critical time with important music education - improving youth academic achievement, behavioral health and character development.</p>		
Please attach the following items. <u>Both Mini-Grant & Regular:</u> <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 		Expected date project will begin/end: The project will take place in one day in Spring 2022. Date by which funds will be expended: June 2022 <hr/> Signature of President or Authorized Officer  Communications & Development Coordinator 10/27/21 <hr/> 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): cityclerk@san-marcos.net



San Marcos Community Foundation - Grant Narrative

OVERVIEW: Classics4 Kids has been serving San Diego County students since its inception in 1994. Our mission is to inspire children through the experience of music, generating creativity, academic success and cultural understanding.

During our 2020/2021 season, Classics4 Kids served over 36,000 students, teachers and families – through our new free online programming designed to accommodate schools during the Pandemic. We impacted 236 schools throughout San Diego County. 67% of those qualified as attending Title 1, low-income schools. We are grateful for previous funding from the San Marcos Community Foundation, which enabled us to provide free programming for over 1,100 students within the San Marcos Unified School District. The population in need of support is expanding and we seek funding to continue our outreach to elementary schools in the San Marcos Unified School District.

NEED: San Marcos schools and teachers are continuing to struggle with learning changes and challenges due to COVID-19 restrictions. Teachers are trying to combat learning loss and engage their students, particularly in areas of high poverty. Additionally, music education programs are critically underfunded due to budget cuts, further widening the academic achievement gap during the pandemic.

SOLUTION: Numerous studies show that music, especially classical, can have a beneficial effect on human's physiological functions, slowing the pulse and heart rate, lowering blood pressure and decreasing stress levels. Researchers believe that music has impacted the evolution of humans as a way to create a feeling of cohesion and interconnectedness. School music programs are typically linked to greater academic performance among participating students, which correlates to boosted self-esteem and creativity.

Social and Emotional learning is an important concept we design into our programming to impact our participants' well-being. This is the process of developing and using social and emotional skills to cope with feelings, set goals, make decisions, and feel empathy for others. Studies show that people with strong social-emotional skills are better equipped to manage daily challenges, build positive relationships, and make informed decisions. These skillsets are especially important to build among students in Title 1 elementary schools who are facing daily struggles living at or below the poverty level.

PROJECT DESCRIPTION: We aim to address educational issues caused by the COVID-19 Pandemic by improving the academic experience of approximately 375 students in a Title 1 San Marcos Unified School District elementary school in Spring, 2022.

This STEAM-centered on-campus assembly connects patterns in music to science, mathematics, and language arts. Students learn about string and woodwind instruments and hear a variety of music of many genres: classical, ragtime, jazz, ballroom, and more. Our curriculum includes Social and Emotional learning (SEL) concepts and music by Black, Indigenous, People of Color and female composers. This interactive program is aligned with CA Arts Standards and provides an arts integration opportunity for a Title 1 school.

Classics 4 Kids' programs comply with all safety protocols outlined by the California Department of Public Health for COVID-19. Each program is approximately 45 minutes long and can be held indoors or outdoors. Our staff would provide three back-to-back presentations on campus to audiences of approximately 125 students throughout one day, reaching up to 375 students. We will work with your school to schedule an appropriate date in Spring, 2022 and to meet any health and safety requirements.

OUTCOMES: We believe that our innovative and effective curriculum helps build a foundation for creative, thoughtful citizens who will shape our region's future audiences, workforce, government and community. Anticipated outcomes for San Marco's community include:

1. Increase participation by economically disadvantaged Title 1 students who would otherwise not have this opportunity due to budget cuts and low-income barriers.
2. Expand students' music knowledge and appreciation, science topics and cultural awareness.
3. Diversify and further our reach in schools across San Marcos.
4. Incorporate Social and Emotional Learning (SEL) strategies within our programs to help students feel connected, "seen," and understood.
5. Produce music by Black, Indigenous, People of Color (BIPOC), and female classical composers on every program.

These outcomes are measured in the following ways:

1. Reports back from our partner school on how many low-income students participated
2. Participants (teachers and students) feedback compiled by C4K
3. How many musicians and guest artists hired to support local and talented professionals

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)

Three shows in one day of <i>Pattern Play Trio</i>	\$1,500
Program Administration	\$350
Program Design	\$500
Mileage x3	\$100
Supplies	\$50
	\$
	\$
	\$
	\$
	\$
	\$
	\$

Total budget for this PROJECT: **\$2,500**

Grant Request Amount: **\$2,500**
(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)	**



Operational Budget: September 1st, 2021 - August 31st, 2022

Income

Corporate Grants, Foundation Grants and Sponsorships	\$145,000
Individual Donations & Fundraisers	\$82,000
Government Funding	\$72,638
Board Contribution	\$4,000
Professional Development	\$1,000
Student Concert Subsidized Tickets	\$16,000
Low-Income School Bus Scholarships	\$10,000
In-School Workshops	\$20,000
Total Income	\$350,638

Expenses

Administrative Management (2 Staff Members)	\$86,320
Program Staff (2 Staff Members)	\$72,774
Equal Access to Virtual Programs for low-income students	\$5,000
Equal Access to Student Concert Programs	\$69,000
Equal Access Bus Scholarships for Low-Income Schools	\$10,000
Equal Access to Presto Concerts for Low-Income Students	\$25,000
Equal Access to In-School Workshops	\$7,000
Family Outdoor Concert	\$7,500
Therapeutic Music at Rady Hospital & Ronald McDonald House	\$200.00
State and Federal Payroll Taxes	\$17,000
Professional Services - Bookkeeper & CPA	\$2,800
Development Expenses and Government Grant Writer	\$16,000
Public Relations and Marketing	\$1,000
Office Rent and Storage	\$6,840
Outlook Email and Phone	\$1,608
Zoom and Streamyard Platforms for virtual learning	\$480
Website/ IT Maintenance	\$400
Office Supplies	\$1,200
Benefits	\$5,700
General Liability, Property, Accident, D&O and Workers Comp	\$12,000
Cal Non-Profits Insurance Membership	\$75
Professional Development	\$1,000
Total Expenses	\$348,897

\$1,741

**Please note: Budget is based on COVID-19 Pandemic figures
September 1st, 2021 - August 31st, 2022

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

DEPARTMENT OF THE TREASURY

Date: NOV 30 2000

CLASSICS FOR KIDS INC
C/O MARION SCIR6
1D36 ENCZHO ROW
CORONADO, CA 92118

Employer Identification Number:
33-0706949
DLN:
17053288731010
Contact Person:
RICHARD COMBS ID# 31024
Contact Telephone Number:
(8v7) 829-5500
our Letter Dated:
September 1996
Addendum Applies:

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in Section 501(C)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service published notice to the contrary. However, if you lose your section 509(e)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Letter 1050 (DO/CG)

CLASSICS FOR KIDS INC

Because tkis letter could help resolve any questions about your private Foundation status, please keep it in your permanent records

If you have any questions, please contact the person whose same ano telephone number are shown abovc.

Sincerely yours,

~~Steven T. Miller~~

BLEven T. Miller
Dire:tor, Exempt Organizations



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

Entity Status Letter

Date: 6/18/2020

ESL ID: 8439051513

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

Entity ID: 1901613

Entity Name: CLASSICS FOR KIDS, INC.

- ☐ 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.

Connect With Us

Web: **ftb.ca.gov**

Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States

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



STATE OF CALIFORNIA

FRANCHISE TAX BOARD

P.O. BOX 1286

RACINE, CALIFORNIA, CA. 95711-1286

March 21, 1997

In reply refer to

755:G :JCA

CLASSICS FOR KIDS, IMC.

17952 CIELO CT

PO BOX 9206 h-0000

Purpose of	CHARITABLE
cooperation	23701d
Form of Organization	: Corporation
Accounting Period Ending	: August 31
Organization Number	190613

You are hereby informed from the Franchise Tax Board of the decision of the Revenue and Taxation Council indicating 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 also must 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, which is given for the meaning of Revenue and Taxation Code Section 21012.

You may be required to file Form 499 (Exempt Organization Annual Information Return) on or before the 15th day of the 5th month (15/2 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 23734 of the Code. In this event, you are required to file Form 109 (Exempt Organization Business Distributions) by the 15th day of the 5th month following the close of your

March 21, 1997

CLASSICS FOR KIDS, INC.

Entity ID 1907613

Page 2

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.

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

EXEMPT ORGANIZATIONS
PROCESSING SERVICE BUREAU
Telephone (916) 808-6698

EO
cc: THOMAS d FITZPATRICK



Executive Board

Dr. Angela Wang, MD, Chair

Director – Outpatient Pulmonary, UC San Diego Healthcare

Kathleen Lincoln, Secretary

Senior Manager – Special Programs, Viasat Inc.

Jake Moelter, Treasurer

Vice President – Finance, Support.com

Brian Marshall, Board Member

Retired Superintendent La Mesa-Spring Valley Schools

Gaston Guerrero, Board Member

President & CEO – Mercantile Capital Advisors, LLC

Elyse Nguyen, Board Member

Auditor, Qualcomm Inc.

Susan Roth, Board Member

Assistant Vice President and Branch Manager, U.S. Bank

Nirmala Kripanarayanan, Board Member

Principal and Consultant, Concorde Consulting Group

Melissa Marin, Board Member

Director of Retirement Plan Services, MWM Retirement Solutions

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form 990

(Rev. January 2020)

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

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

2019

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning EIEP 1, 2019 and ending AUG 31, 2020

B cfi••kit C Name of organization

D Employer identification number

fv6' CLASSICS FOR KIDS, INC.

s• Doin business as

33—0706949

Bretton Number and street (OF P.O. b0X If mail is not delivered to sheet address)

R00ff/SJlTe E Telephone number

W}i ji,, 3 7 4 0 FOURTH AVENUE

619 -23 1 -2311

aled"" City or town, state or province, country, and ZIP or foreign postal code

G Gross receipts \$ 34 3 , 9 43 .

%""""d SAN DIEGO, CA 9 21 0 3

H(a) Is this a group return

ti•n"" F Name and address of principal officer: KEVIN FANNAN

for subordinates? Yes No

, d"" SAME AS C ABOVE

H(b) w•a=o°ma•m•ua•4z Yes two

I Tax-exem t status: X 501(0)(3) 501(c) ()• (insert no.) 4947(a) 1 or 527

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

u Website: • CLASSICS4KIDS.ORG

H(c) Group exemption number

It Form of organization: X Corporation 1 trust Association Other Y• IL Year of formation: 19 94 IM State of legal domicile: CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: CULFIRALLY DIVERSE ORC5E1I'IRA			
	CONCER'IS , IN— SCI4OOL WORITSI4OP S AND PROGRAJOIING AF LOCAL I-IOSPI'I'IALS TO			
	2 the th bo the o ga nd sco tued pe at o d sposed of o e than 25° of ts net ssets			
	3	Number of voting members of the governing body (Part VI, line 1a)	3	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 9	
	5	Total number of individuals employed in calendar year 2019 (Part V, line 2a)	g 10	
	6	Total number of volunteers (estimate if necessary)	g 10 0	
Revenue	7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7a 0	
	7 b	Net unrelated business taxable income from Form 990-T, line 39	7b 0 .	
	8	Contributions and grants (Part VIII, line 1h)	Prior Year 2 96 , 616 . Current Year 259 , 408 .	
	9	Program service revenue (Part VIII, line 2g)	101 , 904 . 84 , 359 .	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	102 . 176 .	
	11	Other revenue (Part VII, column (A), lines 5, 6d, Be, 9c, 10c, and 11e)	0 . t) •	
	12	Total revenue add lines 8 through 11 (must equal Part VIII, column (A), line 12)	J56 , 622 . J43 , V4J .	
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0 . 0 .	
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0 . t) •	
	g	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5 10)	L59 , 512 . 174 , 330 .
16 a		Professional fundraising fees (Part IX, column (A), line 11e)	0 . 0 .	
16 b		Total fundraising expenses (Part IX, column (D), line 25) 5 5 ; 410 .		
17		Other expenses (Part IX, column (A), lines 11a 11d, 11f-24e)	189 , 738 . 162 , 197 .	
18		Total expenses. Add lines 13 17 (must equal Part IX, column (A), line 25)	349 , 250 . 336 , 527 .	
19		Revenue less expenses. Subtract line 18 from line 12	49 , 372 . 7 , 416 .	
Net Assets or Fund Balance		20	Total assets (Part X, line 16)	Beginning of Current Year U2 , 141 . End of Year 164 , 543 .
		21	*otal liabilities (Part X, line 26)	4 , 974 . 39 , 960 .
	22	Net assets or fund balances. Subtract line 21 from line 20	11 / , 167 . 124 , s83 .	

Part II Signature Block

Under penalties of perjury, I declare that I have examined Aris return, including accompanying schedules and statements, and to tr rest of my knowledge and belief, ii is true, correct, and compPete. Declaration of prepared (other thar officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date
	JACOB MOELTER, TREASURER		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	JEANNE M. MANN, CPA		
Firm's name	Firm's name		Firm's EIN
	MANN & ASSOCIATES, APC		46-4553740
Firm's address	Firm's address		Phone no.
	2535 TRUXTON ROAD, STE 205 SAN DIEGO, CA 92106		619-222-59900

May the IRS discuss this return with the preparer shown above? (see instructions)

Yes No

039001 01-20-20 LHA For Paperwork Reduction Act Notice, see the separate instructions.

For+ 990 (2019)

SEE SCHEDULE 0 FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Check if Schedule O contains a response or note to any line in this Part III

☒

1 Briefly describe the organization's mission:

INSPIRING CHILDREN THROUGH THE EXPERIENCE OF MUSIC, GENERATING CREATIVITY, ACADEMIC SUCCESS AND CULTURAL UNDERSTANDING. CLASSICS FOR KIDS PROGRAMS ARE OPEN TO ALL STUDENTS, TEACHERS, AND FAMILIES REGARDLESS OF SOCIO-ECONOMIC STATUS ALTHOUGH WE PRIORITIZE OUTREACH TO

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 \$ 247,819 including grants of \$) (Revenue \$ 84,359.)

CLASSICS FOR KIDS PROVIDES EDUCATIONAL, PROFESSIONAL ORCHESTRA CONCERTS, INTERACTIVE IN-SCHOOL WORKSHOPS, "HEARTSTRINGS" PROGRAMS AT LOCAL HOSPITALS AND ONLINE PROGRAMS. LAST YEAR, WE SERVED ALMOST 17,000 STUDENTS, TEACHERS AND FAMILIES. OF THOSE STUDENTS, 75% WERE FROM LOW-INCOME SCHOOLS.

1) PROFESSIONAL ORCHESTRA CONCERTS AT THE BALBOA THEATRE - EACH SEASON, CLASSICS FOR KIDS PERFORMS 12 PROFESSIONAL ORCHESTRA CONCERTS IN 3 UNIQUELY THEMED, CULTURALLY DIVERSE SERIES AT THE HISTORIC BALBOA THEATRE. EACH PARTICIPATING CLASS RECEIVES A FREE DOCENT VISIT AND AUDIO CD, AS WELL AS DETAILED LESSON PLANS. DUE TO COVID-19, CLASSICS FOR KIDS PIVOTED TO ONLINE FREE PROGRAMS.

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

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

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

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

4e Total program service expenses 47819.

Classic For Kids, Inc.
Balance Sheet
As of September 30, 2021

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
Chase Checking	51,169.90
Torrey Pines Bank	220,954.52
US Bank	125.52
Total Checking/Savings	272,249.94
Total Current Assets	272,249.94
Fixed Assets	
accumulated Depreciation	-8,410.00
furniture & equipment	14,413.36
Total Fixed Assets	6,003.36
Other Assets	
Donor Data base	7,572.00
Total Other Assets	7,572.00
TOTAL ASSETS	285,825.30
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Loan Payable - PPP	35,387.00
Loan Payable - PPP (2)	35,387.00
Payroll Liabilities	5,222.67
Total Other Current Liabilities	75,996.67
Total Current Liabilities	75,996.67
Total Liabilities	75,996.67
Equity	
Retained Earnings	178,788.24
Net Income	31,040.39
Total Equity	209,828.63
TOTAL LIABILITIES & EQUITY	285,825.30

Classic For Kids, Inc.

Profit & Loss

September 2021

	Sep 21	Sep 20
Ordinary Income/Expense		
Income		
FUNDRAISING INCOME - GRANTS		
Fundraising & Private Donations	14,451.60	47,037.60
Government Grants	12,450.00	0.00
Grants	53,400.00	33,612.86
Total FUNDRAISING INCOME - GRANTS	80,301.60	80,650.46
Total Income	80,301.60	80,650.46
Expense		
ADMINISTRATION COSTS		
Bank Service Charges	-47.91	0.00
Computer and Internet	137.22	143.73
Dues and Subscriptions	0.00	15.00
Facility		
Rent	400.00	400.00
Utilities		
Telephone	30.32	85.01
Total Utilities	30.32	85.01
Total Facility	430.32	485.01
Insurance		
Medical	477.76	477.17
Total Insurance	477.76	477.17
Legal/accounting/admin services		
Accounting/Bookkeeping	100.00	100.00
Retirement plan	1,581.25	0.00
Total Legal/accounting/admin services	1,681.25	100.00
Marketing	366.20	607.30
Meeting; Conferences	0.00	39.15
Office Expense		
Supplies	70.04	22.40
Total Office Expense	70.04	22.40
Payroll Expenses		
Payroll service Fees	33.25	33.25
Salary and Wages - Admin	8,760.00	11,716.09
Salary and Wages - Artists	6,724.25	0.00
Taxes - Payroll	1,198.15	1,194.35
Payroll Expenses - Other	0.00	3,244.50
Total Payroll Expenses	16,715.65	16,188.19
Total ADMINISTRATION COSTS	19,830.53	18,077.95
FUNDRAISING COSTS		
Benefit Concert Costs	7,440.21	203.71
Grant Writer	500.00	500.00
Total FUNDRAISING COSTS	7,940.21	703.71
Total Expense	27,770.74	18,781.66
Net Ordinary Income	52,530.86	61,868.80
Other Income/Expense		
Other Income		
Interest Income	9.07	5.48

11:41 PM

10/19/21

Cash Basis

Classic For Kids, Inc.

Profit & Loss

September 2021

	Sep 21	Sep 20
Other Income		
Rebate	0.46	0.00
Total Other Income	0.46	0.00
Total Other Income	9.53	5.48
Other Expense		
Loss on Asset	0.00	87.00
Total Other Expense	0.00	87.00
Net Other Income	9.53	-81.52
Net Income	52,540.39	61,787.28

Karen Childress-Evans, Ed. D.
7780 Eastridge Dr., La Mesa. CA 91941
619.206.1835 dr.kcevs@gmail.com

April 5, 2021

To Whom It May Concern:

It is with great pleasure that I recommend Classics 4 Kids (C4K) to receive your much-needed support. I have worked with this unique organization since 2004, first as Director of Visual and Performing Arts (VAPA) for San Diego Unified School District, and over the last several years as an Arts and Music Consultant and Advocate in East San Diego County.

Dana Zimbric has brought together the talent of the Classics Philharmonic Orchestra with reputable music and arts educators to create one of the most popular music education programs in San Diego County. Her expertise, knowledge and charisma grabs the audience and keeps them entranced throughout the entire performance. Some of her narration and explanations remind me a bit of the old Young People's Concerts with Leonard Bernstein.

Prior to attending a concert, children and teachers are trained by docent volunteers through visual and audio slide shows and activities about the history and background of the music; including stories about the composers, musical and instrumental vocabulary, explanations about the orchestra and listening samples of the music they are about to hear. This is so that the children will have already "made friends" with the music before they are even seated in the auditorium.

I have been an educator of and an advocate for arts and music in the schOOls for over 50 years. As Director of VAPA for over ten years in the second largest school district in the state of California, I have come in contact with many community arts organizations and I personally rate C4K at the very top for elementary school children. Their programs are informative, engaging, follow the State Music Guideline Standards for Music, and give performances children will remember for a lifetime.

Generous grants such as yours allow C4K to continue to provide top quality musical adventures and enrichment for our children regardless of wealth, something our school districts are not financially able to do. Resources are limited. That is why we must combine our efforts to support outstanding community arts organizations such as this. Just one visit to a C4K concert to see the joy and amazement on the faces of the children will show you why I support C4K and their continued success for the students of San Diego County. I hope you will join me to help fund this valuable program and keep orchestral music alive for our students.

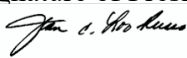
Sincerely,

Karen Childress-EVans, Ed.D.
Arts and Music Consultant
Professional Musician

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Date Submitted:	Total # of people served: Total # of San Marcos residents served:	Amount Requested: \$
Non-Profit Organization Name and Address, Website		Contact Person – Name, Title & Phone, email
Briefly describe your request for funds (to be expanded upon in narrative for regular grant):		
Briefly describe the significance of your request to the San Marcos community:		
Please attach the following items. Both 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 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 		Expected date project will begin/end: Date by which funds will be expended: <hr/> Signature of President or Authorized Officer  <hr/> Name, Title _____ Date _____
		Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): cityclerk@san-marcos.net



The Elizabeth Hospice

GRIEF SUPPORT SERVICES **San Marcos Community Foundation** **2021-22 Regular Grant Proposal**

MISSION AND HISTORY

The mission of The Elizabeth Hospice is to enhance the quality of life for those nearing the end of life's final journey and for those who grieve. Throughout our 43-year history, The Elizabeth Hospice has been a trusted resource experience in providing care to adults and children impacted by advanced serious illness, grief and loss. Our goal is to provide effective medical care and emotional support to help patients live their lives fully and comfortably. And, for people in the community who are grieving the death of a significant person in their life, we guide them on their path back to emotional well-being. As an independent non-profit, our services are open to all regardless of ability to pay, type of illness or how their loved one died.

COMMUNITY NEED

The need for grief support is immediate and ongoing. Grief can affect a person's mental and physical well-being and consequently impact the community around them. There is no time limit on how long or when a person should grieve. We welcome all who need support anytime during their grief journey.

There are more than 4,446 individuals received grief support and resource materials since the start of the pandemic. Last fiscal year ending June 30, 2021, The Elizabeth Hospice provided individual or group counseling to 705 adults and 309 children. We successfully adapted our care delivery to comply with new health and social distancing requirements in order to continue safely serving the community.

PROGRAM

A vital part of our mission is providing comprehensive grief support services to our patient families and the community-at-large. We focus on improving a person's quality of life by reducing the negative consequences associated with the loss of a loved one. Our counselors and trained volunteers help those who are grieving navigate through the grieving process. Through our programs and services, counselors and trained volunteers work with children, teens and adults to navigate through the grieving process by developing healthy coping skills that mitigate anxiety, depression and loneliness so that they can find joy in cherished memories and hope for the future.

The Elizabeth Hospice Grief Support Services are free or available at low-cost to ensure access to the entire community. A patient affiliation is not required. Services include individual and group counseling, support groups, workshops, community events, resource materials, and specialized programs for children and their families. There is no cost for any of our children's bereavement programs. We are also a free resource for crisis support after a community tragedy.

These services are more critical now than ever. Today's health environment, combined with social distancing requirements, can intensify a grieving person's feelings of stress, anxiety and isolation. We also are experiencing an increase in the number of people seeking support after a COVID-related loss. A grant from San Marcos Community Foundation helps ensure that any person needing grief support in our community can access our services regardless of ability to pay or how or when their loved one died.

POPULATION SERVED

During the last fiscal year ending June 30, 2021, The Elizabeth Hospice Grief Support Services provided individual counseling via Zoom, phone and in-person to 448 adults and virtual support groups to 247 adults last year. Approximately 49 percent of our clients were from the community-at-large.

Our children's bereavement programs are the most comprehensive suite of services available for children, ages 3 to 17, in San Diego and Southwest Riverside Counties. Before COVID-19, more than 1,100 children and adults participated in our various children's programs annually through:

- 22-25 peer support groups conducted on-campus in 20 school districts, including San Marcos Unified; Bereavement training was provided to 217 school professionals to help them support their grieving students and serve as a resource for their school districts. Our team continued to offer support through phone, email and videoconference after schools closed in March 2020. We facilitated virtual support groups for 15 schools, including for Discovery Elementary, San Elijo Elementary and San Marcos High, after schools reopened.
- 12-14 peer support groups at our two children's bereavement centers in Escondido and Mission Valley; An additional 135 caregivers attended concurrent adult support groups to prepare them to support their grieving child(ren). Groups pivoted to a virtual platform during the pandemic serving approximately 80 children and 25 parents/guardians. We also facilitated three virtual workshops for 50-80 participants.
- Two weekend-sessions of Camp Spero for approximately 200 children; This popular grief camp transitioned to a virtual home-based format in Summer 2020 and Summer 2021.

A majority of the children we support are from the community-at-large.

In addition, our interdisciplinary team of physicians, nurses, home health aides, social workers and chaplains provided physical care and bereavement support for 2,581 hospice and palliative care patients throughout San Diego County and Southwest Riverside County. Nearly 89 percent of these patients were age 61 or older. This includes 72 COVID-19 patients. We also provided care to 13 uninsured or underinsured patients for a total of \$131,250 in charitable care, the equivalent of 347 total days of service.

SAN MARCOS COMMUNITY HIGHLIGHTS (July 1, 2020 – June 30, 2021):

- 106 hospice patients
- 17 volunteers provided 12 patients support through bereavement calls, counseling sessions, patient visits, alternative therapies and other services
- 56 children and adults received counseling or participated in our virtual support groups
- 98 individuals received calls and/or resource materials following the loss of their loved one
- Provided crisis response to Double Peaks Middle School (teacher death from illness) and San Marcos High School (student death by suicide)
- Served as guest presenters at California State University, San Marcos (CSUSM) for three sessions of *Grief Education for Grieving Students* and two sessions of *Grief Education for Faculty and Staff*. Approximately 80 students, staff and faculty members attended these virtual presentations.
- Facilitated a weekly virtual support group for CSUSM students with up to six regular participants.

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)

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total budget for this PROJECT: \$ _____

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

Is this a challenge grant?

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) _____	** _____

SUPPLEMENTAL BUDGET WORKSHEET ATTACHMENT

The Elizabeth Hospice is a trusted experienced community resource for bereavement support. Services are available to anyone in the community regardless of their ability to pay or how or when their loved one died. A patient affiliation is not required.

In Fiscal Year 2020-21, we secured \$111,765 in contributions (\$1,000 and greater) to our Grief Support Services from the following funders:

Donors \$1,000 and Above (July 1, 2020-June 30, 2021)

- Anonymous (8) \$15,000
- DAV Industries \$15,000*
- Rob Benzon Foundation \$14,765
- Jewish Community Foundation (Donor Advised Fund) \$11,000
- Gina Marie Dayton Guardian Angel Foundation \$10,000
- Hunter Industries \$10,000
- Marsh & McLennan Insurance \$8,000*
- The Samuel and Katherine French Foundation \$7,500
- C.J. Stafford and Dot Stafford Foundation \$5,000
- Juliana and Michael McDuffie \$2,500*
- The Manny Prupes Memorial Charitable Foundation \$2,500*
- Rotary Club of Escondido \$2,500
- Gary Kloehn \$2,000*
- Daniel Laframboise \$2,000*
- Mark Neu \$2,000*
- Debi and Eric Lange \$1,000*
- Sarah McSpadden \$1,000*

Proceeds from our annual Swing Fore Hope golf tournament and dinner auction benefit our children's bereavement services. A virtual dinner auction was held in September 2020 which net \$62,424.

Approximately \$40,000 in grants have been received to date in FY 2020-21. The 2021 Swing Fore Hope event net \$59,204 for our children's programs.

*Dinner auction sponsor



The Elizabeth Hospice

FY21-22 Operational Budget (July 1, 2021-June 30,2022)

Net Revenue		39,585,500.00
Direct Labor		18,930,804.48
Patient-Related		4,695,501.84
	Total	<u>23,626,306.32</u>
Contribution Margin		15,959,193.68
Indirect Expenses		14,391,798.56
Net Operational Income		<u>1,567,395.12</u>
Development Income		2,100,000.00
Development Expenses		(992,543.60)
	Net	<u>1,107,456.40</u>
Other Programs		(128,266.88)
Special Bereavement Services		(661,109.36)
Investment & Interest Income		1,441.00
Net Income	Net Income	<u><u>1,886,916.28</u></u>



**Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities**

Date:

March 21, 2018

Person to contact:

Name: Ms. Benjamin

ID number: 0196814

Employer ID number:

95-3275679

Form 990 required:

Yes

THE ELIZABETH HOSPICE INC
% ELIZ
500 LA TERRAZA BLVD STE 130
ESCONDIDO, CA 92025

Dear Sir or Madam:

We're responding to your request dated February 7, 2018 about your tax-exempt status.

We issued you a determination letter in January 1979, recognizing you as tax-exempt under Internal (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, 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 990-EZ, 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 990EZ
- 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.

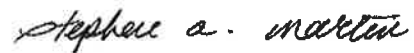
Letter 4168 (2-2018)
Catalog Number 66666G

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., local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Stephen A. Martin".

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements



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

Entity Status Letter

Date:

ESL ID:

Why You Received This Letter

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.
5. The entity was administratively dissolved/cancelled on _____ through the Franchise Tax Board Administrative Dissolution process.

Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

Connect With Us

Web: **ftb.ca.gov**

Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States

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

PUBLIC DISCLOSURE COPY

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

OMB No. 1545-0047

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.**2020****Open to Public Inspection**

A For the 2020 calendar year, or tax year beginning 07/01, 2020, and ending 06/30, 20 21	
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 THE ELIZABETH HOSPICE, INC. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 500 LA TERRAZA BLVD 130 City or town, state or province, country, and ZIP or foreign postal code ESCONDIDO, CA 92025-3876
	D Employer identification number 95-3275679
	E Telephone number (760) 737-2050
	G Gross receipts \$ 53,725,621
	F Name and address of principal officer: SARAH MCSPADDEN SAME AS C ABOVE
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: ▶ ELIZABETHHOSPICE.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: 1978 M State of legal domicile: CA	
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 ▶	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO ENHANCE THE QUALITY OF LIFE FOR THOSE NEARING THE END OF LIFE'S JOURNEY AND FOR THOSE WHO GRIEVE THROUGH RESPONSIVE MEDICAL, EMOTIONAL, AND SPIRITUAL SUPPORT.		
	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	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	11
	5 Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	355
	6 Total number of volunteers (estimate if necessary)	6	380
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	3,521,733	3,358,496
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	36,766,044	40,435,175
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	337,327	1,987,943
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	523,245	331,593
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	41,148,349	46,113,207
	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)		0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	27,096,883	27,348,779
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,020,423	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	11,010,664	11,045,371
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	38,107,547	38,394,150
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	3,040,802	7,719,057
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	36,554,482	45,799,118
	22 Net assets or fund balances. Subtract line 21 from line 20	8,930,225	6,470,240
		27,624,257	39,328,878

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

SARAH MCSPADDEN, PRESIDENT & CEO

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

DIANE BROWN

Preparer's signature

Date

11/5/2021

Check ☐ if self-employed

PTIN

P01578407

Firm's name ▶ CROWE LLP

Firm's EIN ▶

35-0921680

Firm's address ▶ 575 MARKET STREET, SUITE 3300, SAN FRANCISCO, CA 94105-5829

Phone no.

(415) 576-1100

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2020)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

- 1** Briefly describe the organization's mission:
TO ENHANCE THE QUALITY OF LIFE FOR THOSE NEARING THE END OF LIFE'S JOURNEY AND FOR THOSE WHO GRIEVE.
- 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 \$ 30,408,125 including grants of \$) (Revenue \$ 40,736,727)
FOR MORE THAN 42 YEARS, THE ELIZABETH HOSPICE, HAS BEEN RECOGNIZED AS A PIONEER IN THE HOSPICE MOVEMENT. WE ARE AN EXPERIENCED AND TRUSTED COMMUNITY RESOURCE THAT PROVIDES CARE AND SUPPORT FOR THOSE FACING THE CHALLENGES BROUGHT ON BY ADVANCED SERIOUS ILLNESS. OUR SERVICES FOR BOTH CHILDREN AND ADULTS INCLUDE HOSPICE CARE FOR THOSE WITH A PROGNOSIS OF SIX MONTHS OR LESS; PALLIATIVE CARE FOR THOSE LIVING WITH A CHRONIC ADVANCED SERIOUS ILLNESS WHO ARE NOT HOSPICE ELIGIBLE; AND, COMPREHENSIVE GRIEF SUPPORT FOR PATIENTS, FAMILY AND THE GENERAL COMMUNITY. SINCE 1978, WE HAVE TOUCHED THE LIVES OF MORE THAN 110,000 PEOPLE IN SAN DIEGO COUNTY AND SOUTHWEST RIVERSIDE COUNTY. THE ELIZABETH HOSPICE IS AN INDEPENDENT, NONPROFIT ORGANIZATION THAT RELIES ON CHARITABLE CONTRIBUTIONS TO ENSURE THAT SERVICES ARE AVAILABLE TO ALL WHO NEED THEM, REGARDLESS OF INSURANCE COVERAGE OR THEIR ABILITY TO PAY. ALL DONATIONS SUPPORT OUR LOCAL PROGRAMS INCLUDING THE GRIEF SUPPORT PROGRAMS WHICH ARE OPEN TO ALL IN THE COMMUNITY AND DO NOT REQUIRE A HOSPICE AFFILIATION.

4b (Code:) (Expenses \$ 381,900 including grants of \$) (Revenue \$ 1,600)
CHILDRENS GRIEF SUPPORT - OUR SPECIALIZED CHILDREN'S BEREAVEMENT PROGRAM IS THE ONLY ONE OF ITS KIND IN SAN DIEGO COUNTY. OUR TRAINED COUNSELORS AND FACILITATORS ARE A COMMUNITY RESOURCE FOR ALL GRIEVING CHILDREN (3 TO 17 YEARS OLD) AND THEIR CAREGIVERS (THERE IS NO COST TO PARTICIPATE). A HOSPICE AFFILIATION IS NOT REQUIRED. THERE ARE FIVE COMPONENTS TO THE PROGRAM: INDIVIDUAL COUNSELING; PEER GROUPS CONDUCTED AT OUR CHILDREN'S CENTERS; SCHOOL-BASED ON-CAMPUS SUPPORT IN 20 SCHOOL DISTRICTS (8-WEEK STUDENT PEER GROUPS AND TRAINING FOR SCHOOL STAFF ON HOW TO SUPPORT GRIEVING STUDENT); CRISIS CARE TO ORGANIZATIONS AND SCHOOLS WHEN THERE IS A COMMUNITY TRAGEDY; AND, TWO ANNUAL GRIEF CAMPS.

4c (Code:) (Expenses \$ 370,687 including grants of \$) (Revenue \$ 44,670)
THE ELIZABETH HOSPICE OFFERS COMPREHENSIVE GRIEF COUNSELING FOR ALL AGES. THESE SERVICES ARE OPEN TO ALL IN THE COMMUNITY REGARDLESS OF HOW THEIR LOVED ONE DIED. IT DOES NOT REQUIRE A PATIENT AFFILIATION TO ACCESS SERVICES. INDIVIDUAL COUNSELING AND GROUP SUPPORT ARE AVAILABLE AT OUR FACILITIES IN TEMECULA, MISSION VALLEY, CARLSBAD AND ESCONDIDO. SUPPORT GROUPS INCLUDE GENERAL GRIEF SUPPORT, SPOUSAL LOSS, CHILD LOSS, INFANT LOSS AND PARENT LOSS AS WELL AS A COMPREHENSIVE PROGRAM TO ADDRESS CHILDREN'S GRIEF.

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

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

4e Total program service expenses **▶** 31,160,712

Board of Directors of The Elizabeth Hospice, Inc.
Fiscal Year 2022 (July 1, 2021 to June 30, 2022)

Corporate, Board of Directors				
1.	Theodore Davis “Ted”	Treasurer and Finance Committee Chair	Retired, Senior Bank Executive Union Bank of California	Term 2/3 <i>last year</i>
2.	Doug Dawson	Philanthropy Committee Chair	Executive Director Ellen Browning Scripps Foundation	Term 2/3 <i>last year</i>
3.	Dan Laframboise	Chair-elect and Governance Committee Chair	President DL Wealth Management Group	Term 2/3 <i>last year</i>
4.	Denise Logue	Workplace of Excellence Committee Chair	Senior Manager, Benefits and Compensation @ Evernote	Term 1/2
5.	Elizabeth McCann “Betsy”	Audit Committee Chair	Retired, Customer Experience Professional	Term 1/3
6.	Michael McDuffie, PhD		Associate Professor of Philosophy, Department Chair California State University, San Marcos	Term 1/2
7.	Sarah McSpadden	President/Chief Executive Officer	President & Chief Executive Officer The Elizabeth Hospice	W-2 Employee
8.	Tammy Morita		Senior Director for Strategic Partnerships, UC San Diego Health	Term 1/2
9.	Mark Neu	Chair of the Board	Compliance & Privacy Officer Alta Hospitals System, LLC	<i>On Term Extension</i>
10.	George Olmstead		Retired, Attorney, Trusts and Estates	Term 1/2
11.	Glenn Panzer, M.D.		Retired, Associate Medical Director and Chief Medical Officer Emeritus, The Elizabeth Hospice	Term 1/1
12.	Cynthia Robertson, M.D.	Quality and Compliance Committee Chair	Retired Physician, Internal Medicine Specialist	Term 1/3
13.	Kiprian Skavinski “Kip”		Retired, Chief Financial Officer The Elizabeth Hospice	Term 1/1
Executive Team				
Sarah McSpadden, RN, MHA, CHC President/Chief Executive Officer			Jean Loo-Russo Chief Philanthropy Officer	
Laury Bliss, MBA Chief Strategy Officer			Deena Nelson Chief Financial Officer	
George Delgado, M.D., F.A.A.F.P Chief Medical Officer			Mary Kate O’Connell Chief People Officer	
Cheryl Farst Chief Administrative Officer/Board Liaison			Darlene Rutledge, MSN, RN Chief Clinical Officer	



The Elizabeth Hospice

Grief Support Groups provide an opportunity to learn from others who are grieving the loss of a loved one. Led by professionally trained counselors and volunteer facilitators, they are a safe, non-judgmental place for families and individuals to find comfort while learning coping skills. Currently all counseling sessions are offered via Zoom. There is no charge to attend. All California residents are welcome. To enroll, call 760-737-2054.

Support Groups – January 2022

General Grief and Loss Groups for Adults

Every Thursday, 10:30-12:00 p.m.

Specialty Support Groups for Adults

Partner/Spouse Loss Group

Every Tuesday, 6:00-7:30 p.m. (limited space)

Every Wednesday, 3:00-4:30 p.m. (limited space)

Every Thursday, 11:30-12:30 p.m.

Parent Loss Group

1st and 3rd Wednesdays, 6:00-7:30 p.m.

Young Grievers Support Group

(For ages 18 to 35)

Every Monday, 6:00 to 7:30 p.m.

No group the week of Dec 27 – 31

Child Loss Group

2nd and 4th Wednesdays, 6:00-7:00 p.m.

1st and 3rd Mondays, 6:00-7:30 p.m.

Journey Through Grief Book Club

1st and 3rd Mondays, 5:30-6:30 p.m.

Parenting After Loss Group

Every Monday, 9:30-10:30 a.m.

Caregiver Support Group

Every Tuesday, 11:00-12:00 p.m.

Children/Teen Grief Support Groups

Call Samira Moosavi for details: 760-796-3701

Littles (ages 3- 6)

Elementary (ages 6-12)

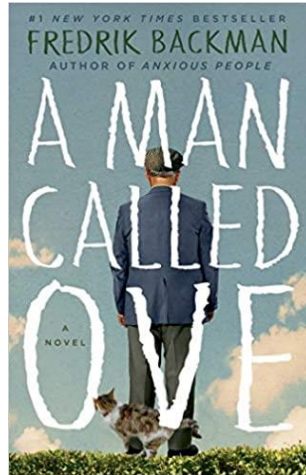
Middles (ages 11-13)

Teens (ages 13-17)

School-Based Children's Support Groups are available at elementary, middle and high school campuses throughout San Diego County and Southwest Riverside County upon request.

JOURNEY THROUGH GRIEF Book Club for Grieving Adults

***A Man Called Ove* by Fredrik Backman**



Led by skilled grief counselors from The Elizabeth Hospice, you'll explore the author's story of grief and loss and achieve insights into your own grief. FREE (book not included). Open to everyone in the community – from the occasional to the seasoned reader.

Mondays (13 sessions), starting Jan. 10, from 5:30 to 6:30 pm, via Zoom.

RSVP to Mechelle.FitzGeorge@ehospice.org.

THE ELIZABETH HOSPICE, INC.
Escondido, California

FINANCIAL STATEMENTS
June 30, 2021 and 2020

THE ELIZABETH HOSPICE, INC.
Escondido, California

FINANCIAL STATEMENTS
June 30, 2021 and 2020

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Elizabeth Hospice, Inc.
Escondido, California

Report on the Financial Statements

We have audited the accompanying financial statements of The Elizabeth Hospice, Inc., which comprise the balance sheets as of June 30, 2021 and 2020, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Elizabeth Hospice, Inc. as of June 30, 2021 and 2020, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 other 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2021 on our consideration of The Elizabeth Hospice, Inc.'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 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 The Elizabeth Hospice, Inc.'s internal control over financial reporting and compliance.


Crowe LLP

Franklin, Tennessee
November 9, 2021

THE ELIZABETH HOSPICE, INC.
BALANCE SHEETS
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,313,069	\$ 5,017,991
Patient accounts receivable, net	4,958,920	4,789,889
Prepaid expenses and other	<u>1,208,856</u>	<u>1,012,460</u>
Total current assets	14,480,845	10,820,340
Property and equipment, net	2,929,269	2,959,413
Investments	<u>28,389,004</u>	<u>22,774,729</u>
	<u>\$ 45,799,118</u>	<u>\$ 36,554,482</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 1,168,363	\$ 1,600,707
Accrued expenses	5,288,612	5,079,943
Deferred revenue	<u>13,265</u>	<u>2,249,575</u>
Total current liabilities	6,470,240	8,930,225
Net assets		
Without donor restrictions		
Undesignated	16,040,201	9,015,893
Board designated	<u>14,039,581</u>	<u>11,083,704</u>
Total net assets without donor restrictions	30,079,782	20,099,597
With donor restrictions	<u>9,249,096</u>	<u>7,524,660</u>
Total net assets	<u>39,328,878</u>	<u>27,624,257</u>
	<u>\$ 45,799,118</u>	<u>\$ 36,554,482</u>

See accompanying notes to financial statements.

THE ELIZABETH HOSPICE, INC.
STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
Years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Net assets without donor restrictions		
Operating revenue		
Net patient service revenue	\$ 40,435,175	\$ 36,766,044
Contributions and fundraising	1,149,437	3,160,180
Special events	97,671	146,596
Grants from governmental agencies	2,069,060	170,797
Interest and dividends, net of fees	207,464	208,844
Realized gains (loss) on investments	1,035,248	(93,839)
Unrealized gains on investments	2,660,074	169,636
Other revenue	347,822	526,366
Net assets released from restriction	<u>372,384</u>	<u>370,449</u>
Total operating revenue	48,374,335	41,425,073
Operating expenses		
Direct patient care	21,814,747	21,102,042
Indirect patient care	8,419,059	8,511,227
Community outreach	926,906	848,581
Management and general	6,213,015	6,621,275
Fundraising	<u>1,020,423</u>	<u>852,010</u>
Total operating expenses	<u>38,394,150</u>	<u>37,935,135</u>
Change in net assets without donor restrictions	9,980,185	3,489,938
Net assets with donor restrictions		
Contributions	26,100	6,669
Interest and dividends, net of fees	95,856	128,843
Net realized and unrealized gains on investments	1,974,864	113,053
Net assets released from restriction	<u>(372,384)</u>	<u>(370,449)</u>
Change in net assets with donor restrictions	<u>1,724,436</u>	<u>(121,884)</u>
Change in net assets	11,704,621	3,368,054
Net assets at beginning of year	<u>27,624,257</u>	<u>24,256,203</u>
Net assets at end of year	<u><u>\$ 39,328,878</u></u>	<u><u>\$ 27,624,257</u></u>

See accompanying notes to financial statements.

THE ELIZABETH HOSPICE, INC.
STATEMENTS OF CASH FLOWS
Years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 11,704,621	\$ 3,368,054
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	363,489	332,894
Loss on disposal of property and equipment	6,913	2,883
Net realized and unrealized gains on investments	(5,670,186)	(188,850)
Changes in assets and liabilities		
Patient accounts receivable	(169,031)	(330,145)
Prepaid expenses and other	(196,396)	(365,569)
Accounts payable	(432,344)	553,697
Accrued expenses	208,669	1,186,726
Deferred revenue	<u>(2,236,310)</u>	<u>2,249,575</u>
Net cash from operating activities	3,579,425	6,809,265
Cash flows from investing activities		
Repayments on advances to Elizabeth Supportive Medical Services	-	15,376
Purchase of property and equipment	(340,258)	(72,079)
Proceeds from sales of investments	9,277,364	8,007,265
Purchases of investments	<u>(9,221,453)</u>	<u>(10,340,208)</u>
Net cash from investing activities	(284,347)	(2,389,646)
Cash flows from financing activities		
Proceeds from borrowings on line of credit	3,604,156	21,886,000
Principal payments on line of credit	<u>(3,604,156)</u>	<u>(21,886,000)</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net change in cash and cash equivalents	3,295,078	4,419,619
Cash and cash equivalents at beginning of year	<u>5,017,991</u>	<u>598,372</u>
Cash and cash equivalents at end of year	<u>\$ 8,313,069</u>	<u>\$ 5,017,991</u>
Supplemental disclosures of cash flow information		
Cash paid for interest during the year	\$ -	\$ 30,088

See accompanying notes to financial statements.

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization: The Elizabeth Hospice, Inc. (the "Organization") is organized under the charitable public benefit nonprofit corporate laws of the state of California. The Organization's primary purposes are to provide end-of-life care services to terminally ill patients, contribute to the sense of well-being of terminally ill patients and their families, and to train professionals and volunteers in the hospice concept. California Hospice Network was formed to commit to sustaining local, nonprofit, community-based hospice care throughout California. Effective August 1, 2019, California Hospice Network became the sole corporate member of the Organization. Effective July 1, 2020, the Organization and California Hospice Network signed a disaffiliation agreement making California Hospice Network no longer the sole corporate member of the Organization. As of June 30, 2020, the Organization has amounts due from California Hospice Network in the amount of \$215,707 which are included in prepaid expenses and other on the balance sheets, related to payment made on behalf of California Hospice Network. No such amounts are due from California Hospice Network as of June 30, 2021. The Organization was required to pay membership fees to California Hospice Network through the date of the disaffiliation agreement. During the year ended June 30, 2020, the Organization incurred membership fees of \$330,827. Such amounts are included in management and general expenses in the statements of operations and changes in net assets.

Since August 2017, through a management service agreement (MSA), the Organization partners with Elizabeth Supportive Medical Services ("ESMS"), an aligned physician medical group, that allows for expansion of reimbursable services provided by the Organization. Revenue from this agreement for the years ended June 30, 2021 and 2020 was \$34,848 and \$35,892, respectively, and is included in other revenue in the statements of operations and changes in net assets. As part of the agreement, the Organization provides a line of credit to ESMS with an available principal amount of up to \$750,000, with interest at the current prime rate and secured by the assets of ESMS. The line of credit expires in July 2027. ESMS had no borrowings outstanding on the line of credit at June 30, 2021 and 2020.

Coronavirus Pandemic and CARES Act Funding: In March 2020, the World Health Organization declared a pandemic related to the rapidly spreading coronavirus ("COVID-19") outbreak, which has led to a global health emergency. The extent to which the COVID-19 pandemic may impact the financial condition or results of the Organization's operations is uncertain and cannot be predicted fully at this time. The nature and extent of the final impact may depend on a number of factors, including: the duration and extent of the pandemic, the nature and duration of the pandemic's impact on the Organization's healthcare services, and the nature and duration of the pandemic's impact on the Organization's business partners, vendors, and patients, all of which are uncertain and cannot be predicted fully. The Organization continues to evaluate the impact of the COVID-19 pandemic on its business and to monitor pandemic-related developments.

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") became law on March 27, 2020. This Federal response to the market volatility and instability resulting from the coronavirus pandemic includes provisions to support individuals and businesses in the form of loans, grants, and tax changes, among other types of relief. The CARES Act authorized \$175 billion in payments to be distributed through the Public Health and Social Services Emergency Fund ("Provider Relief Funds" or "PRF"). Payments from the PRF are not loans; however, PRF funds are required to be paid back if not fully utilized by June 30, 2021. During the year ended June 30, 2020, the Organization received payments of \$2,239,857 from the Provider Relief Fund.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization has elected to account for the PRF proceeds received as a conditional contribution in accordance with Subtopic 958-605. Under Subtopic 958-605, the PRF proceeds are initially recorded as a deferred grant liability and subsequently recognized as grant revenue when the Organization has substantially met all terms and conditions of the grant. The Organization's assessment of whether the terms and conditions for amounts received have been substantially met considers, among other things, the terms of the CARES Act and the Consolidation Appropriation Act of 2021 (CAA), and all other interpretive guidance issued by the U.S. Department of Human and Health Services. Such guidance sets forth the allowable methods for quantifying eligible healthcare related expenses and lost revenues. Only healthcare related expenses attributable to coronavirus that another source has not reimbursed and is not obligated to reimburse are eligible to be claimed. Based on the Organization's assessment, the Organization has recognized \$2,069,060 and \$170,797 of grant revenue for the years ended June 30, 2021 and 2020, respectively, recorded within grants from governmental agencies in the statements of operations and changes in net assets. The remaining portion of \$- and \$2,069,060 as of June 30, 2021 and 2020, respectively, has been recorded as deferred revenue in the accompanying balance sheets.

Basis of Accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation: The financial statements report the changes in and totals of each net asset class based on the existence of donor restrictions, as applicable. Net assets are classified as without donor restrictions or with donor restrictions and are detailed as follows:

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. Net assets without donor restrictions are comprised of Board designated and undesignated amounts. As of June 30, 2021 and 2020, board designated net assets consist of \$14,039,581 and \$11,083,704, respectively, designated for an endowment created during the year ended June 30, 2017.

Net assets with donor restrictions are net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature and will be met by the passage of time or the actions of the Organization. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity. As of June 30, 2021 and 2020, purpose or time restricted net assets consisted of donor restricted funds designated for various programs and unspent endowment earnings.

Cash and Cash Equivalents: Cash and cash equivalents consist of bank deposits in accounts that are federally insured up to \$250,000. Additionally, for purposes of the statements of cash flows, the Organization considers all highly liquid investments of operating cash purchased with an original maturity of three months or less to be cash equivalents.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Patient Accounts Receivable: The patient accounts receivable balance represents the unpaid amounts billed to patients and third-party payors. Contractual adjustments and discounts are recorded to report receivables for patient care services at their net realizable value. Past due receivables are determined based on contractual terms. The Organization does not accrue interest on any of its accounts receivables.

Investments: All investments are valued at their fair values in the balance sheets. Unrealized gains and losses are included in the change in net assets. See Note 4 for additional information on the nature of the Organization's investments.

Property and Equipment: Property and equipment are stated at cost or, if donated to the Organization, at their fair value on the date of the gift. Additions and improvements over \$2,000 are capitalized; expenditures for routine maintenance are charged to operations. Depreciation is computed over the estimated useful lives of the various classes of assets using the straight-line method.

Gifts of long-lived assets such as land, buildings, and equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets are to be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Impairment of Long-Lived Assets: On an ongoing basis, the Organization reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying amounts may be overstated. The Organization recognizes impairment losses if the undiscounted cash flows expected to be generated by the asset are less than the carrying value of the related asset. The impairment loss adjusts the assets to fair value. As of June 30, 2021 and 2020, management believes that no assets were impaired.

Net Patient Service Revenue: Net patient service revenues are reported at the amount that reflects the ultimate consideration the Organization expects to receive in exchange for providing patient care. These amounts are due from third-party payors, primarily commercial health insurers and government programs (Medicare and Medicaid), and includes variable consideration for revenue adjustments due to settlements of audits and reviews, as well as certain hospice-specific revenue capitations. For the years ended June 30, 2021 and 2020, approximately 96% and 95%, respectively, of the Organization's net patient service revenue was derived from the Medicare and Medicaid programs. Amounts are generally billed monthly or subsequent to patient discharge. Subsequent changes in the transaction price initially recognized are not significant.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Hospice services are provided on a daily basis and the type of service provided is determined based on a physician's determination of each patient's specific needs on that given day. Reimbursement rates for hospice services are on a *per diem* basis regardless of the type of service provided or the payor. Reimbursement rates from government programs are established by the appropriate governmental agency and are standard across all hospice providers. Reimbursement rates from health insurers are negotiated with each payor and generally structured to closely mirror the Medicare reimbursement model. The types of hospice services provided and associated reimbursement model for each are as follows:

Routine Home Care occurs when a patient receives hospice care in their home, including a nursing home setting. The routine home care rate is paid for each day that a patient is in a hospice program and is not receiving one of the other categories of hospice care. For Medicare patients, the routine home care rate reflects a two-tiered rate, with a higher rate for the first 60 days of a hospice patient's care and a lower rate for days 61 and after. In addition, there is a Service Intensity Add-on payment which covers direct home care visits conducted by a registered nurse or social worker in the last seven days of a hospice patient's life, reimbursed up to four hours per day in fifteen minute increments at the continuous home care rate.

General Inpatient Care occurs when a patient requires services in a controlled setting for a short period of time for pain control or symptom management which cannot be managed in other settings. General inpatient care services must be provided in a Medicare or Medicaid certified hospital or long-term care facility or at a freestanding inpatient hospice facility with the required registered nurse staffing.

Continuous Home Care is provided to patients while at home, including a nursing home setting, during periods of crisis when intensive monitoring and care, primarily nursing care, is required in order to achieve palliation or management of acute medical symptoms. Continuous home care requires a minimum of 8 hours of care within a 24-hour day, which begins at midnight. The care must be predominantly nursing care provided by either a registered nurse or licensed nurse practitioner. While the published Medicare continuous home care rates are daily rates, Medicare pays for continuous home care in fifteen minute increments. This fifteen minute rate is calculated by dividing the daily rate by 96.

Respite Care permits a hospice patient to receive services on an inpatient basis for a short period of time in order to provide relief for the patient's family or other caregivers from the demands of caring for the patient. A hospice can receive payment for respite care for a given patient for up to five consecutive days at a time, after which respite care is reimbursed at the routine home care rate.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Each level of care represents a separate promise under the contract of care and is provided independently for each patient, contingent upon the patient's specific medical needs as determined by a physician. However, the clinical criteria used to determine a patient's level of care is consistent across all patients, given that each patient is subject to the same payor rules and regulations. As a result, the Organization has concluded that each level of care is capable of being distinct and is distinct in the context of the contract. Furthermore, the Organization has determined that each level of care represents a stand ready service provided as a series of either days or hours of patient care. The Organization believes that the performance obligations for each level of care meet criteria to be satisfied over time. The Organization recognizes revenue based on the service output. The Organization believes this to be the most faithful depiction of the transfer of control of services as the patient simultaneously receives and consumes the benefits provided by the Organization's performance. Revenue is recognized on a daily or hourly basis for each patient in accordance with the reimbursement model for each type of service. The Organization's performance obligations relate to contracts with an expected duration of less than one year. Therefore, the Organization has elected to apply the optional exception provided in Accounting Standards Codification (ASC) 606 and is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially satisfied performance obligations referred to above relate to bereavement services provided to patients' families for up to 12 months after death of patient.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance which vary in amount. The Organization also provides service to patients without a reimbursement source and may offer those patients discounts from standard charges. The Organization estimates the transaction price for patients with deductibles and coinsurance, along with those uninsured patients, based on historical experience and current conditions. The estimate of any contractual adjustments, discounts, or implicit price concessions reduces the amount of revenue initially recognized. Subsequent changes to the estimate of the transaction price are recorded as adjustments to patient service revenue in the period of change. Subsequent changes that are determined to be the result of an adverse change in the patients' ability to pay (i.e. change in credit risk) are recorded as bad debt expense. The Organization has no material adjustments related to subsequent changes in the estimate of the transaction price or subsequent changes as the result of an adverse change in the patient's ability to pay for any period reported.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. Compliance with such laws and regulations may be subject to future government review and interpretation. Additionally, the contracts the Organization has with commercial health insurance payors provide for retroactive audit and review of claims. Settlement with third party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. The variable consideration is estimated based on the terms of the payment agreement, existing correspondence from the payor and our historical settlement activity. These estimates are adjusted in future periods, as new information becomes available. Management intends to fully cooperate with any governmental agencies in requests for information. Noncompliance with laws and regulations can make the Organization subject to regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs.

For the Organization's patients in the nursing home setting in which Medicaid pays the nursing home room and board, the Organization serves as a pass-through between Medicaid and the nursing home. The Organization is responsible for paying the nursing home for that patient's room and board. Medicaid reimburses the Organization for 95% of the amount paid to the nursing home. The Organization has concluded that the 5% difference between the amount paid to the nursing home and the amount received from Medicaid is an adjustment to transaction price and, as a result, the 5% is recognized as a reduction to revenue recognized in the accompanying financial statements.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Hospice organizations are subject to two specific payment limit caps under the Medicare program. One limit relates to inpatient care days that exceed 20% of the total days of hospice care provided for the year. The Organization did not exceed the 20% cap related to inpatient days in June 30, 2021 and 2020. The second limit relates to an aggregate Medicare reimbursement cap calculated by the Organization. The Organization did not exceed the Medicare reimbursement cap for the years ended June 30, 2021 and 2020.

Charity Care: The Organization determines each patient's ability to pay during the admission process. When a patient meets certain criteria, part or all of the patient's charges are deemed charity care and are not billed for collection. Because the Organization does not pursue collection of amounts determined to qualify as charity care, those amounts are excluded from net patient service revenue. The cost of charity care provided was approximately \$161,000 and \$301,000 for the years ended June 30, 2021 and 2020, respectively. This cost estimate was based on the Organization-wide cost to charge ratio.

Contributions: Contributions received and unconditional promises to give are recorded as revenue without donor restrictions or revenue with donor restrictions depending on the existence of donor restrictions and the nature of such restrictions, if they exist.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of operations and changes in net assets as net assets released from restriction.

If a restriction is fulfilled in the same accounting period in which the contribution is received, the contribution is reported as without donor restrictions.

Functional Allocation of Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of operations and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes: The Organization is exempt from income taxes on income from related activities under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding state tax law. Accordingly, no provision has been made for federal or state income taxes.

U.S. GAAP requires that a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

The Organization's Form 990 has not been subject to examination by the Internal Revenue Service or the state of California for the last three years. The Organization does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months. The Organization recognizes interest and/or penalties related to income tax matters in income tax expense. The Organization did not have any amounts accrued for interest and penalties at June 30, 2021 and 2020.

Subsequent Events: Management has performed an analysis of the activities and transactions subsequent to June 30, 2021 to determine the need for any adjustments to and/or disclosures within the financial statements for the year ended June 30, 2021. Management performed their analysis through November 9, 2021, which is the date the financial statements were available to be issued.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 2 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 8,313,069	\$ 5,017,991
Patient accounts receivable, net	4,958,920	4,789,889
Investments	<u>28,389,004</u>	<u>22,774,729</u>
	41,660,993	32,582,609
Less net assets with donor restrictions	<u>(9,249,096)</u>	<u>(7,524,660)</u>
	<u>\$ 32,411,897</u>	<u>\$ 25,057,949</u>

As part of the Organization's liquidity management plan, management invests cash in excess of daily requirements in short-term investments, treasury sweeps, and money market instruments. In addition to cash on hand, the Organization has two lines of credit available in the amount of \$2,500,000 and \$1,000,000; the latter secured by unrestricted investments.

The Organization also manages a pool of funds invested in the public securities markets. Management of these funds are governed by the Organization's Investment Policy Statement. The Board of Directors has delegated authority to supervise these investments to the Finance Committee. The Organization's primary objective is to preserve and protect its assets by earning a total return for each category of assets (a "Fund"), which is appropriate for each Fund's time horizon, distribution requirements, and risk tolerance. The Organization currently maintains the following funds:

Intermediate Fund
Long Term Fund
Endowment Fund
Board Directed Endowment
Anonymous Endowment

The Intermediate and Long Term Fund are unrestricted and have a value of \$5,258,212 and \$4,301,034 as of June 30, 2021 and 2020, respectively. The Endowment Fund, Board Directed Endowment, and Anonymous Endowment are Board designated and donor restricted with a value of \$23,130,792 and \$18,473,695 as of June 30, 2021 and 2020, respectively.

NOTE 3 - PATIENT ACCOUNTS RECEIVABLE

Receivables from patients and third-party payors for the years ended June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Medicare	\$ 3,605,908	\$ 3,766,192
Medicaid	1,180,085	979,060
Commercial and other	<u>460,366</u>	<u>346,682</u>
	5,246,359	5,091,934
Less implicit price concessions	<u>(287,439)</u>	<u>(302,045)</u>
	<u>\$ 4,958,920</u>	<u>\$ 4,789,889</u>

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

U.S. GAAP defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in an Organization's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

A fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date. The fair values of money market funds, common stocks, exchange traded funds, mutual funds, and hedge funds that are readily marketable are determined by obtaining quoted prices from nationally recognized securities exchanges.

Level 2: Significant other observable inputs other than Level 1 prices 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. The Organization had no investments measured using Level 2 inputs at June 30, 2021 and 2020.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability. The Organization had no investments measured using Level 3 inputs at June 30, 2021 and 2020.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

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

<u>Fair Value Measurements at June 30, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Money market funds	\$ 549,655	\$ -	\$ -	\$ 549,655
Common stocks	3,780,832	-	-	3,780,832
Exchange traded funds	13,022,995	-	-	13,022,995
Equity mutual funds	2,467,641	-	-	2,467,641
Fixed income mutual funds	6,895,403	-	-	6,895,403
Hedge funds	<u>1,672,478</u>	<u>-</u>	<u>-</u>	<u>1,672,478</u>
Total investments	<u>\$ 28,389,004</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,389,004</u>

<u>Fair Value Measurements at June 30, 2020</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Money market funds	\$ 1,406,365	\$ -	\$ -	\$ 1,406,365
Common stocks	1,952,341	-	-	1,952,341
Exchange traded funds	11,120,392	-	-	11,120,392
Equity mutual funds	1,243,808	-	-	1,243,808
Fixed income mutual funds	6,460,962	-	-	6,460,962
Hedge funds	<u>590,861</u>	<u>-</u>	<u>-</u>	<u>590,861</u>
Total investments	<u>\$ 22,774,729</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,774,729</u>

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - INVESTMENTS AND FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS
(Continued)

The following schedule summarizes return on investments for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Interest and dividends, net of fees	\$ 303,320	\$ 337,687
Realized gains (losses) on investments	<u>1,684,622</u>	<u>(138,402)</u>
	1,987,942	199,285
Unrealized gains on investments	<u>3,985,564</u>	<u>327,252</u>
	<u>\$ 5,973,506</u>	<u>\$ 526,537</u>

Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would result in material changes in the fair value of investments and net assets of the Organization.

NOTE 5 - PROPERTY AND EQUIPMENT

The Organization's property and equipment and the related accumulated depreciation at June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 879,235	\$ 879,235
Buildings	2,960,588	2,933,434
Office equipment	1,565,822	1,416,902
Furniture and fixtures	<u>557,898</u>	<u>557,898</u>
	5,963,543	5,787,469
Less accumulated depreciation	<u>(3,034,274)</u>	<u>(2,828,056)</u>
	<u>\$ 2,929,269</u>	<u>\$ 2,959,413</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$363,489 and \$332,894, respectively.

NOTE 6 - LINES OF CREDIT

The Organization maintains a \$1,000,000 line of credit with a financial institution bearing interest at LIBOR plus 1.75% (3.00% and 1.91% as of June 30, 2021 and 2020, respectively). The line of credit is secured by cash, investments, and other assets of the Organization and has no expiration date. The Organization had no borrowings outstanding on the line of credit at June 30, 2021 or 2020.

In November 2018 the Organization obtained a \$2,500,000 line of credit with a financial institution bearing interest at LIBOR plus 2.50% (3.75% and 2.66% as of June 30, 2021 and 2020, respectively). The line of credit is secured by equipment and fixtures, inventory, and receivables of the Organization and expires in December 2021. The Organization had no borrowings outstanding on the line of credit at June 30, 2021 or 2020.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets that are donor restricted at June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Time or purpose		
Unappropriated endowment earnings	\$ 2,062,886	\$ 361,666
Staff education	120,000	120,000
Other	<u>37,885</u>	<u>14,669</u>
	2,220,771	496,335
Perpetually restricted		
Endowments for education	1,700,000	1,700,000
Endowments for charity care	1,804,000	1,804,000
Endowments for hospice and palliative care	2,643,998	2,643,998
Endowments for undesignated purposes	<u>880,327</u>	<u>880,327</u>
	<u>7,028,325</u>	<u>7,028,325</u>
	<u>\$ 9,249,096</u>	<u>\$ 7,524,660</u>

Net assets with donor restrictions were released from restriction for the years ended June 30 for the following purposes:

	<u>2021</u>	<u>2020</u>
Unappropriated endowment earnings	\$ 369,500	\$ 370,449
Other	<u>2,884</u>	<u>-</u>
	<u>\$ 372,384</u>	<u>\$ 370,449</u>

NOTE 8 - ENDOWMENT ASSETS

Overview: The Organization's endowments consist of various investment securities, most of which are traded on public markets. The endowments are made up of board designated, purpose or time restricted, and perpetually restricted assets. As required by U.S. GAAP, net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 8 - ENDOWMENT ASSETS (Continued)

Interpretation of Relevant Law: The Organization's Board of Directors has determined the requirements of California's version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") to center around the preservation of the fair value of the original investment as of the date of the asset transfer. The investments resulting from donations directing that they be invested in perpetuity are classified as perpetually restricted. The earnings generated by these investments are classified as purpose or time restricted. The purpose or time restricted earnings are reclassified as without donor restrictions upon their appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by California's version of UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate its endowment funds:

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

Return Objectives and Risk Parameters: The Organization has adopted investment and spending policies for endowment assets that attempt to provide funding for operating expenses of programs supported by its endowments, while maintaining the original corpus of the endowments. In order to meet this objective, the endowment asset portfolio is structured to achieve a compound annual return, net of investment management expenses, of 4% to 6% for the Intermediate Fund portfolio and 6% to 8% for the Long-Term, Endowment, and Board Directed funds. Risk parameters are set so that reasonable volatility, including larger potential fluctuations of principal, will be tolerated over the investment horizon, in as much as it is consistent with the volatility of a comparable market index. Endowment assets include assets of donor-restricted funds that the Organization must hold in perpetuity and assets of the Organization that the Board of Directors has designated for endowment purposes.

Strategies Employed for Achieving Objectives: To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a broadly diversified portfolio to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy: The Organization disburses funds as needed within the guidelines of the endowments. Over the long-term, the Organization expects the current spending policy to allow its endowment to grow at the average annual rate of inflation over ten years. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Fund with Deficiencies: A donor-restricted endowment fund is considered to be underwater if the fair value of the fund is less than the original gift amount or the amount required to be maintained by the donor or by law. At times, the Organization may have individual donor-restricted endowment funds that are underwater. The Organization has a policy that permits spending from underwater funds depending on the degree to which the fund is underwater, unless specifically prohibited by the donor or relevant laws and regulations. There were no such deficiencies as of June 30, 2021 and 2020.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 8 - ENDOWMENT ASSETS (Continued)

Change in Endowment Net Assets: The Organization's change in endowment assets, by net asset composition, for the years ended June 30 is as follows:

2021:

	<u>Without Donor Restrictions</u>		<u>With Donor Restrictions</u>	
	<u>Board Designated</u>		<u>Accumulated Earnings</u>	<u>Original Gift</u>
				<u>Total</u>
Beginning balance	\$ 11,083,704	\$ 361,666	\$ 7,028,325	\$ 18,473,695
Interest and dividends, net of fees	140,377	95,856	-	236,233
Net realized and unrealized gains	2,815,500	1,974,864	-	4,790,364
Appropriations for expenditure	-	(369,500)	-	(369,500)
Total endowment	<u>\$ 14,039,581</u>	<u>\$ 2,062,886</u>	<u>\$ 7,028,325</u>	<u>\$ 23,130,792</u>

2020:

	<u>Without Donor Restrictions</u>		<u>With Donor Restrictions</u>	
	<u>Board Designated</u>		<u>Accumulated Earnings</u>	<u>Original Gift</u>
				<u>Total</u>
Beginning balance	\$ 8,530,559	\$ 490,219	\$ 7,028,325	\$ 16,049,103
Interest and dividends, net of fees	170,334	128,843	-	299,177
Net realized and unrealized gains	40,328	113,053	-	153,381
Additions	2,342,483	-	-	2,342,483
Appropriations for expenditure	-	(370,449)	-	(370,449)
Total endowment	<u>\$ 11,083,704</u>	<u>\$ 361,666</u>	<u>\$ 7,028,325</u>	<u>\$ 18,473,695</u>

NOTE 9 - OPERATING LEASE COMMITMENTS

The Organization has various operating leases for office spaces and vehicles that expire on various dates through October 2023. Total rent expense amounted to \$1,254,222 and \$1,262,292 for the years ended June 30, 2021 and 2020, respectively. Future minimum lease commitments are as follows:

2022	\$ 1,167,833
2023	771,368
2024	<u>59,487</u>
	<u>\$ 1,998,688</u>

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 10 - FUNCTIONAL EXPENSES

Expenses categorized by their functional classification for the years ended June 30 are as follows:

	<u>For the year ended June 30, 2021</u>					
	<u>Direct</u> <u>Patient Care</u>	<u>Indirect</u> <u>Patient Care</u>	<u>Community</u> <u>Outreach</u>	<u>Management</u> <u>and General</u>	<u>Fundraising</u>	<u>Total</u>
Accounting fees	\$ -	\$ -	\$ -	\$ 66,777	\$ -	\$ 66,777
Advertising and promo	-	11,477	202,372	124,683	18,407	356,939
Benefits	575,763	49,147	11,384	77,621	16,539	730,454
Conferences, meetings	18,274	62,250	17,541	102,422	37,597	238,084
Depreciation	208,855	80,673	17,981	36,148	19,832	363,489
DME	1,432,150	-	-	-	-	1,432,150
Drugs	1,151,525	-	-	-	-	1,151,525
Facility related	983,656	379,946	84,685	170,249	93,402	1,711,938
Fee for service other	608,728	737,347	71,750	639,439	377	2,057,641
Information technology	451,546	52,182	8,445	155,382	41,175	708,730
Inpatient services	34,055	-	-	-	-	34,055
Insurance	965	-	-	228,425	-	229,390
Legal expenses	864	9,612	-	411,605	599	422,680
Medical supplies	939,921	-	-	-	-	939,921
Office expenses	90,340	46,789	16,084	145,609	20,169	318,991
Other employee benefits	2,339,290	1,334,476	91,362	627,586	126,720	4,519,434
Other expenses	-	-	-	112	-	112
Other patient expenses	206,421	-	-	-	4,497	210,918
Other salaries and wages	11,068,177	5,088,677	366,358	3,112,666	574,962	20,210,840
Payroll taxes	761,074	379,504	27,590	216,171	43,753	1,428,092
Pension plan accruals	239,319	119,062	8,642	76,249	16,687	459,959
Transportation	50,034	-	-	-	-	50,034
Travel expenses	653,790	67,917	2,712	21,871	5,707	751,997
	<u>\$21,814,747</u>	<u>\$ 8,419,059</u>	<u>\$ 926,906</u>	<u>\$ 6,213,015</u>	<u>\$1,020,423</u>	<u>\$ 38,394,150</u>

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 10 - FUNCTIONAL EXPENSES (Continued)

For the year ended June 30, 2020

	<u>Direct</u> <u>Patient Care</u>	<u>Indirect</u> <u>Patient Care</u>	<u>Community</u> <u>Outreach</u>	<u>Management</u> <u>and General</u>	<u>Fundraising</u>	<u>Total</u>
Accounting fees	\$ -	\$ -	\$ -	\$ 58,370	\$ -	\$ 58,370
Advertising and promo	-	8,739	49,456	82,268	4,993	145,456
Benefits	647,742	117,145	20,673	124,036	20,673	930,269
Conferences, meetings	18,238	62,751	99,971	104,892	79,587	365,439
Depreciation	191,276	73,882	16,467	33,106	18,163	332,894
DME	1,382,395	-	-	-	-	1,382,395
Drugs	1,022,913	-	-	-	-	1,022,913
Facility related	971,855	375,388	83,669	170,994	92,282	1,694,188
Fee for service other	468,535	845,912	65,136	1,195,802	-	2,575,385
Information technology	363,615	84,083	12,612	132,912	36,571	629,793
Inpatient services	44,350	-	-	-	-	44,350
Insurance	925	-	-	287,724	-	288,649
Legal expenses	-	4,657	-	110,895	-	115,552
Medical supplies	847,360	-	-	-	-	847,360
Office expenses	92,378	48,594	10,671	68,723	14,411	234,777
Other employee benefits	1,487,192	649,251	11,126	247,482	31,403	2,426,454
Other patient expenses	144,469	310	-	-	7,401	152,180
Other salaries and wages	11,618,153	5,612,111	429,386	3,600,535	496,980	21,757,165
Payroll processing fees	-	-	-	60,006	-	60,006
Payroll taxes	851,594	399,900	31,419	169,198	34,404	1,486,515
Pension plan accruals	258,562	131,707	9,825	82,329	14,057	496,480
Transportation	57,016	-	-	-	-	57,016
Travel expenses	633,474	96,797	8,170	92,003	1,085	831,529
	<u>\$21,102,042</u>	<u>\$ 8,511,227</u>	<u>\$ 848,581</u>	<u>\$ 6,621,275</u>	<u>\$ 852,010</u>	<u>\$ 37,935,135</u>

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facility related and depreciation which are allocated on a square-footage basis, as well as benefits and information technology which are allocated on a number of employees basis.

(Continued)

THE ELIZABETH HOSPICE, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 11 - RETIREMENT PLAN

The Organization maintains a qualified deferred compensation 401(k) plan for full time employees over age 21 that have completed one month of service. Under the plan, employees may elect to defer up to a percentage of pretax annual compensation, subject to the Internal Revenue Service limits. The Organization matches 50% of the participant's contribution to the Plan, not to exceed six percent of the participant's gross compensation. The Organization contributed \$460,158 and \$496,480 for the years ended June 30, 2021 and 2020, respectively.

The Organization offers a 457(b) deferred compensation plan. A select group of management employees are eligible to participate in the plan. The plan provides for employer contributions at the employers sole discretion. The Organization made no contributions to the plan for the years ended June 30, 2021 and 2020. Plan participants have the option to make personal contributions to the plan. The contributions are held in investment accounts, administered by a third party, pending distribution upon vesting portions and severance of employment of the participants. At June 30, 2021 and 2020 the Organization maintained approximately \$529,000 and \$417,000, respectively, in plan assets included within prepaid expenses and other and approximately \$529,000 and \$417,000, respectively, due to plan participants included within accrued expenses in the balance sheets.

SUPPLEMENTARY INFORMATION

THE ELIZABETH HOSPICE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2021

<u>Grantor/Program</u>	<u>Federal Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Total Federal Expenditures</u>
Direct:			
U.S. Department of Health and Human Services:			
COVID-19 Provider Relief Fund - Period 1 (2021)	93.498	N/A	\$ 2,069,060
COVID-19 Provider Relief Fund - Period 1 (2020)	93.498	N/A	<u>170,797</u>
Total Federal Awards			<u>\$ 2,239,857</u>

THE ELIZABETH HOSPICE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of The Elizabeth Hospice, Inc. under programs of the federal government for the year ended June 30, 2021 including expenditures incurred during the year ended June 30, 2020 relating to the COVID-19 Provider Relief Fund (Period 1) program 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*. 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 operations of The Elizabeth Hospice, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Elizabeth Hospice, Inc.

NOTE 2 - BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



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
The Elizabeth Hospice, Inc.
Escondido, 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 The Elizabeth Hospice, Inc. (the "Organization"), which comprise the balance sheet as of June 30, 2021, and the related statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 9, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. 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*.

(Continued)

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


Crowe LLP

Franklin, Tennessee
November 9, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
UNIFORM GUIDANCE

Board of Directors
The Elizabeth Hospice, Inc.
Escondido, California

Report on Compliance for the Major Federal Program

We have audited The Elizabeth Hospice, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. the Organization'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 the Organization'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 the Organization'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 the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization 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 program for the year ended June 30, 2021.

(Continued)

Report on Internal Control Over Compliance

Management of the Organization 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 the Organization'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 the Organization'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 of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Organization as of and for the year ended June 30, 2021, and have issued our report thereon dated November 9, 2021, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.


Crowe LLP

Franklin, Tennessee
November 9, 2021

THE ELIZABETH HOSPICE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2021

Section I—Summary of Auditor's Results

Financial Statements:

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- | | | |
|---|--------------------------|-------------------------------|
| • Material weakness(es) identified? | <u> </u>
Yes | <u> X </u>
No |
| • Significant deficiency(ies) identified? | <u> </u>
Yes | <u> X </u>
None reported |

Noncompliance material to financial statements noted?

<u> </u> Yes	<u> X </u> No
--------------------------	--------------------

Federal Awards:

Internal control over major federal programs:

- | | | |
|---|--------------------------|-------------------------------|
| • Material weakness(es) identified? | <u> </u>
Yes | <u> X </u>
No |
| • Significant deficiency(ies) identified? | <u> </u>
Yes | <u> X </u>
None reported |

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

<u> </u> Yes	<u> X </u> No
--------------------------	--------------------

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.498	Provider Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?

<u> </u> Yes	<u> X </u> No
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(Continued)

THE ELIZABETH HOSPICE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2021

Section II—Financial Statement Findings

- There were no findings for the year ended June 30, 2021.

Section III—Federal Award Findings and Questioned Costs


- There were no findings for the year ended June 30, 2021.

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: Surgery Weekend Program Date Submitted: November 19, 2021	Total # of people served: 450 Total # of San Marcos residents served:	Amount Requested: \$5,000
Non-Profit Organization Name and Address, Website Fresh Start Surgical Gifts 2011 Palomar Airport Rd. Suite 206 Carlsbad, CA 92011 www.freshstart.org	Contact Person – Name, Title & Phone, email Michelle Pius Chief Development Officer 760-448-2018 michelle@freshstart.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Fresh Start Surgical Gifts transforms the lives of disadvantaged infants, children, and teens with physical deformities caused by birth defects, accidents, abuse, or disease through the gift of reconstructive surgery and related healthcare services.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Thousands of San Diego children suffer from physical or cosmetic deformities with no place to turn for highly specialized medical care. It is often the children and families in our own communities that need financial assistance and access to medical care for their children.</p> <p>San Marcos, California has a large percentage of children living at or below the poverty level with barriers to accessing high quality medical care for correctible conditions that state funded programs dent coverage for.</p> <p><i>Even though the pandemic is easing up a bit in the United States, unemployment is very high along with the loss of employer sponsored health insurance and fears of the unknown, Fresh Start continues to accommodate more children than ever before. While many have returned to work and now have health insurance, their savings has been exhausted and paying the several thousands of dollars for deductible and co-pays is a financial hardship. As the safety net for the uninsured, underinsured and the growing number of financially insecure families in our communities, Fresh Start remains committed to providing high quality medical care and related services for children suffering with cosmetic and physical deformities.</i></p> <p>Exemplified in the simple act of a child breaking some facial bones and losing some teeth during a scooter accident. Today many cosmetic repairs are considered “elective” surgery and not covered by health insurance. Fresh Start is here to relieve the anxiety of “how am I going to pay for the medical care my child needs” and provide care the child needs at no cost.</p>		
Please attach the following items. <u>Both Mini-Grant & Regular:</u> 1. Budget for request (use SMCF Budget Worksheet)		Expected date project will begin/end: January 1, 2022 – June 30, 2022

<ul style="list-style-type: none">2. Annual Operating budget for the organization or unit3. Federal & State Tax ID numbers4. Board of Directors listing with affiliations5. Regular Grants Only:<ul 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>Date by which funds will be expended:</p> <p>June 30, 2022</p>
	<p>Signature of President or Authorized Officer</p> <p></p> <p>Michelle Pius, Chief Development Officer November 29, 2021</p>
	<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): cityclerk@san-marcos.net</p>

November 29, 2021

San Marcos Community Foundation

c/o City of San Marcos

1 Civic Center Drive

San Marcos, CA 92069

Dear Esteemed Board Members,

Fresh Start Surgical Gifts is grateful for the opportunity to apply for funding from the San Marcos Community Foundation. I believe Fresh Start to be an excellent fit with your giving interests to benefit the San Marcos community.

Thousands of San Diego County children from low-income backgrounds and ethnic minority groups often have nowhere to turn for comprehensive treatment for deformities and disabilities even though these conditions affect physical as well as psychological health. The need for assistance and access to our high-quality medical care has grown greatly over the most recent years in our local communities. Since our inception in 1991, over 8,500 infants, children and teens have received treatment valued at \$51,000,000 total.

Although the pandemic is easing up in the United States, unemployment remains high, along with the loss of employer sponsored health insurance. Fresh Start is accommodating more children than ever before. While many parents have returned to work with health insurance benefits, their savings have been exhausted and paying the thousands of dollars for deductible and co-pays would be a major financial hardship. As the safety net for uninsured, underinsured and the growing number of financially insecure families in our communities, Fresh Start continues to be committed to providing high quality medical care and related services for children suffering with cosmetic and physical deformities. Today many cosmetic corrections are considered “elective” surgery and not covered by health insurance. Fresh Start is here to relieve the stress amongst these families and provide care necessary for the child, at absolutely no-cost.

Fresh Start’s innovative approach to healthcare empowers youth to maintain healthy lifestyles, become more involved in their communities, stay in school, and have the motivation to accomplish their goals. Fresh Start Surgical Gifts is committed to helping these low-income San Diego County children suffering with craniofacial deformities from genetic conditions, unintentional injuries, or abuse by providing surgery and complementary medical services.

Fresh Start’s Surgery Weekend Program provides free reconstructive surgeries and related medical treatments for disadvantaged youth with physical and cosmetic deformities. There are six cycles annually, occurring every eight weeks. Each cycle includes an intensive 2-day Surgery Weekend of reconstructive and neurosurgeries along with supporting medical services. All Fresh Start’s medical services are provided by highly trained and well-regarded medical volunteers who treat a wide range of conditions, from cleft lip and palate to children who suffer from burns and scars from abuse.

At Fresh Start, no family has ever received a bill and no child ever will. Fresh Start promises to treat each patient until a best possible outcome is achieved, no matter the duration of expected services.

San Marcos, California has a large percentage of children living at or below the poverty level with barriers to accessing high quality medical care for correctible conditions that state funded programs do not cover for.

Together, with your partnership, we can continue to provide care and expand services to address additional, unmet needs of children. We are requesting support for our Surgery Weekend Program, serving approximately 450 children annually. You will find our completed application and requested attachments enclosed. I look forward to learning of your interest. For if any questions may arise, please feel comfortable contacting me, 760-448-2018.

With Gratitude,



Michelle Pius
Chief Development Officer
2011 Palomar Airport Rd., Suite 206, Carlsbad, CA 92011
Phone: 760-448-2018
Email: michelle@freshstart.org
Federal Tax Identification Number: 33-0460177
www.freshstart.org

SAN MARCOS COMMUNITY FOUNDATION
Budget Worksheet

SINGLE SURGERY WEEKEND MEDICAL PROGRAM BUDGET

<u>Facility Fees & Supplies</u>	<u>\$275,000</u>
<u>Inpatient/Charity Care Services</u>	<u>\$75,000</u>
<u>Surgeon Fees</u>	<u>\$85,000</u>
<u>General GIK (Transportation, Lab Fees, etc.)</u>	<u>\$31,000</u>
<u>Anesthesiology</u>	<u>\$20,500</u>
<u>Dental Fees</u>	<u>\$12,000</u>
<u>Laser Services & Supplies</u>	<u>\$2,833</u>
<u>Speech Therapy Services & Supplies</u>	<u>\$600</u>
<u>TOTAL DONATED SERVICES & SUPPLIES</u>	<u>\$501,933</u>

<u>Hospitalization</u>	<u>\$12,000</u>
<u>Clinic Rental</u>	<u>\$1,200</u>
<u>Patient Transportation & Lodging</u>	<u>\$9,100</u>
<u>Medical & Dental Supplies & Equipment</u>	<u>\$7,300</u>
<u>Medical Software & Communications</u>	<u>\$6,174</u>
<u>Volunteer Outreach</u>	<u>\$2,100</u>
<u>Patient Outreach</u>	<u>\$5,760</u>
<u>Facility Resource & Professional Services</u>	<u>\$3,072</u>
<u>Patient Assistance</u>	<u>\$1,350</u>
<u>Patient & Volunteer Food</u>	<u>\$2,500</u>
<u>Radiology & Interventional Radiology</u>	<u>\$3,350</u>
<u>Pharmaceutical Supplies</u>	<u>\$700</u>
<u>Medical Office Expenses</u>	<u>\$990</u>
<u>Medical Education & Training</u>	<u>\$941</u>
<u>Medical Supply Storage</u>	<u>\$1,295</u>
<u>Laboratory Fees</u>	<u>\$700</u>
<u>Clinical Patient Photos</u>	<u>\$50</u>
<u>TOTAL CASH AMOUNT</u>	<u>\$83,849</u>

Total budget for this PROJECT: **\$585,782**

Grant Request Amount:**\$5,000.00***(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)*

Is this a challenge grant? No

Could it be? Yes

Please list any other funding sources for this project.****Indicate if funds are committed (C), conditional (CD), or pending (P).**

<u>\$10,000</u>	<u>Costco Wholesale</u>	<u>**C</u>
<u>\$20,000</u>	<u>Louis & Harold Price</u>	<u>**C</u>
<u>\$3,000</u>	<u>Stryker Foundation</u>	<u>**C</u>
<u>\$15,000</u>	<u>Bravo Foundation</u>	<u>**C</u>
<u>\$150,000</u>	<u>Conrad Prebys</u>	<u>**P</u>
<u>\$20,000</u>	<u>Edelman Foundation</u>	<u>**C</u>
<u>\$15,000</u>	<u>Greehey Family Foundation</u>	<u>**C</u>
<u>\$50,000</u>	<u>Dr. Seuss Foundation</u>	<u>**P</u>

Fresh Start Surgical Gifts

Profit & Loss Budget Overview

July 2021 through June 2022

	<u>Jul '21 - Jun 22</u>
Ordinary Income/Expense	
Income	
Management Fee	357,243.00
Net Special Events	376,800.00
Major Gifts/Branding	325,000.00
Revenue and Support	10,450.00
Fresh Start Foundation Support	821,466.00
Foundation Support/Grants	
Expansion Grant	175,000.00
Unrestricted Revenue	413,500.00
Foundation Support/Grants - Other	0.00
Total Foundation Support/Grants	<u>588,500.00</u>
Total Income	<u>2,479,459.00</u>
Gross Profit	<u>2,479,459.00</u>
Expense	
Accounting	45,280.00
Automobile	18,420.00
Bank Charges	540.00
Board of Directors	900.00
Clinic Rental	6,948.00
Computer/IT	38,536.00
Credit Card Charges	7,675.00
Depreciation	34,470.00
Equipment Lease	12,993.00
Expansion Grant Expense	100,000.00
Donor Cultivation	13,200.00
Dues, Fees and Subscriptions	2,100.00
Employee Education & Training	5,600.00
Insurance	29,661.00
Marketing	92,360.00
Meals, Mtg & Entertainment	2,820.00
Patient Outreach	92,000.00
Volunteer Outreach	38,200.00
Office Expense	6,251.00
Patient Care - Dental	
Dental Lab Fees	4,000.00
Dental Supplies	1,800.00
Food	2,700.00
Instruments and Equipment	0.00
Lodging	0.00
Oral Hygiene Supplies	0.00
Patient Assistance	0.00
Professional Services	2,160.00
Radiology	2,400.00

Fresh Start Surgical Gifts

Profit & Loss Budget Overview

July 2021 through June 2022

	<u>Jul '21 - Jun 22</u>
Travel	2,400.00
Total Patient Care - Dental	15,460.00
Patient Care - Medical	
Food	13,200.00
Hospitalization	80,000.00
Laboratory Fees	600.00
Lodging	29,500.00
Medical Supplies/Equipment	39,000.00
Patient Assistance	8,200.00
Patient Photography	300.00
Pharmaceutical Supplies	4,200.00
Professional Services	7,200.00
Radiology	6,600.00
Interventional Radiology	13,000.00
Travel	30,000.00
Total Patient Care - Medical	231,800.00
Payroll	1,502,203.00
Postage	2,326.00
Professional Services	76,869.00
Rent	69,998.00
Self Storage	8,870.00
Taxes, Permits and Licenses	568.00
Telephone	13,463.00
Travel & Lodging	3,900.00
Utilities	6,048.00
Total Expense	<u>2,479,459.00</u>
Net Ordinary Income	0.00
Other Income/Expense	
Other Income	
Income On Investments	0.00
Donated Services and Supplies	
Med.Program Gen.	201,500.00
Total Dental Clinic GIK	82,000.00
Total Specialty Clinics	20,600.00
Total Surgical Procedures	2,733,000.00
Total Donated Services and Supplies	<u>3,037,100.00</u>
Total Other Income	3,037,100.00
Other Expense	
Donated Medical Program Costs	3,037,100.00
Total Other Expense	<u>3,037,100.00</u>
Net Other Income	0.00
Net Income	<u><u>0.00</u></u>

Internal Revenue Service

Date: February 12, 2007

FRESH START SURGICAL GIFTS
2011 PALOMAR RD SUITE 206
CARLSBAD CA 92009

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

Person to Contact:

Ms. Jackson 31-07417
Customer Service Representative

Toll Free Telephone Number:
877-829-5500

Federal Identification Number:
33-0460177

Dear Sir or Madam:

This is in response to your request of February 12, 2007, regarding your organization's tax-exempt status.

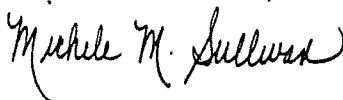
In February 1996 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

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



**Fresh Start Surgical Gifts
Board of Directors FY 2021-2022**

Jeffrey Umansky, M.D. – President
Umansky Plastic Surgery

Michael Brucker, M.D. F.A.C.S. – Immediate Past President
Brucker Plastic Surgery

Jeremy Hirshberg – Vice President
Transitive Media

Ian Sells – Secretary
eCommPartners

Robert Lake – Treasurer
Runway Growth Capital

Sue Carr
Berkshire Hathaway

Frank Fazio
AMC Group

Traci Holley
AXOS Bank

Erik Moore
Moore Shulman Moore

Tommy Reynolds
Hardcore Fitness

Maggie Shoecraft
Retired

Tyson Simon
KFORCE

Alex Shahabe
PC Housing



IRS e-file Signature Authorization for an Exempt Organization

QMB No. 1545-1878

For calendar year 2019, or fiscal year beginning **JUL 1**, 2019, and ending **JUN 30**, 20**20**

▶ Do not send to the IRS. Keep for your records.

► Go to www.irs.gov/Form8879EO for the latest information.

2019

Name of exempt organization

Employer identification number

FRESH START SURGICAL GIFTS

33-0460177

Name and title of officer

SHARI BASHER

CEO/EXECUTIVE DIRECTOR

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

1a Form 990 check here <input checked="checked" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b <u>3,261,795.</u>
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5b _____

Part II	Declaration and Signature Authorization of Officer
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Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2019 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize CONSIDINE & CONSIDINE to enter my PIN 60177
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ► Date ►

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

30212494444

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ► Date ► 02/02/21

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

LHA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2019)

923051 10-03-19

13210202	757767	FRES10082447	2019.05040	FRESH START SURGICAL GIFTS	FRES1001
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EXTENDED TO MAY 17, 2021

Form **990**
(Rev. January 2020)
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)

OMB No. 1545-0047

2019

Open to Public Inspection

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.

A For the 2019 calendar year, or tax year beginning JUL 1, 2019 and ending JUN 30, 2020

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☒ Amended return
☐ Application pending

C Name of organization

FRESH START SURGICAL GIFTS

Doing business as

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

2011 PALOMAR AIRPORT ROAD, SUITE 206

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

CARLSBAD, CA 92011

F Name and address of principal officer: SHARI BRASHER
SAME AS C ABOVE

D Employer identification number

33-0460177

E Telephone number

760-944-7774

G Gross receipts \$ 3,417,871.

H(a) Is this a group return

for subordinates? ☐ Yes ☒ NoH(b) Are all subordinates included? ☐ Yes ☐ No

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

H(c) Group exemption number

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

J Website: WWW.FRESHSTART.ORG

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

L Year of formation: 1991 M State of legal domicile: CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO TRANSFORM THE LIVES OF DISADVANTAGED CHILDREN & YOUNG PEOPLE WITH PHYSICAL DEFORMITIES.		
	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	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
	5	Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	13
	6	Total number of volunteers (estimate if necessary)	6	210
	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 39	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 1,434,624.	Current Year 2,778,780.
	9	Program service revenue (Part VIII, line 2g)	0.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	24,014.	16,473.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	414,578.	466,542.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,873,216.	3,261,795.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	100,000.	200,000.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,170,132.	1,292,924.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) 349,401.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	751,822.	744,903.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,021,954.	2,237,827.
19	Revenue less expenses. Subtract line 18 from line 12	-148,738.	1,023,968.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 1,351,139.	End of Year 2,596,013.
	21	Total liabilities (Part X, line 26)	150,746.	382,506.
	22	Net assets or fund balances. Subtract line 21 from line 20	1,200,393.	2,213,507.

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	
	SHARI BRASHER, CEO/EXECUTIVE DIRECTOR			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	RICHARD HOTZ		02/02/21	P00452784
Firm's name	CONSIDINE & CONSIDINE		Firm's EIN 95-2694444	
	Firm's address 8989 RIO SAN DIEGO DRIVE, SUITE 250 SAN DIEGO, CA 92108		Phone no. 619.231.1977	

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

**FRESH START SURGICAL GIFTS
FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

FRESH START SURGICAL GIFTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fresh Start Surgical Gifts

We have audited the accompanying financial statements of Fresh Start Surgical Gifts, a nonprofit organization, which comprise of the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Earning Your Trust Since 1946

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fresh Start Surgical Gifts, a nonprofit organization, as of June 30, 2020 and 2019, 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.

A handwritten signature in cursive script that reads "Considine & Considine".

CONSIDINE & CONSIDINE
An accountancy corporation

January 3, 2021

FRESH START SURGICAL GIFTS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

Page 4

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,658,793	\$ 685,815
Custodial funds held	217,856	-
Contributions receivable (Note 3)	15,270	14,500
Prepaid expenses and other current assets	32,737	51,041
Related party receivable (Note 13)	<u>29,298</u>	<u>26,265</u>
	1,953,954	777,621
PROPERTY AND EQUIPMENT (Note 4)	122,580	46,640
OTHER ASSETS		
Investments (Notes 6 and 8)	443,295	441,374
Fresh start clinic (Notes 5 and 14)	1,961	8,878
Beneficial interest in foundation (Notes 7, 8 and 10)	66,477	68,881
Deposits	<u>7,746</u>	<u>7,746</u>
	519,479	526,879
TOTAL ASSETS	<u><u>2,596,013</u></u>	<u><u>1,351,140</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	6,149	17,413
Accrued liabilities	158,501	133,333
Custodial funds held	<u>217,856</u>	<u>-</u>
	382,506	150,746
NET ASSETS (Note 9)		
Without donor restrictions	2,147,030	1,131,513
With donor restrictions	<u>66,477</u>	<u>68,881</u>
TOTAL NET ASSETS	<u>2,213,507</u>	<u>1,200,394</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,596,013</u></u>	<u><u>\$ 1,351,140</u></u>

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020

Page 5

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Donated medical services and supplies	\$ 2,669,116	\$ -	\$ 2,669,116
Contributions - Foundation (Note 13)	778,332	-	778,332
Special events (Net direct benefits to donors of \$39,240 - Note 11)	477,406	-	477,406
Contributions - Public support	1,751,238	-	1,751,238
Management fee (Note 13)	330,909	-	330,909
Investment return (Note 6)	2,518	-	2,518
Change in beneficial interest in foundation	-	586	586
	6,009,519	586	6,010,105
NET ASSETS RELEASED FROM RESTRICTIONS (Note 9)	2,990	(2,990)	-
TOTAL SUPPORT AND REVENUE	6,012,509	(2,404)	6,010,105
EXPENSES			
Medical program	4,292,301	-	4,292,301
Supporting services:			
General and administrative	262,727	-	262,727
Development	441,964	-	441,964
	4,996,992	-	4,996,992
OPERATING CHANGE IN NET ASSETS	1,015,517	(2,404)	1,013,113
NET ASSETS, BEGINNING	1,131,513	68,881	1,200,394
NET ASSETS, ENDING	\$ 2,147,030	\$ 66,477	\$ 2,213,507

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

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	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Donated medical services and supplies	\$ 3,185,438	\$ -	\$ 3,185,438
Contributions - Foundation (Note 13)	883,604	-	883,604
Special events (Net direct benefits to donors of \$36,088 - Note 11)	402,902	-	402,902
Contributions - Public support	348,945	-	348,945
Management fee (Note 13)	314,003	-	314,003
Investment return (Note 6)	22,223	-	22,223
Change in beneficial interest in foundation	-	2,268	2,268
	5,157,115	2,268	5,159,383
NET ASSETS RELEASED FROM RESTRICTIONS (Note 9)	2,929	(2,929)	-
TOTAL SUPPORT AND REVENUE	5,160,044	(661)	5,159,383
EXPENSES			
Medical program	4,602,448	-	4,602,448
Supporting services:			
General and administrative	252,013	-	252,013
Development	450,758	-	450,758
	5,305,219	-	5,305,219
OPERATING CHANGE IN NET ASSETS	(145,175)	(661)	(145,836)
NET ASSETS, BEGINNING	1,276,688	69,542	1,346,230
NET ASSETS, ENDING	\$ 1,131,513	\$ 68,881	\$ 1,200,394

See accompanying notes

**FRESH START SURGICAL GIFTS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020**

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		<u>Supporting Services</u>		
	<u>Medical Program</u>	<u>General and Administrative</u>	<u>Development</u>	<u>Total</u>
Bank charges	\$ 12	\$ 638	\$ 10,662	\$ 11,312
Computer services and expenses	29,895	3,444	11,120	44,459
Depreciation and amortization	27,668	52	4,057	31,777
Donated medical services and supplies	2,669,115	-	-	2,669,115
Donor cultivation	-	-	12,135	12,135
Dues and subscriptions	125	-	1,879	2,004
Event - Facilities	-	-	39,263	39,263
Event - Food and beverage	-	-	61,169	61,169
Event - Other	-	-	31,371	31,371
Grant (Notes 13 and 14)	200,000	-	-	200,000
Insurance	5,631	20,308	1,590	27,529
Marketing and public relations	-	-	13,412	13,412
Patient assistance	113,269	-	-	113,269
Postage	888	16	1,255	2,159
Professional fees	24,855	44,631	5,950	75,436
Rent - Clinic	99,996	-	-	99,996
Rent - Other	74,116	11,874	22,202	108,192
Salaries and related costs	867,153	176,252	249,519	1,292,924
Supplies	41,567	1,827	1,052	44,446
Taxes and licenses	460	330	49	839
Transportation, lodging and food	82,351	1,072	8,928	92,351
Utilities	3,018	486	911	4,415
Volunteer outreach	37,295	-	-	37,295
Other	5,129	320	2,634	8,083
	<u>4,292,301</u>	<u>262,727</u>	<u>481,204</u>	<u>5,036,232</u>
Less: Event direct benefit cost	<u>-</u>	<u>-</u>	<u>(39,240)</u>	<u>(39,240)</u>
	<u><u>\$ 4,292,301</u></u>	<u><u>\$ 262,727</u></u>	<u><u>\$ 441,964</u></u>	<u><u>\$ 4,996,992</u></u>

See accompanying notes

**FRESH START SURGICAL GIFTS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019**

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	<u>Supporting Services</u>			
	<u>Medical Program</u>	<u>General and Administrative</u>	<u>Development</u>	<u>Total</u>
Bank charges	\$ -	\$ 190	\$ 11,819	\$ 12,009
Computer services and expenses	28,325	2,872	12,175	43,372
Depreciation and amortization	49,807	4,350	3,912	58,069
Donated medical services and supplies	3,185,438	-	-	3,185,438
Donor cultivation	-	-	10,661	10,661
Dues and subscriptions	790	66	2,465	3,321
Event - Facilities	-	-	42,927	42,927
Event - Food and beverage	-	-	61,936	61,936
Event - Other	-	-	31,476	31,476
Grant (Notes 13 and 14)	100,000	-	-	100,000
Insurance	5,235	23,066	2,484	30,785
Marketing and public relations	-	-	6,451	6,451
Patient assistance	97,629	-	-	97,629
Postage	1,012	119	1,799	2,930
Professional fees	8,495	43,861	12,267	64,623
Rent - Clinic	99,997	-	-	99,997
Rent - Other	71,819	11,881	25,299	108,999
Salaries and related costs	762,599	162,246	245,287	1,170,132
Supplies	50,493	705	1,770	52,968
Taxes and licenses	255	413	50	718
Transportation, lodging and food	93,954	1,319	10,031	105,304
Utilities	3,729	621	1,299	5,649
Volunteer outreach	38,155	-	-	38,155
Other	4,716	304	2,738	7,758
	<u>4,602,448</u>	<u>252,013</u>	<u>486,846</u>	<u>5,341,307</u>
Less: Event direct benefit cost	<u>-</u>	<u>-</u>	<u>(36,088)</u>	<u>(36,088)</u>
	<u><u>\$ 4,602,448</u></u>	<u><u>\$ 252,013</u></u>	<u><u>\$ 450,758</u></u>	<u><u>\$ 5,305,219</u></u>

See accompanying notes

**FRESH START SURGICAL GIFTS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

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	<u>2020</u>	<u>2019</u>
CASH FLOWS PROVIDED/(USED) BY OPERATING ACTIVITIES		
Change in net assets	\$ 1,013,113	\$ (145,836)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES		
Investment gains, Net	(2,518)	(22,223)
Change in beneficial interest in foundation	(586)	(2,268)
Depreciation and amortization	31,777	58,069
Changes in operating assets and liabilities:		
Pledges receivable	(12,770)	9,281
Grants receivable	12,000	(12,000)
Prepaid expenses and other current assets	18,304	(10,273)
Related party receivable	(3,033)	1,074
Accounts payable	(11,264)	14,803
Accrued expenses	25,168	(6,261)
Custodial funds held	217,856	-
	<u>274,934</u>	<u>30,202</u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	1,288,047	(115,634)
CASH FLOWS PROVIDED/(USED) BY INVESTING ACTIVITIES		
Purchase of property and equipment	(100,800)	(13,657)
Purchase of investments	-	(17,721)
Net proceeds from sale of investments	597	-
Net proceeds of beneficial interest in foundation	2,990	2,929
NET CASH USED BY INVESTING ACTIVITIES	<u>(97,213)</u>	<u>(28,449)</u>
NET INCREASE/(DECREASE) IN CASH AND CUSTODIAL FUNDS HELD	1,190,834	(144,083)
CASH AND CUSTODIAL FUNDS HELD AT BEGINNING OF YEAR	<u>685,815</u>	<u>829,898</u>
CASH AND CUSTODIAL FUNDS HELD AT END OF YEAR	<u><u>\$ 1,876,649</u></u>	<u><u>\$ 685,815</u></u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ -	\$ -
Taxes paid	\$ -	\$ -

See disclosure of non-cash items in note 2

See accompanying notes

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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NOTE 1 THE ORGANIZATION

Fresh Start Surgical Gifts (the "Organization") was formed in April 1991 in the State of California as a nonprofit organization to transform the lives of disadvantaged children and young people with physical deformities caused by birth defects, accidents, abuse, or disease through the gift of a fresh start. The Organization's program services are supported primarily by the donated services of medical professionals and donated medical facilities and supplies. The Organization operates in a facility located in Carlsbad, CA.

The Organization is looking for opportunities to expand to other areas of the country using the same model. In 2014, the Organization teamed up with Plastic Surgery Foundation to establish a facility in Chicago, IL that is operated by Fresh Start Caring for Kids Foundation ("Caring for Kids"), a related party organization (See notes 13 and 14).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The accompanying financial statements are prepared using the accrual method of accounting in conformity with generally accepted accounting principles.

Basis of presentation - Under accounting standards on financial statements of not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions.

Net assets without donor restrictions - Net assets without donor restrictions consist of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in its program or supporting services. Net assets without donor restrictions also include amounts designated for certain purposes by the Board of Directors.

Net assets with donor restrictions - Net assets with donor restrictions consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds. At June 30, 2020 and 2019, the Organization had donor restricted net assets of \$66,477 and \$68,881, respectively.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from these estimates.

Cash - The Organization considers financial instruments with a fixed maturity date of less than three months to be cash equivalents. The Organization maintains its cash and cash equivalents in bank accounts, which, at times, exceed the federally insured deposit limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Page 11

Prepaid expenses - Prepaid expenses are stated at cost less applicable amortization and includes expenses prepaid for events that will occur in the next fiscal year and for insurance premiums, which are expensed over their useful lives using the straight-line method.

Property and equipment - Property and equipment are carried at cost or, if donated, at approximate value at the date of the gift. The Organization follows the practice of capitalizing expenditures in excess of \$1,000. Expenditures for repairs and maintenance are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets of three to seven years.

Fresh start clinic - The Organization entered into an agreement with Rady Children's Hospital ("Rady") to construct the Fresh Start at Rady Children's Hospital Clinic ("Clinic"), which was completed in September 2009. The accumulated costs of the Clinic are being amortized over the term of the contract. At July 1, 2013, management reviewed Clinic leases and revised the estimated Clinic useful life from 5 to 10 years.

Investments - Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Gains and losses are included in the statements of activities and changes in net assets.

Beneficial interest in foundation - The Organization has an endowment fund at San Diego Foundation. The Organization records this as a beneficial interest in a foundation at fair value and recognizes changes in beneficial interest at fair value on the statements of activities and changes in net assets.

Fair value measurements - The Organization follows accounting standards consistent with the Financial Accounting Standards Board (FASB) codification which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements for all financial assets and liabilities.

Revenue recognition - Contributions received are recorded as either without donor restrictions, or with donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets 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.

Accounting Standards Update No. 2014-09, 2016-08, 2016-10, 2016-12 and 2016-20, collectively implemented as Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 606 ("ASC 606") Revenue from Contracts with Customers, provides guidance for revenue recognition. This ASC's core principle requires an organization to recognize revenue when it transfers promised goods or services to customers in an amount that reflects consideration to which the organization expects to be entitled in exchange for those goods or services. The standard also clarifies the principal versus agent considerations, providing the evaluation must focus on whether the entity has control of the goods or services before they are transferred to the customer. The new standard permits the use of either the modified retrospective or full retrospective transition method.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Page 12

The Organization has performed a review of the new guidance as compared to its current accounting policies, and evaluated all services rendered to its customers as well as underlying contracts to determine the impact of this standard to its revenue recognition process. Upon completion of its review of relevant contracts, the Organization has made a determination that there was not a material impact to fiscal 2020 revenues as a result of applying ASC 606. Additionally, there have not been significant changes to the Organization's business processes, systems, or internal controls as a result of implementing the standard. The Organization adopted the standard on July 1, 2019, using the modified retrospective transition method.

In June 2018, the FASB issued Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The ASU includes clarification regarding the accounting for contracts and agreements as exchange transactions or contributions and provides improved guidance to better distinguish between conditional and unconditional contributions. The Organization adopted ASU 2018-08, under the modified prospective approach to agreements that were either not completed as of July 1, 2019 or entered into after July 1, 2019. The adoption of this ASU did not have a material effect on the financial statements for contributions received. The Organization is reviewing the ASU as it relates to contributions made.

Donated materials and services - Donated materials and medical facilities are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. The fair market value of contributed professional services is reported as support and expense in the period in which the services are performed.

The following schedule summarizes donated medical services and supplies shown in the statements of activities and changes in net assets for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Facilities and supplies	\$ 2,124,818	\$ 2,522,618
Professional medical services	544,298	662,820
	<u>\$ 2,669,116</u>	<u>\$ 3,185,438</u>

There are numerous other individuals who volunteer their time and perform a variety of tasks to assist the Organization with the medical program, development, and administrative support. No amounts have been reflected in the financial statements for these donated services as they do not meet the criteria for recognition as contributions.

Functional expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in nets assets. Expenditures which can be identified with a program 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, and estimates made by the Organization's management.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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Grant agreements - The Organization awards grant agreements to various foundations to expand the Organization's operating model. The grant agreements sometimes include compliance with budgets or other conditions. The related expenditure is recorded once the funds are subject to payment per terms of the grant agreements and any conditions are satisfied (See notes 13 and 14).

Custodial funds held – During the year ended June 30 2020, the Organization opened a bank account for an unrelated organization, to provide accounting support for that organization's golf tournament. A corresponding liability is recognized on the balance sheet for these funds held.

In November 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows Topic 230: Restricted Cash*. The update clarifies and intends to reduce diversity in the presentation of restricted cash and restricted cash equivalents in the statement of cash flows. ASU 2016-18 is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. The Company adopted the standard on June 1, 2019 and has applied this standard retrospectively.

Income taxes - The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state laws in California and Illinois. The Organization, however, may be subject to tax on income which is not related to its exempt purpose. For the years ended June 30, 2020 and 2019, no such unrelated business taxable income was reported and, therefore, no provision for income taxes has been made. The Organization is not a private foundation.

The Organization follows accounting standards which clarify the accounting for uncertainty in income taxes recognized in the Organization's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition and measurement of a tax position taken or to be taken in a tax return. As of June 30, 2020 and 2019, the Organization has not accrued interest or penalties related to uncertain tax positions. The Organization files tax returns in the U.S. Federal jurisdiction and the States of California and Illinois.

As of June 1, 2019, the Organization adopted ASU 2016-01 "Recognition and Measurement of Financial Assets and Financial Liabilities." This ASU amends certain aspects of current guidance on the recognition, measurement and disclosure of financial instruments. Among other changes, this ASU requires most equity investments to be measured at fair value. Additionally, the ASU eliminates the requirement to disclose the method and significant assumptions used to estimate the fair value for instruments not recognized at fair value in the Organization's financial statements. The adoption of this standard had no material impact on the Organization's financial statements and related disclosures.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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NOTE 3 CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following at June 30:

	2020	2019
Pledges Receivable	\$ 15,270	\$ 2,500
Grants Receivable	-	12,000
	<u>\$ 15,270</u>	<u>\$ 14,500</u>

All receivables are short-term and therefore, no discount to present value is recorded. Management has determined the receivables to be fully collectible at June 30, 2020 and 2019.

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2020	2019
Furniture and equipment	\$ 259,226	\$ 182,700
Transportation equipment	81,682	81,682
Leasehold improvements	10,066	10,066
	<u>350,974</u>	<u>274,448</u>
Accumulated depreciation	(228,394)	(227,808)
	<u>\$ 122,580</u>	<u>\$ 46,640</u>

For the years ended June 30, 2020 and 2019, depreciation expense was \$24,859 and \$21,269, respectively.

NOTE 5 FRESH START CLINIC

Fresh Start Clinic consists of the following:

	2020	2019
Clinic equipment	\$ 819,983	\$ 819,983
Telephone equipment	57,441	57,441
Office furniture	50,797	50,797
Medical program equipment	27,293	27,293
Computer equipment	16,680	16,680
	<u>972,194</u>	<u>972,194</u>
Accumulated amortization	(970,233)	(963,316)
	<u>\$ 1,961</u>	<u>\$ 8,878</u>

Amortization expense for the years ended June 30, 2020 and 2019 was \$6,918 and \$36,800, respectively.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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NOTE 6 INVESTMENTS

Cost and fair value of available-for-sale securities are as follows:

		2020	
		Cost	Fair Value
Stock funds:			
Large cap		\$ 280,278	\$ 330,102
Small cap		69,373	57,827
Micro cap		12,907	10,744
Mid cap		8,020	11,413
Real estate securities:			
Mid cap		32,330	33,208
		<u>\$ 402,908</u>	<u>\$ 443,295</u>
		2019	
		Cost	Fair Value
Stock funds:			
Large cap		\$ 265,846	\$ 321,481
Small cap		57,343	56,394
Micro cap		12,907	13,002
Mid cap		8,020	11,641
Real estate securities:			
Mid cap		32,330	38,855
		<u>\$ 376,446</u>	<u>\$ 441,374</u>

The following schedule summarizes the investment return of the assets shown above and its classification in the statements of activities and changes in net assets for the years ended June 30:

	2020	2019
Net realized and unrealized gain on investments	\$ (10,854)	\$ 10,083
Interest and dividend income	15,887	14,565
Investment fees	(2,515)	(2,425)
	<u>\$ 2,518</u>	<u>\$ 22,223</u>

**FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

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NOTE 7 BENEFICIAL INTEREST IN FOUNDATION

In prior years, the Organization had invested \$55,656 with the San Diego Foundation Endowment Fund. A total of \$17,840 was donated upon donor requests and the other \$37,816 was donated by the Organization. The contribution to the foundation created a beneficial interest to Fresh Start Surgical Gifts and is stated at fair value of \$66,477 and \$68,881 as of June 30, 2020 and 2019, respectively. Investment decisions and annual distributions are determined at the sole discretion of San Diego Foundation. Investments are held in various securities including equities, alternative investments, and fixed income securities, as determined and defined by San Diego Foundation. The invested amounts will be held in perpetuity with the San Diego Foundation and all distributions received by Fresh Start Surgical Gifts may be used at their discretion (See note 10).

NOTE 8 FAIR VALUE MEASUREMENT

The Organization follows the methods of fair value to value its financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels has been established, which are described below.

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Investments including equities, stock funds, and real estate securities are in actively traded markets and are classified as Level 1.

The beneficial interest in foundation is measured using values provided by the San Diego Foundation. The values are based on the fair market value of the underlying cash, securities and other investments. Although the Organization classifies its investments as Level 3, the investments held in the foundation are comprised of Level 1, 2 and 3 investments as reported by the foundation. The Organization has not contributed funds to San Diego Foundation since the initial contribution. Net purchases, sales, issues, and settlements shown below in the reconciliation solely relate to the distributions received by the Organization each year.

FRESH START SURGICAL GIFTS
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Financial assets and liabilities carried at fair value measured on a recurring basis at June 30, 2020 are classified in one of the three categories previously described.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Investments				
Stock funds				
Large cap	\$ 330,102	\$ -	\$ -	\$ 330,102
Small cap	57,827	-	-	57,827
Micro cap	10,744	-	-	10,744
Mid cap	11,413	-	-	11,413
Real estate securities				
Mid cap	33,208	-	-	33,208
Beneficial interest in foundation	-	-	66,477	66,477
	<u>\$ 443,295</u>	<u>\$ -</u>	<u>\$ 66,477</u>	<u>\$ 509,772</u>

Changes in Level 3 financial instruments during the year ended June 30, 2020 were as follows:

Fair value, beginning	68,881
Total gains or losses (realized/unrealized)	586
Net purchases, sales, issues, and settlements	(2,990)
Fair value, ending	<u>\$ 66,477</u>

Financial assets and liabilities carried at fair value measured on a recurring basis at June 30, 2019 are classified in one of the three categories described above.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Investments				
Stock funds				
Large cap	\$ 321,481	\$ -	\$ -	\$ 321,481
Small cap	56,394	-	-	56,394
Micro cap	13,002	-	-	13,002
Mid cap	11,641	-	-	11,641
Real estate securities				
Mid cap	38,855	-	-	38,855
Beneficial interest in foundation	-	-	69,542	69,542
	<u>\$ 441,373</u>	<u>\$ -</u>	<u>\$ 69,542</u>	<u>\$ 510,915</u>

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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Changes in Level 3 financial instruments during the year ended June 30, 2019 were as follows:

Fair value, beginning	\$ 69,542
Total gains or losses (realized/unrealized)	2,268
Net purchases, sales, issues, and settlements	(2,929)
Fair value, ending	<u>\$ 68,881</u>

NOTE 9 NET ASSETS

Net assets consist of the following at June 30:

	2020	2019
Without donor restrictions:		
Undesignated	\$ 2,147,030	\$ 1,131,513
With donor restrictions:		
Perpetual in nature	55,656	55,656
Purpose restricted for program services	10,821	13,225
	<u>66,477</u>	<u>68,881</u>
Total net assets	<u>\$ 2,213,507</u>	<u>\$ 1,200,394</u>

Net assets released from donor restrictions by satisfying the restricted purposes by the donors during the years ended June 30, 2020 and 2019 was \$2,990 and \$2,929, respectively.

NOTE 10 ENDOWMENT FUND

Effective January 23, 2008, the District of Columbia enacted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), the provisions of which apply to endowment funds existing on or established after that date. Based on its interpretation of the provisions of UPMIFA, the Organization is required to act prudently when making decisions to spend or accumulate donor-restricted endowment assets and in doing so to consider a number of factors including the duration and preservation of its donor-restricted endowment funds. The Organization classifies a portion of the donor-restricted endowment fund that is comprised of the original value of gifts donated to be held in perpetuity as net assets with donor restrictions. The remaining portion of the donor-restricted endowment fund is temporarily classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

Amounts were given by donors and the Organization to San Diego Foundation for the establishment of an endowment fund for the sole benefit of the Organization (See note 7). The nature of the donations required the amounts to be classified as net assets with donor restrictions. These funds are to help support the general purpose of the Organization in perpetuity. San Diego Foundation makes all investment decisions related to the endowment fund.

FRESH START SURGICAL GIFTS
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The current distribution policy of San Diego Foundation is to allow for 5% of a three year rolling average of the fund equity to be distributed annually. If the market value of the fund is less than the initial contributions, then distributions will be limited to interest and dividends received. All distributions from the investment may be used at the discretion of Fresh Start Surgical Gifts.

The portion of the Endowment Fund that is classified as with donor restrictions (to be held in perpetuity) is not reduced by losses on the investments of the fund. Losses on the investments of the funds reduce net assets with donor restrictions to the extent that donor-imposed temporary restrictions on net appreciation of the fund have not been met before the loss occurs. Any remaining losses reduce net assets without donor restrictions.

Endowment assets are reported as beneficial interest in foundation in the statements of financial position at June 30, 2020 and 2019 and are held entirely by San Diego Foundation.

Composition of and changes in endowment net assets for the year ended June 30, 2020 are as follows:

	Without donor restrictions	With donor restrictions	Total endowment net assets
Endowment net assets,			
Beginning of year	\$ -	\$ 68,881	\$ 68,881
Earnings on investment	-	931	931
Investment fees	-	(345)	(345)
Distribution	-	(2,990)	(2,990)
Endowment net assets,			
End of year	<u>\$ -</u>	<u>\$ 66,477</u>	<u>\$ 66,477</u>

Composition of and changes in endowment net assets for the year ended June 30, 2019 are as follows:

	Without donor restrictions	With donor restrictions	Total endowment net assets
Endowment net assets,			
Beginning of year	\$ -	\$ 69,542	\$ 69,542
Earnings on investment	-	2,612	2,612
Investment fees	-	(344)	(344)
Distribution	-	(2,929)	(2,929)
Endowment net assets,			
End of year	<u>\$ -</u>	<u>\$ 68,881</u>	<u>\$ 68,881</u>

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 the Organization to retain as a fund of perpetual duration. At June 30, 2020 and 2019, the Organization did not have a deficiency associated with the donor-restricted endowment funds.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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NOTE 11 SPECIAL EVENTS

Special event revenues and expenses are directly related to a Gala and Golf event and consist of the following for the years ended June 30:

	2020	2019
Revenue:		
Sponsorship	\$ 249,250	\$ 244,850
Donations	153,210	115,225
Auction proceeds	70,546	42,575
Ticket sales	36,250	30,700
Miscellaneous	7,390	5,640
	<u>516,646</u>	<u>438,990</u>
Expenses:		
Other expenses	92,563	100,251
Direct benefit to donors	39,240	36,088
	<u>131,803</u>	<u>136,339</u>
Special events income	<u>\$ 384,843</u>	<u>\$ 302,651</u>

NOTE 12 EMPLOYEE RETIREMENT PLAN

The Organization sponsors a 403(b) plan that covers substantially all employees. The Organization matches 100% of eligible employees' contributions up to 4% of gross pay. The Organization's contribution to the retirement plan for the years ended June 30, 2020 and 2019 was \$38,269 and \$34,435, respectively.

NOTE 13 RELATED PARTY TRANSACTIONS

The Organization receives contributions from Fresh Start Surgical Gifts Foundation ("Fresh Start Foundation"), a related party through common board members. The Organization's board designates the contributions for use toward general and administrative and development costs, with any excess to be used for program costs. During the years ended June 30, 2020 and 2019, the Organization received \$778,332 and \$783,604, respectively, in donations from Fresh Start Foundation to cover substantially all general and administrative and development costs, excluding direct benefit costs related to special events that are paid for by event participants.

The Organization had a grant commitment to Caring for Kids, a related party through common board members, in the amount of \$1,000,000. During the years ended June 30, 2020 and 2019, the Organization paid a grant amount of \$200,000 and \$100,000, respectively, to Caring for Kids. Of these grant amounts, \$200,000 and \$100,000, respectively, was received from Fresh Start Foundation and paid to Caring for Kids during the years ended June 30, 2020 and 2019. As of June 30, 2019, the grant commitment has been fully satisfied. Caring for Kids is organized to operate any locations outside of San Diego, CA (See note 14).

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
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The Organization receives management fees from Caring for Kids for reimbursed payroll expenses and a general monthly management fee. During the year ended June 30, 2020, the Organization received management fees of \$330,909, consisting of \$239,121 of payroll expense reimbursements and \$91,788 of monthly management fees. During the year ended June 30, 2019, the Organization received management fees of \$314,003, consisting of \$222,215 of payroll expense reimbursements and \$91,788 of monthly management fees. As of June 30, 2020 and 2019, the Organization had amounts due from Caring for Kids related to the management fees of \$29,298 and \$26,265, respectively.

NOTE 14 COMMITMENTS

The Organization entered into an agreement with Rady Children's Hospital - San Diego in August 2008 to develop and support a clinic. Total funding for improvements and equipment under this agreement is \$972,194 through June 30, 2020. As part of its agreement that became effective September 2009, the Organization is obligated to pay \$8,333 per month, for 60 months, for use of the clinic. Both parties agreed to exercise a renewal option for an additional 60 months, resulting in an expiration date of August 2021. Total rent expense related to this lease for the years ended June 30, 2020 and 2019 was \$100,000.

The Organization entered into an agreement for office space in Carlsbad, CA in June 2004. This agreement was amended in July 2011 to extend the expiration date to August 2016. This agreement was amended again in May 2016 to extend the expiration date to August 2021. In addition to the extension agreed to in May 2016, the monthly base rent was changed to \$7,303 per month beginning September 2016 with annual 3% increases (previous base rent was \$5,710 per month beginning September 2012 with annual 3% increases). Total rental payments related to the office lease were \$96,051 and \$95,287 for the years ended June 30, 2020 and 2019, respectively.

Minimum future lease payments related to the clinic and office space, excluding the effect of straight-line rent, are due as follows for the years ended June 30:

2021	\$	198,156
2022		33,106
	\$	<u>231,262</u>

The Organization has entered into two operating leases for equipment. One lease expired in March 2019 and was not renewed, the other lease will expire in March 2024. Minimum future rental payments under non-cancelable operating leases, in aggregate, having remaining terms in excess of one year for the years ended June 30 are as follows:

2021	\$	7,309
2022		7,309
2023		7,309
2024		7,309
	\$	<u>29,236</u>

Rental expense for equipment under operating leases was \$12,141 and \$13,712 for the years ended June 30, 2020 and 2019, respectively.

FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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The Organization had a grant commitment with Caring for Kids for \$1,000,000, in partnership with a matching amount from Plastic Surgery Foundation. To assist with the commitment, the Organization received a grant commitment from Fresh Start Foundation to contribute \$675,000 toward the \$1,000,000 commitment after the Organization had satisfied the first \$325,000. Both grant commitments are subject to performance measures and, as a result, outstanding balances are not recorded on the statements of financial position. As of September 2015, the Organization had funded the first \$325,000. As of June 30, 2019, the Organization had received the remaining \$675,000 from Fresh Start Foundation and provided the full amount to Caring for Kids (See note 13). As of June 30, 2019, the grant commitment has been fully satisfied.

NOTE 15 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization's liquidity management, it has structured its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial stewardship and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

The following reflects the Organization's financial assets as of June 30, 2020, reduced by any amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

Financial assets, at year-end:	
Cash	\$ 1,658,793
Investments	443,295
Beneficial interest in foundation	66,477
Related party receivable	29,298
Contributions receivable	15,270
Total financial assets	<u>2,213,133</u>
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Perpetual in nature	(55,656)
Restricted by purpose	(10,821)
Total amounts unavailable to be used within one year	<u>(66,477)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,146,656</u></u>

**FRESH START SURGICAL GIFTS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 16 SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 3, 2021, the date the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the consolidated financial statements except as noted below.

As a result of the spread of the Covid-19 Coronavirus and the resulting stay-at-home orders issued by the State of California, the state in which the Organization operates, the Organization is experiencing reduced revenues. The duration of the reduction in revenues may be only temporary. However, the related financial impact and duration cannot be reasonably estimated at this time.

Scollick, Phil

From: Melissa Chalmers <melissa@fourblocksconsulting.com>
Sent: Thursday, February 3, 2022 11:25 AM
To: csgendel; Ambreen Ahmed ; Scollick, Phil
Subject: FW: San Marcos Community Foundation Grant Application

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi All,

Fresh Start finally got back to me. See below for response.

Thanks,
Melissa

From: Michelle Pius <Michelle@freshstart.org>
Sent: Thursday, February 3, 2022 9:19 AM
To: Melissa Chalmers <melissa@fourblocksconsulting.com>
Subject: RE: San Marcos Community Foundation Grant Application

Hi Melissa

Apologies for the delay. Our kids come from all over San Diego County. In the past couple of years we have had 17 patients from the San Marcos area. We are definitely open to helping more kids in San Marcos. Our challenge has been a lack of awareness about Fresh Start as a resource. With the ever changing rules about in person meetings I have not been able to present information as I usually do to school nurses and other social service agencies.

With families experiencing long term employment and financial uncertainty we are more needed than ever before. We are committed to removing barriers to accessing high quality medical care for disadvantaged children.

No family has ever received a bill and no family ever will.

Thank you for considering Fresh Start as a grant recipient.

Kindly,

Michelle Pius

Giving kids a fresh start since 2010

Chief Development Officer
Fresh Start Surgical Gifts
2011 Palomar Airport Rd., Suite 206 || Carlsbad, CA 92011
760-448-2018



From: Melissa Chalmers <melissa@fourblocksconsulting.com>
Sent: Thursday, February 3, 2022 9:07 AM
To: Michelle Pius <Michelle@freshstart.org>
Subject: RE: San Marcos Community Foundation Grant Application

Hi Michelle,

Sending a follow-up to my last email hoping to receive an answer to my question.

Thanks!
Melissa

From: Melissa Chalmers
Sent: Thursday, January 20, 2022 3:03 PM
To: michelle@freshstart.org
Subject: San Marcos Community Foundation Grant Application

Hi Michelle,

Nice to e-meet you. My name is Melissa Chalmers and I sit on the Board of Directors of the San Marcos Community Foundation. I wanted to reach out to you as we have received your grant application and have a question regarding the request.

On the application, you have total number of people served at 450, and total number of San Marcos residents served was left blank. Do you serve any residents in the San Marcos community? Or was the 450 meant to be the number served in San Marcos and if so, can you provide the actual total number of served?

Warmly,

Melissa Chalmers
President & Founder
Four Blocks Consulting LLC
m: 858.230.1655
e: melissa@fourblocksconsulting.com
www.fourblocksconsulting.com



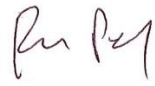
FOUR BLOCKS
*Helping Nonprofits
Optimize Their Resources
to Provide the Biggest
Return to their
Community*
CONSULTING

SAN MARCOS COMMUNITY FOUNDATION
Grant Cover Page



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

Project Name: San Marcos Medical Center Date Submitted: January 5, 2022	Total # of people served: 5,000 Total # of San Marcos residents served: 3,000	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website Neighborhood Healthcare 425 N. Date St. Escondido, CA 92025 https://www.nhcare.org	Contact Person – Name, Title & Phone, email Ellen Clark Grant Writer 760-429-4917 Ellen.Clark@nhcare.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>Funds, if granted, will be used to purchase waiting room furniture for a new Neighborhood Health Center, which will open in San Marcos in the Fall of 2022. This Health Center will provide access to current Neighborhood Healthcare patients who live in San Marcos and expand access for San Marcos residents who currently have Medi-Cal coverage but are not assigned to a medical group and others who are uninsured. The Health Center will include nine exam rooms, a chiropractic area, a full-service laboratory, and two separate behavioral health offices. It is estimated that at least 55% of the patients initially served will reside in San Marcos. In addition to primary medical care, Neighborhood will provide Pediatrics, Chiropractic, Podiatry, and Behavioral Health Services to patients at the new San Marcos Health Center location.</p> <p>Although medical services are reimbursable under Medi-Cal, Medicare, and other insurance coverage, Neighborhood relies on grants, donations, and other community support to purchase equipment, furnishings, and other difference-makers that bring equity of access and care to individuals in our community no matter their situation or circumstance.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>Neighborhood Healthcare currently serves over 3,000 patients from San Marcos. Neighborhood offers quality health services to every member of our community, regardless of situation or circumstance. We offer low-cost, discounted care for uninsured patients. We also accept most insurance plans, including Medi-Cal and Medicare.</p> <p>The opening of the new Neighborhood Health Center in San Marcos will provide access for more San Marcos Residents who experience disparities in access due to income or transportation. We expect to serve 5,000 patients at this location, primarily from San Marcos and West Escondido.</p> <p>Our patients are predominantly low-income with 74% enrolled in Medi-Cal, 8% Medi-Care, 15% uninsured, and 3% with private insurance.</p>		
Please attach the following items. Both 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 	Expected date project will begin/end: Date by which funds will be expended: Signature of President or Authorized Officer	

<p>4. Board of Directors listing with affiliations</p> <p>5. Regular Grants Only:</p> <ul 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	<div data-bbox="889 109 1042 193"></div> <div data-bbox="873 226 1110 298"><p>_____ Name, Title Rakesh Patel, CEO</p></div> <div data-bbox="1292 193 1448 256"><p><u>01/05/2022</u> Date</p></div> <div data-bbox="873 331 1464 537"><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): cityclerk@san-marcos.net</p></div>
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Neighborhood Healthcare
San Marcos Health Center Narrative
Prepared for the San Marcos Community Foundation
January 5, 2022

Mission & Vision

Our mission is to improve the health and happiness of the communities we serve by providing high-quality healthcare to all, regardless of situation or circumstance. We believe that community health is about more than just vaccines and checkups, it's about giving people the resources they need to live their best lives. Our vision is a community where everyone is healthy and happy. In working to make this a reality, we are never satisfied with good enough. Our purpose is to improve community health through access to better health care.

Background

Neighborhood Healthcare (Neighborhood) has served the North Inland Community since 1969. We are a Federally Qualified Health Center providing a wide range of medical, dental, and behavioral health services, along with programs and resources designed to improve the health and happiness of the communities we serve. In 2020, Neighborhood served over 77,789 patients in over 396,887 visits at 18 health center sites. Our patients represent a medically underserved, uninsured, or under-insured segment of the population.

Ninety-eight percent of Neighborhood Healthcare's patients are low-income, living at or below 200% of the Federal Poverty Level. Our patients represent an ethnically and culturally diverse segment of the population; 74% are enrolled in Medi-Cal, 8% Medi-Care, 15% uninsured, and 3% with private insurance.

Need

Several factors are driving Neighborhood's decision to open a health center in San Marcos. Neighborhood currently has over 3,000 patients who are San Marcos residents. Most of these individuals are being treated at our Escondido Health Centers. For these patients, reducing the need for transportation will help to close the health equity gap by removing barriers that can occur due to lack of, or inadequate, transportation. In addition, the number of struggling working families, low and very low-income individuals, and COVID-related employment interruption has created a large population in need of health care services. A significant geographic portion of San Marcos following and south of Rt. 78 is considered medically underserved. According to recent information from the Health Resources & Services Administration, there are 28,760 individuals with low incomes living in the San Marcos zip codes 92069 and 92078. More than 50% of these individuals (15,612) are not being served by a Federally Qualified Health Center, either due to lack of insurance, or lack of understanding/access to the insurance benefits they do receive. A large segment of those who work in the service sector and self-employed individuals can also benefit from the services offered by a new community health center, since neither type of employment typically offer affordable medical insurance.

Program

Neighborhood is leasing a 6,263 sq foot space in an existing San Marcos building. This facility will be finished to include nine exam rooms, a specialty services/procedure room, lab, RN triage area, lobby, two behavioral health rooms, and two flex offices that can be used for Telehealth and administrative offices. It has been designed to maximize flow and minimize patient wait times. It is anticipated that approximately 5,000 unique patients will be seen at this facility each year, with an anticipated growth over time to 6,000 medical patients and 1,000 behavioral health patients. We expect approximately 55-60% of initial patients, and most new patients, will be San Marcos residents.

Neighborhood's San Marcos Health Center will be located on the east side of San Marcos less than ½ mile from the nearest bus stop and Sprinter station. It is scheduled to open in the fall of 2022. Services to be offered include Primary Healthcare, Pediatrics, Immunizations, Laboratory Services, Chronic Disease Care, Weight Management, Pain Management Care, Podiatry, Chiropractic, Specialized Services for Older Adults, Behavioral Health Treatment and Counseling, Community Health Education and Outreach, and Public Health Insurance and Cal Fresh Application Assistance. The facility will provide quality care for all, including individuals who are uninsured or homeless.

Neighborhood will build out the leased space to accommodate the areas mentioned above. This will take approximately nine months to complete, including architectural design. Our budget for the completed project, including furniture, is \$1,348,709. Neighborhood Healthcare is asking the San Marcos Community Foundation to partner with us on this project with \$10,000 in grant funding support towards furnishing the lobby. Our estimated cost for that portion of the project is \$39,286 including tax and delivery.

Timeline

Permitting and Procurement complete by April 1, 2022

Building Construction begins mid-April

Order Furniture by July 1, 2022

Inspections/Approvals by mid- September

Soft Opening on or before September 30, 2022

Goals and Objectives

1. Neighborhood Healthcare will open a new Health Center in San Marcos by September 30, 2022.
2. By December 30, 2022, 3,400 patient visits will be completed at the San Marcos Health Center.
3. By December 30, 2023, 16,000 patient visits will be completed at the San Marcos Health Center.

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)

Tenant Improvements to Facility	\$ 908,135
Facility Design Services	\$ 120,000
Permits	\$ 10,000
FF & E	\$ 125,000
Project Management (0.1 FTE)	\$ 17,500
Fringe Benefits @ 20.98%	\$ 3,671
Office Equipment	\$ 56,811
Computers	\$ 30,000
Clinical Equipment & Supplies	\$ 71,185
Est. Taxes & Shipping @ 9%	\$ 6,407
	\$
	\$

Total budget for this PROJECT: \$ 1,348,709

Grant Request Amount: \$_____

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

Is this a challenge grant? No Could it be?

Please list any other funding sources for this project.

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

\$ <u>\$156,575</u>	(Name of source) <u>Landlord credit for improvements</u>	**
\$ _____	(Name of source) _____	**
\$ _____	(Name of source) _____	**
\$ _____	(Name of source) _____	**

Internal Revenue Service

Department of the Treasury

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

Date: August 3, 2002

Person to Contact:

Steve Brown 31-07422

Customer Service Representative

Toll Free Telephone Number:

8:00 a.m. to 6:30 p.m. EST

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

95-2796316

Neighborhood Healthcare
425 N Date St
Escondido, CA 92025

Dear Sir or Madam:

This is in response to the amendment to your organization's Articles of Incorporation filed with the state on March 18, 2002. We have updated our records to reflect the name change as indicated above.

Our records indicate that a determination letter issued in July 1973 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

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

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

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

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

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

-2-

Neighborhood Healthcare
95-2796316

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

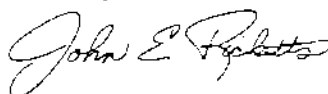
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

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

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

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

STATE OF CALIFORNIA



FRANCHISE TAX BOARD
SACRAMENTO, CALIFORNIA 95867

October 13, 1983

In reply refer to
342:RTF:EO:EM:sm

Escondido Community Clinic
401 N. Spruce
Escondido, CA 92025

Purpose : Charitable
Form of Organization : Corporation
Accounting Period Ending: June 30
Organization Number : 0667935

This letter confirms your previous exemption from state franchise and income tax under Section 23701d, Revenue and Taxation Code. In confirming your exempt status, we have made no examination of your current activities. If the organization has changed its operation, character, or purpose since exemption was originally granted, that change must be reported immediately to this office.

You are still 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 5th month (4 1/2 months) after the close of your annual accounting period.

Contributions made to you are deductible by donors as provided by Sections 17214 through 17216.2 and 24357 through 24359 of the Code, unless your purpose is testing for Public Safety.

D. Hareid, Supervisor
Exempt Audit Unit
Telephone (916) 355-0392

FTB 4204-ATS (REV. 10-81/8-83)



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

Entity Status Letter

Date:

ESL ID:

Why You Received This Letter

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.
5. The entity was administratively dissolved/cancelled on _____ through the Franchise Tax Board Administrative Dissolution process.

Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

Connect With Us

Web: **ftb.ca.gov**
Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States
TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Neighborhood Healthcare Board of Directors with Business Affiliations 2021

Board Members	Business Affiliation
Alan Conrad, MD <i>Board President</i>	Physician: Vituity
Laura Nunn <i>Vice President</i>	Chief of Policy and Education: San Diego Housing Federation
William Y. Smith <i>Board Treasurer</i>	Community Leader
Katherine "KC" Schafer <i>Board Secretary</i>	Occupational Health Specialist: Pechanga Resort Casino
Elmer Cameron <i>Director</i>	Retired Educator
Cabiria "Bea" Lizarraga <i>Vice President</i>	Associate of California Nurse Leader: National Association of Hispanic Nurses San Diego
Cynthia Tam <i>Director</i>	Principal: Cynthia Tam, CFP® and EA
Federico Salas <i>Director</i>	Pastor: Iglesia Latina Emmanuel
Nasir Al-Sammaraie <i>Director</i>	Retired Educator
Judith Descalso <i>Director</i>	Attorney: LAW OFFICE OF JUDITH A. DESCALSO
Marisol Marquina <i>Director</i>	Paralegal: Law Office of Alexandra McIntosh, APC Legal Document Assistant: My Divorce Assistant Legal Document Preparation Services
Thomas Jenkins <i>Director</i>	Retired
Fabiola Rivera. <i>Director</i>	Bilingual Paraeducator: EUSD

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

OMB No. 1545-0047

2019Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.**Open to Public Inspection**

A For the 2019 calendar year, or tax year beginning 07/01 , 2019, and ending 06/30 , 20 20	
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 NEIGHBORHOOD HEALTHCARE
	Doing business as
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 425 N Date Street
	City or town, state or province, country, and ZIP or foreign postal code Escondido, CA, 92025
	F Name and address of principal officer: Neighborhood Health 425 N Date Street, Escondido, CA 92025
D Employer identification number 95-2796316	
E Telephone number 760-737-6901	
G Gross receipts \$ 101,789,810	
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.nhcare.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: 1973 M State of legal domicile: CA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Neighborhood Healthcare is committed to providing quality health care and promoting wellness to everyone in our communities, focusing on those most in need.
	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 13
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4 13
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a) 5 890
	6 Total number of volunteers (estimate if necessary) 6 0
	7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 149,893
b Net unrelated business taxable income from Form 990-T, line 39 7b 0	
Revenue	8 Contributions and grants (Part VIII, line 1h) 9,662,214 10,930,309
	9 Program service revenue (Part VIII, line 2g) 67,051,937 89,713,384
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 295,273 531,644
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 507,415 614,473
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 77,516,839 101,789,810
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 0 0
	14 Benefits paid to or for members (Part IX, column (A), line 4) 0 0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 55,202,122 60,048,235
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 274,079
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 20,141,084 28,891,153
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) 75,343,206 88,939,388
	19 Revenue less expenses. Subtract line 18 from line 12 2,173,633 12,850,422
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 62,260,442 76,651,787
	21 Total liabilities (Part X, line 26) 15,135,721 16,676,644
	22 Net assets or fund balances. Subtract line 21 from line 20 47,124,721 59,975,143

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 <i>Lisa Daigle</i> Date 11/13/20				
	Type or print name and title Lisa Daigle, CFO				
Paid Preparer Use Only	Print/Type preparer's name Jeremy Ware	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00642659
	Firm's name ▶ CHW LLP			Firm's EIN ▶ 47-2771555	
	Firm's address ▶ 7797 N First Street Suite 15, Fresno, CA 93720			Phone no. 559-549-5400	
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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:
Neighborhood Healthcare is committed to providing quality health care and promoting wellness to everyone in our communities, focusing on those most in need.
- 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 \$ 68,517,319 including grants of \$ 0) (Revenue \$ 89,713,384)
Neighborhood Healthcare is committed to providing quality health care and promoting wellness to everyone in our communities, focusing on those most in need. For FY 2020, we had 371,916 visits and served 77,669 unique patients.

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

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

4d Other program services (Describe on Schedule O.)
 (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses **68,517,319**

Audited Financial Statements

Neighborhood Healthcare

For the Years Ended June 30, 2021 and 2020

Neighborhood Healthcare

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Independent Auditor's Report

Board of Directors
Neighborhood Healthcare
Escondido, California

Report on the Financial Statements

We have audited the accompanying financial statements of Neighborhood Healthcare (the "Center"), which comprise the balance sheets as of June 30, 2021 and 2020 and the related statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Neighborhood Healthcare as of June 30, 2021 and 2020 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note B, the Center adopted Accounting Standards Update ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, for the year ended June 30, 2021. Our opinion is not modified with respect to this matter.

Other Matters***Supplementary 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021 on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

CAW. LLP

Fresno, California
November 10, 2021

Neighborhood Healthcare
Balance Sheets
June 30, 2021 and 2020

	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 13,506,767	\$ 8,143,626
Investments	38,528,242	15,386,116
Patient accounts receivable, net	9,931,690	8,957,250
Estimated third-party payor settlements	8,944,357	12,861,550
Grants and contracts receivables	2,450,643	3,425,550
Inventory	6,021	7,322
Prepaid assets	2,408,457	1,515,419
Total current assets	<u>75,776,177</u>	<u>50,296,833</u>
Property and equipment, net	27,239,803	24,354,602
Board designated endowment	2,389,289	2,000,352
Total assets	<u><u>\$105,405,269</u></u>	<u><u>\$ 76,651,787</u></u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,832,910	\$ 2,986,877
Accrued compensation	7,060,027	5,182,023
Deferred revenue	-	1,511,879
Deferred rent	272,833	-
Estimated third-party payor settlements	43,199	94,719
Long-term debt, current portion	625,592	601,530
Total current liabilities	<u>11,834,561</u>	<u>10,377,028</u>
Long-term debt	<u>5,695,967</u>	<u>6,299,616</u>
Total liabilities	17,530,528	16,676,644
Net Assets:		
Net assets without donor restrictions	87,524,237	59,890,461
Net assets with donor restrictions	350,504	84,682
Total liabilities and net assets	<u><u>\$105,405,269</u></u>	<u><u>\$ 76,651,787</u></u>

See accompanying Notes to the Financial Statements

Neighborhood Healthcare
Statements of Operations and Changes in Net Assets
For the years ended June 30, 2021 and 2020

	2021	2020
Change in net assets without donor restrictions		
Revenues and other support:		
Patient service revenue, net	\$ 91,793,455	\$ 76,135,157
Capitation revenue	15,486,710	13,578,227
Grant revenue	15,689,059	10,106,245
Contributions	447,596	298,461
Other	6,607,491	1,146,118
Net assets released from restrictions	554,178	440,921
Total revenue and other support	130,578,489	101,705,129
Expenses:		
Salaries & wages	54,383,689	49,186,649
Employee benefits	11,762,908	10,861,586
Contractual services	19,257,798	15,114,621
Supplies	4,897,798	4,316,990
Communications	897,124	687,146
Travel, conferences and meetings	242,780	336,916
Equipment costs	4,471,247	3,033,357
Facilities	3,491,933	2,487,757
Insurance	274,209	202,316
Depreciation and amortization	1,495,492	1,374,848
Interest	263,454	285,056
Other	1,506,281	1,052,146
Total expenses	102,944,713	88,939,388
Change in net assets without donor restrictions	27,633,776	12,765,741
Change in net assets with donor restrictions		
Contributions	820,000	525,603
Net assets released from restrictions	(554,178)	(440,921)
Change in net assets with donor restrictions	265,822	84,682
Change in net assets	27,899,598	12,850,423
Net Assets:		
Beginning of year	59,975,143	47,124,720
End of year	\$ 87,874,741	\$ 59,975,143

See accompanying Notes to the Financial Statements

Neighborhood Healthcare
Statements of Cash Flows
For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 27,899,598	\$ 12,850,423
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,495,492	1,374,848
Unrealized gains	(3,832,100)	(219,109)
Changes in operating assets and liabilities:		
Patient accounts receivable	(974,440)	(3,736,250)
Grants and contracts receivables	974,907	(3,007,403)
Estimated third-party payor settlements	3,865,673	(2,084,498)
Inventories	1,301	700
Prepaid assets	(893,038)	(230,261)
Accounts payable	846,033	46,812
Accrued compensation	1,878,004	1,400,083
Deferred rent	272,833	-
Deferred revenue	(1,511,879)	1,451,917
Net cash provided by operating activities	<u>30,022,384</u>	<u>7,847,262</u>
Cash flows from investing activities:		
Purchase of investments	(20,813,944)	(3,300,528)
Maturity/sale of investments	1,503,918	1,693,495
Change in board designated endowment	(388,937)	(12,481)
Acquisition of property and equipment	(4,380,693)	(1,088,376)
Net cash used in investing activities	<u>(24,079,656)</u>	<u>(2,707,890)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(579,587)	(582,478)
Net cash used in financing activities	<u>(579,587)</u>	<u>(582,478)</u>
Net increase in cash and cash equivalents	<u>5,363,141</u>	<u>4,995,112</u>
Cash at beginning of year:	<u>8,143,626</u>	<u>3,148,514</u>
Cash at end of year:	<u><u>\$ 13,506,767</u></u>	<u><u>\$ 8,143,626</u></u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 263,454</u>	<u>\$ 285,056</u>

See accompanying Notes to the Financial Statements

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note A: Organization and Operations

Neighborhood Healthcare (the “Center”), a nonprofit organization operates healthcare facilities at sites in San Diego and Riverside Counties. Neighborhood Healthcare provides a variety of medical, dental, mental health, chiropractor, retinal screening, and health education services providing low-cost, high quality, comprehensive primary care services to residents of San Diego and Riverside Counties.

Neighborhood Healthcare derives its support through grants and contracts with the U.S. Department of Health and Human Services, the State of California, the County of San Diego, and various other entities. Additionally, revenues are derived from patient fees and third-party charges.

Note B: Summary of Significant Accounting Policies

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, and expenses are classified on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are currently available for use and are not subject to donor-imposed stipulations.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of operations as net assets released from donor restrictions. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as revenue without donor restrictions.

Use of Estimates:

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

Reclassifications:

Certain prior year amounts may have been reclassified to conform to the current year financial statement presentation.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, Neighborhood Healthcare considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The savings and checking accounts are on deposit with various financial institutions. As of June 30, 2021, and 2020 the carrying amount of all the accounts, net of outstanding checks, were \$13,506,767 and \$8,143,626, respectively. Per the various financial institutions as of June 30, 2021 and 2020, approximately \$250,000 and \$250,000, respectively was covered by federal depository insurance.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note B: Summary of Significant Accounting Policies (continued)

Accounts Receivable:

Accounts receivable are recorded at amounts that reflect the consideration to which the Center expects to be entitled in exchange for providing patient care. In evaluating the collectability of patient accounts receivable, the Center regularly analyzes its history and identifies and reviews trends for each of its major payor sources of revenue to estimate appropriate and sufficient implicit and explicit price concessions reflected in patient accounts receivable.

For receivables associated with services provided to patients who have third-party coverage, the Center analyzes contractually due amounts and provides additional implicit and explicit price concessions, if necessary, based upon historical collection history for deductibles and copayments on accounts for which the third-party payer had not yet paid, or for remaining payer balances.

For receivables associated with self-pay patients, which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Center records a significant implicit price concession in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is reflected as a reduction in patient accounts receivable.

Inventories:

Inventories consist of pharmaceutical supplies and are stated at cost. Due to rapid turnover of supplies, cost approximates market value.

Property, Building and Equipment:

Land, building and equipment are carried at cost or estimated fair value at date of acquisition. The Center capitalizes all acquisitions greater than \$5,000. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets ranging from three to thirty-nine years. Leasehold improvements are amortized on a straight-line method over the estimated useful life of the improvement or the term of the lease, whichever is less. Construction-in-progress is recorded at cost and is capitalized upon completion. Depreciation is recorded when construction is substantially complete, and the assets are placed in service.

Income Taxes:

Neighborhood Healthcare is a private not-for-profit corporation organized under the laws of the State of California. The Center has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the State of California Revenue and Taxation Code by the IRS and Franchise Tax Board, respectively. Accordingly, no provision for income taxes is included in the accompanying financial statements. Neighborhood Healthcare's returns are subject to examination by federal and state taxing authorities generally for three years after they are filed.

**Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020**

Note B: Summary of Significant Accounting Policies (continued)

Revenue Recognition:

Net patient service revenue is reported at the amount that reflects the consideration to which the Center expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Center bills the patients and third-party payers several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

The Center provides medical, dental, mental health, health education and enabling services to eligible patients at a discounted rate or for a nominal fee, based on eligibility determined by the patient's household size and income.

The Center has agreements with various plans to provide medical services to subscribing MediCal participants. Under the agreements, the Center received monthly capitation payments based on the number of participants, regardless of the services actually performed by the Center. Capitation payments are recognized as capitation revenue during the period in which the Center is obligated to provide services to participants. The Center also receives interim payments from the Medi-Cal program. These payments are reconciled on an annual basis to insure the Center ultimately receives the established Medi-Cal payment rate for all visits under these contracts.

Revenue from government grants and contracts restricted for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions. Capital grants and contributions consist of grants and contributions or resources that are restricted by the grantors or donors for capital asset purposes-to acquire, construct or renovate capital assets associated with the restricted purpose. Capital grants and contributions are recorded as increases to net assets with donor restrictions when cash is received in advance of acquisition of capital assets. In absence of donor stipulations to the contrary, capital grants and contributions are recorded as revenue during the fiscal year in which the assets are acquired. Cash received in excess of revenue recognized is recorded as deferred revenue. Deferred revenue consists of HHS Provider Relief Funds of \$0 and \$1,511,879 at June 30, 2021 and 2020, respectively.

Donated Services, Materials, and Facilities:

Donated services are those services that have been received, valued and recorded. It is the policy of Neighborhood Healthcare to encourage contributions from the residents of the greater San Diego and Riverside County areas. Donated services and facilities are valued at prevailing market rates. Certain immaterial services and facilities contributed to Neighborhood Healthcare have not been valued or recorded.

Subsequent Events:

The Center has evaluated all events and transactions that occurred after June 30, 2021, and through November 10, 2021, the date of the financial statements and notes to financial statement were available to be issued. During this period no events or transactions occurred that would require adjustments of the financial statements or disclosure in the accompanying notes.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note B: Summary of Significant Accounting Policies (continued)

Recently Adopted Accounting Pronouncement:

In May 2014, the FASB issued Accounting Standards Update "ASU" No. 2014-09, Revenue from Contracts with Customers (Topic 606), which provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services by identifying the contract(s) with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract, and recognizing revenue when (or as) the entity satisfied a performance obligation. In August 2015, the FASB issued ASU No. 2015-14, Deferral of the Effective Date, which deferred the effective date of ASU 2014-09 for all entities by one year. In March 2016, the FASB issued ASU No. 2016-08, Principal versus Agent Considerations (Reporting Revenue Gross versus Net), which clarifies the implementation guidance on principal versus agent considerations in ASU 2014-09. In April 2016, the FASB issued ASU No. 2016-10, Identifying Performance Obligations and Licensing, which clarifies the implementation guidance on identifying performance obligations and the licensing implementation guidance in ASU 2014-09, while retaining the related principles for those areas. In May 2016, the FASB issued ASU No. 2016-12, Narrow-Scope Improvements and Practical Expedients, which provides narrow scope improvements and practical expedients to ASU 2014-09.

The Center adopted the provisions of ASU 2014-09, ASU 2015-14, ASU 2016-08, ASU 2016-10, and ASU 2016-12 using the modified retrospective method applied to all contracts existing as of July 1, 2020. Prior to the adoption of ASU 2014-09, a significant portion of the provision and allowance for uncollectible accounts was related to uninsured patients and expected uncollectible deductibles and copayments on accounts which the third-party payor had not yet paid. Under ASU 2014-09, the estimated uncollectible amounts due from these patients are generally considered implicit price concessions that represent a direct reduction to net patient service revenue and a corresponding reduction to patient accounts receivable. The adoption of ASU 2014-09 also implemented additional disclosure requirements.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note C: Fair Value of Financial Assets

Financial Accounting Standards Board's (FASB) Accounting Standard Codification (ASC) 820, *Fair Value Measurements and Disclosures*, requires the fair value of financial assets and liabilities to be determined using a specific fair-value hierarchy. The objective of the fair value measurement of financial instruments is to reflect the hypothetical amounts at which the Center could sell assets or transfer liabilities in an orderly transaction between market participants at the measurement date. FASB ASC 820 describes three levels of inputs that may be used to measure fair value: Level 1 is quoted prices in active markets for identical assets; Level 2 is observable inputs other than Level 1 prices, such as quoted prices for similar assets; 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; Level 3 is unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets. The following table presents financial instruments measured at fair value on a recurring basis in accordance with FASB ASC 820 as of June 30, 2021 and 2020:

	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
June 30, 2021:				
Mutual funds	\$ 37,303,525	\$ -	\$ 37,303,525	\$ -
Exchange traded funds	1,531,101	-	1,531,101	-
Money Market	29,630	29,630		
Total	<u>\$ 38,864,257</u>	<u>\$ 29,630</u>	<u>\$ 38,834,626</u>	<u>\$ -</u>
June 30, 2020:				
Mutual funds	\$ 14,490,463	\$ -	\$ 14,490,463	\$ -
Exchange traded funds	763,893	-	763,893	-
Money Market	128,559	128,559	-	-
Total	<u>\$ 15,382,915</u>	<u>\$ 128,559</u>	<u>\$ 15,254,356</u>	<u>\$ -</u>

The carrying amounts reported in the balance sheets for other financial assets and liabilities that are not measured at fair value on a recurring basis including patient accounts receivable, grant and contract receivables, estimated third-party payor settlements, accounts payable and accrued expenses, accrued compensation, deferred revenue, and long term debt approximate fair value.

Note D: Grants and Contracts Receivable

Grants and contract receivables are comprised of grants from federal, state, county and other granting agencies. At June 30, 2021 and 2020 the grants and contracts receivable were \$2,450,643 and 3,425,550, respectively.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note E: Property and Equipment

Land, building and equipment at June 30, 2021 and 2020 was comprised of the following:

	2021	2020
Land & buildings	\$ 37,152,432	\$ 33,506,443
Equipment	2,320,280	1,928,131
Vehicles	164,107	104,297
Construction in progress	139,323	131,404
Subtotal	39,776,142	35,670,275
Accumulated depreciation	(12,536,339)	(11,315,673)
Total	<u>\$ 27,239,803</u>	<u>\$ 24,354,602</u>

Construction in progress at June 30, 2021 and 2020 consisted primarily of the construction of the Valley Center and Mollison clinics as well as a roof repair for the Grand clinic. Depreciation expense for the years ended June 30, 2021 and 2020 was \$1,495,492 and \$1,374,848, respectively. As of June 30, 2021, the remaining commitments related to ongoing contracts totaled \$50,115.

Note F: Accrued Compensation

The balance of accrued compensation at June 30, 2021 and 2020 was comprised of the following:

	2021	2020
Accrued payroll	\$ 1,662,117	\$ 1,373,227
Accrued paid time off	2,821,519	2,261,179
Accrued other payroll liabilities	2,576,391	1,547,617
Total	<u>\$ 7,060,027</u>	<u>\$ 5,182,023</u>

Note G: Net Patient Revenue

Performance obligations are determined based on the nature of the services provided by the Center. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Center believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Center has elected to apply the optional exemption provided in FASB ASC Topic 606-10-50-14a and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note G: Net Patient Revenue (continued)

The Center determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Center's sliding fee policy, and implicit price concessions provided to uninsured patients. The Center determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Center determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Effective with the adoption of ASU 2014-09 on July 1, 2020, for changes in credit issues not assessed at the date of service, such as a payor files for bankruptcy or a patient defaults on a payment plan, the Center recognizes these write-offs as bad debt expense, which is presented on the accompanying statements of operations and changes in net assets as a component of other expenses.

The Center is approved as a Federally Qualified Health Center ("FQHC") for both Medicare and Medi-Cal reimbursement purposes. The Center has agreements with third-party payors that provide for payments to the Center at amounts different from its established rates. These payment arrangements include:

Medicare: Covered services rendered to Medicare program beneficiaries are paid based on a prospective payment system (PPS). Medicare payment under the FQHC PPS are 80% of the lesser of the health center's actual charge or the applicable PPS rate (patient coinsurance will be 20% of the lesser of the health center's actual charge or the applicable PPS rate). Accordingly, to the extent a health center's charge is below the applicable PPS rate, Medicare FQHC reimbursement can be limited.

Medi-Cal: Covered services rendered to Medi-Cal beneficiaries are paid under a Prospective Payment System, using rates established by the Center's "Base Years" - fiscal years ended December 31, 2000 and 1999 cost reports filed under the previous cost-based reimbursement system. These rates are adjusted annually according to changes in the Medicare Economic Index and any approved changes in the Center's scope of service. The Center is required to file a payment reconciliation report with the state. In the opinion of management, any reconciliation settlement of the payment reconciliation will not materially affect the financial statements of the Center.

Other: Payments for services rendered to those payors other than Medicare or Medi-Cal are based on established rates or on agreements with certain commercial insurance companies, health maintenance organizations and preferred provider organizations which provide for various discounts from established rates.

As of June 30, the following table reflects the net patient service revenue including capitation by major payor groups:

	2021	2020
Medicare	\$ 2,576,862	\$ 3,043,219
Medi-Cal	91,236,444	73,608,173
Other third-party payors	12,434,366	11,887,940
Private pay	1,032,493	1,174,052
Net patient service revenue	<u>\$ 107,280,165</u>	<u>\$ 89,713,384</u>

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note G: Net Patient Revenue (continued)

Laws and regulations concerning government programs, including Medicare and Medi-Cal, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Center's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Center. In addition, the contracts the Center has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Center's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

The Center has recorded an estimated third-party payor receivable of \$8,944,357 and \$12,861,550 as of June 30, 2021 and 2020, respectively, and estimated third-party payor liabilities of \$43,199 and \$94,719 as of June 30, 2021 and 2020, respectively. These balances comprise estimated settlements due to PPS Reconciliation Requests as well as Rate Setting Cost Reports and Change in Scope of Service Requests. Management periodically evaluates estimated third-party payor settlements based on the current information available and believes the final settlements will not materially affect the financial statements of the Center.

Note H: Concentration of Credit Risk

Financial instruments potentially subjecting the Center to concentrations of credit risk consist primarily of bank deposits in excess of FDIC limits. Management believes, however, that the risk of loss is minimal due to the high financial quality of the banks. Credit risk related to patient receivables arises from the granting of credit without collateral to patients, most of whom are residents of San Diego County in the State of California. The mix of accounts receivables from patients and third-party payors was as follows:

Payor Class	2021	2020
Medi-Cal	83%	82%
Medicare	4%	3%
Other third-party payors	12%	14%
Private pay patients	1%	1%
Total	<u>100%</u>	<u>100%</u>

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note H: Concentration of Credit Risk (continued)

For the year ended June 30, 2021 and 2020, the Center received \$9,636,592 and \$8,026,060, respectively, in Community Health Center grants from the Department of Health and Human Services, which represents 7% and 8% of the total revenue received.

Note I: Commitments and Contingencies

Federal and state contracts and other requirements:

The Center receives grants and contracts which require fulfillment of certain conditions as set forth in the terms of the grant agreement and are subject to audit and adjustment upon review by the granting agencies. Failure to comply with the conditions of the grants could result in the return of funds to the granting agencies. The amounts, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although management believes that it has complied with conditions of its grants and contracts it expects they will not have a significant effect on the Center's financial position.

Contingencies:

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, government health care program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Violations of these laws and regulations could result in exclusion from government health care program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While the Center is subject to similar regulatory reviews, there are no reviews currently underway, and management believes that the outcome of any potential regulatory review will not have a material adverse effect on the Center's financial position.

Medical Malpractice Claims:

Neighborhood Healthcare is deemed an employee of the federal government and is covered for malpractice insurance under the Federal Tort Claims Act ("FTCA"). Neighborhood Healthcare also has supplemental Professional Liability coverage for individual claims up to \$1,000,000 and aggregate annual claims up to \$3,000,000.

The Center has on-going litigation claims as result of its normal course of operations; however, in the opinion of management, these claims will be fully covered by the Center's insurance coverage and will not have a material adverse effect upon the financial statements.

Retirement Plans:

The Center maintains a defined contribution pension plan for substantially all of its employees who have met specified age and service requirements; and a 457(b) Plan pursuant to Section 457(b) of the Internal Revenue Code of 1986, as amended. The purpose of the Plan is to provide deferred compensation payments for designated long-term employees. The accounts are held entirely in the names of the participants without direction from Neighborhood Healthcare for any of their activities. Contributions to the plans are discretionary. For the years ended June 30, 2021 and 2020, the Center recognized expenses relating to these plans of approximately \$1,534,681 and \$1,368,160, respectively.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note J: Long-term Debt

Long-term debt consists of the following at June 30, 2021 and 2020:

	2021	2020
California Health Facilities Financing Authority (CHFFA) (Help II Program) in the amount of \$450,000 at a 3.0% interest rate, with monthly payments of \$3,108, maturing in 2022 and is secured with the Center's assets.	\$ 45,695	\$ 81,038
City National Bank loan agreement in the amount of \$2,279,056 at 3.85% interest rate, with monthly payments of \$16,773.76, maturing in 2029 and is secured with the Center's assets.	1,400,340	1,537,500
Union Bank of California loan in the amount of \$1,281,000 at a 4.45% interest rate, with monthly payments of \$9,767, maturing in 2026 and is secured with the Center's assets.	508,856	601,173
City National Bank loan for \$2,500,000 at 3.98% interest rate per annum is payable in monthly installments of \$18,539 which includes principal and interest and matures in September of 2033 and is secured with the Center's real property.	2,157,014	2,280,079
California Bank & Trust loan for \$1,325,000 at 3.85% interest rate per annum. The loan is payable in 180 monthly installments of \$9,739, which includes principal and interest and matures April 7, 2030. The loan is secured with the Center's real property.	871,559	952,682
City National Bank loan for \$1,928,000 at 3.67% interest rate per annum is payable in monthly installments of \$13,995 which includes principal and interest and matures on November 1, 2030 and is secured with the Center's assets.	1,338,095	1,448,674
Total long-term debt	6,321,559	6,901,146
Less: current portion	(625,592)	(601,530)
	<u>\$ 5,695,967</u>	<u>\$6,299,616</u>

Future principal and interest payments are as follows for the years ended June 30:

Year	Principal	Interest	Total
2022	\$ 625,592	\$ 237,474	\$ 863,066
2023	622,373	212,725	835,098
2024	637,624	188,151	825,775
2025	663,894	161,881	825,775
2026	1,262,158	134,948	1,397,106
Thereafter	2,509,918	344,789	2,854,707
Total	<u>\$ 6,321,559</u>	<u>\$ 1,279,968</u>	<u>\$ 7,601,527</u>

The loan agreements contain various covenants, which among other things place restrictions on the Center's ability to incur additional indebtedness and require the Center to maintain certain financial ratios. The Center was in compliance with these requirements as of June 30, 2021.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note J: Long-term Debt (continued)

Neighborhood Healthcare has a line-of-credit with a local bank in the amount of \$4,000,000. The interest rate is the bank's reference rate (prime) plus a margin. The line-of-credit matures April 2, 2022. The Center has a line-of-credit with an investment firm collateralized by investments. This line has an interest rate ranging from the Wall Street Journal prime rate plus 2.00% to that prime rate minus .50% based on the size of the margin loan. The outstanding balances were \$0 for both lines as of both June 30, 2021 and 2020.

Note K: Net Assets with Donor Restrictions

Net assets with donor restrictions were comprised of the following programs at June 30, 2021 and 2020:

	2021	2020
Direct Relief	\$ 50,000	-
CCI-Connected Care Accelerator Program	83,338	-
Health Net Enhanced Access	56,092	-
CPCA/Kaiser-Covid 19 Vaccination	112,263	-
CCI-Virtual Care Innovation Network	30,000	-
Grossmont Healthcare – COVID 19	8,885	22,500
HealthNet Workforce Development	-	31,450
Other	9,926	30,732
Total	<u>\$ 350,504</u>	<u>\$ 84,682</u>

As net assets with donor restrictions are expended, the net assets released from restrictions are recognized as revenue without donor restrictions. As of June 30, 2021, and 2020, net assets released from donor restrictions consist of the following:

	2021	2020
Riverside-COVID project	\$ 350,000	\$ -
Archstone	67,500	135,000
Health net enhanced access	23,908	-
MAT Access Points Project	12,786	45,000
Direct Relief	-	50,000
Other	99,984	210,921
Total	<u>\$ 554,178</u>	<u>\$ 440,921</u>

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note L: Lease Commitments

Neighborhood Healthcare has commitments under operating lease agreements that range in termination dates through 2031. Total lease expense for the years ended June 30, 2021, and 2020 was \$1,522,181 and \$1,079,437, respectively. Following are the lease commitments based on agreements in place on June 30, 2021:

Year Ending	Lease Payment
2022	\$ 2,235,877
2023	\$ 1,744,513
2024	\$ 1,632,513
2025	\$ 1,520,903
2026	\$ 1,381,534
Thereafter	\$19,286,590

Note M: Board Designated Endowment and Investments

Board designated endowment are assets designated by the board of directors. As such, these funds are unrestricted, and include mutual funds and are stated at their fair market value at June 30, 2021 and 2020. Board designated endowment at June 30, 2021 and 2020 are \$ 2,389,289 and \$ 2,000,352, respectively.

Board designated endowment and investments include the following at June 30, 2021 and 2020.

	2021	2020
Cash & money market	\$ 29,630	\$ 128,559
Mutual funds	37,303,525	14,490,463
Corporate owned life insurance	2,053,275	2,003,553
Exchange traded funds	1,531,101	763,893
Total	<u>\$ 40,917,531</u>	<u>\$ 17,386,468</u>

The Center is the owner of six life insurance policies. The cash surrender value of these policies was \$2,053,275 and \$2,003,553 at June 30, 2021 and 2020, respectively. The sum of the death benefits, which will be added to the Center's assets after the death of the insured is approximately \$5,461,388 and \$5,461,388 at June 30, 2021 and 2020, respectively.

Income for board designated endowment and investments are primarily comprised of interest and dividend income, which amounted to \$1,778,978 and \$312,535 for the years ended June 30, 2021 and 2020, respectively. The Center had unrealized gains in the amount of \$3,832,100 and \$219,109 for the years ended June 30, 2021 and 2020, respectively.

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note N: Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and office and occupancy, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort. Expenses for the year ended June 30, 2021 include:

	Program Services	Fund Raising	General & Administration	Total
Salaries & wages	\$39,961,110	\$ 213,607	\$ 14,208,972	\$54,383,689
Employee benefits	8,550,475	45,530	3,166,903	11,762,908
Contractual services	17,333,312	16,240	1,908,246	19,257,798
Supplies	4,751,446	8,055	138,297	4,897,798
Communications	507,957	2,165	387,002	897,124
Travel	88,841	2,605	151,334	242,780
Equipment costs	2,693,809	11,607	1,765,831	4,471,247
Facilities	2,324,883	12,342	1,154,708	3,491,933
Insurance	121,183	79	152,947	274,209
Depreciation and amortization	1,246,246	-	249,246	1,495,492
Interest	214,893	-	48,561	263,454
Other	737,703	33,770	734,808	1,506,281
Total expenses	<u>\$78,531,858</u>	<u>\$ 346,000</u>	<u>\$ 24,066,855</u>	<u>\$102,944,713</u>

Expenses for the year ended June 30, 2020 include:

	Program Services	Fund Raising	General & Administration	Total
Salaries & wages	\$ 36,913,887	\$ 106,560	\$ 12,166,202	\$ 49,186,649
Employee benefits	8,166,446	26,906	2,668,234	10,861,586
Contractual services	13,386,807	41,943	1,685,871	15,114,621
Supplies	4,168,502	4,821	143,667	4,316,990
Communications	445,528	2,448	239,170	687,146
Travel	112,214	2,270	222,432	336,916
Equipment costs	1,463,109	26,333	1,543,915	3,033,357
Facilities	1,753,420	4,996	729,341	2,487,757
Insurance	125,656	145	76,515	202,316
Depreciation and amortization	1,192,318	-	182,530	1,374,848
Interest	271,132	-	13,924	285,056
Other	518,300	57,657	476,189	1,052,146
Total expenses	<u>\$ 68,517,319</u>	<u>\$ 274,079</u>	<u>\$ 20,147,990</u>	<u>\$ 88,939,388</u>

Neighborhood Healthcare
Notes to the Financial Statements
For the years ended June 30, 2021 and 2020

Note O: Information Regarding Liquidity and Availability of Resources

The Center regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Center has various sources of liquidity at its disposal, including cash and cash equivalents, investments, various receivables, and a line of credit. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Center considers all expenditures related to its ongoing activities of providing healthcare-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

The Center strives to maintain liquid financial assets sufficient to cover 30 days of general expenditures. The following table reflects the Center's financial assets as of June 30, 2021, and 2020 reduced by amounts that are not available to meet general expenditures within one year of the balance sheet date.

	2021	2020
Cash and cash equivalents	\$ 13,506,767	\$ 8,143,626
Investments	38,528,242	15,386,116
Patient accounts receivable	9,931,690	8,957,250
Grant receivable	2,450,643	3,425,550
Board designated endowment	2,389,289	2,000,352
Total financial assets	<u>66,806,631</u>	<u>37,912,894</u>
Board designated endowment	(2,389,289)	(2,000,352)
Deferred revenue & other deferred liabilities	-	(1,511,879)
Net assets with donor restrictions	<u>(350,504)</u>	<u>(84,682)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 64,066,838</u>	<u>\$ 34,315,981</u>

In addition to financial assets available to meet general expenditures over the next 12 months, the Center operates with a balanced budget and anticipates collecting sufficient patient service revenue to cover general expenditures not covered by grants or donor-restricted resources. The Center also has a line of credit available to meet short-term needs. See note J for information about this arrangement.

SINGLE AUDIT REPORTS

**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**Independent Auditor's Report

Board of Directors
Neighborhood Healthcare
Escondido, California

We have audited, 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, the financial statements of Neighborhood Healthcare (the "Center"), which comprise the balance sheets as of June 30, 2021 and 2020 and the related statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 10, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Neighborhood Healthcare 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 Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Center'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 Center's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CAW. LLP

Fresno, California
November 10, 2021

**Report on Compliance For Each Major Federal Program
And Report on Internal Control Over Compliance
Required by the Uniform Guidance**

Independent Auditor's Report

Board of Directors
Neighborhood Healthcare
Escondido, California

Report on Compliance for Each Major Federal Program

We have audited Neighborhood Healthcare (the "Center") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Center's major federal programs for the year ended June 30, 2021. The Center'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 terms and conditions of federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center'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 the Center'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 the Center's compliance.

Opinion on Each Major Federal Program

In our opinion, Neighborhood Healthcare complied, in all material respects, with the 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, 2021.

Report on Internal Control Over Compliance

Management of Neighborhood Healthcare 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 the Center'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 the Center'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 of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

CAN. LLP

Fresno California
November 10, 2021

**Neighborhood Healthcare
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021**

Federal Grant / Program Title	CFDA Number	Pass-Through Identification Number	Expenditures
U.S. Department of Health and Human Services, Public Health Services:			
<u>Direct Programs:</u>			
Community Health Center Cluster, Section 330	*93.224	N/A	\$ 7,512,200
COVID - Capital Assistance for Disaster Response & Recovery Effort (CADRE)	*93.224	N/A	83,275
COVID - Health Center Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding	*93.224	N/A	1,147,440
COVID - FY20 Expanding Capacity for Coronavirus Testing (ECT)	*93.224	N/A	893,677
Total Community Health Cluster			9,636,592
COVID - Uninsured Testing, Treatment, and Vaccine Administration	93.461	N/A	213,229
HHS Provider Relief Fund	*93.498	N/A	1,508,765
Total Direct Programs			11,358,586
<u>Passed Through:</u>			
<i>Essential Access Health: Title X – Family Planning Program</i>	93.217	2686-5320-71219-20-21	489,254
<i>Health Quality Partners: Screening, Brief Intervention and Referral to Treatment (SBIRT)</i>	93.243	1H79TI081143-02	260,872
<i>Health Quality Partners: Children's Health Insurance Program Reauthorization Act (CHIPRA)</i>	93.767	1Y1CMS331690-02-00	89,095
<i>Health Quality Partners: A ColoRectal Cancer Screening Hub for Southern California (ACCSIS)</i>	93.353	4UH3CA233314-02	60,516
<i>Health Quality Partners: COVID-19 Testing in Underserved and Vulnerable Populations Receiving Care in San Diego Community Health Centers (RADx)</i>	93.393	3UH3CA233314-02S1	18,366
Subtotal			918,103
Total federal financial assistance			\$ 12,276,689

* Denotes major program

Neighborhood Healthcare
Notes to Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021

Note A: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) summarizes the expenditures of Neighborhood Healthcare (the “Center”) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows for the Center.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. For CFDA 93.498, the amount included on the Schedule is based on the Period 1 PRF report. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Center elected not to use the de minimis cost rate because it has a negotiated indirect cost rate in place.

Neighborhood Healthcare
Schedule of Findings and Questioned Costs
For the year ended June 30, 2021

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal Control over financial reporting: Material weakness identified?	_____ yes	_____ <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	_____ <u>X</u> None Reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs: Material weakness identified?	_____ yes	_____ <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ yes	_____ <u>X</u> 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 2 CFR 200.516(a)?	_____ yes	_____ <u>X</u> no
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Major Programs

CFDA Number

Community Health Center Cluster, Section 330	93.224
HHS Provider Relief	93.498

Dollar threshold used to distinguish Types A and B programs	\$ 750,000
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Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no
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**Neighborhood Healthcare
Schedule of Findings and Questioned Costs
For the year ended June 30, 2021**

II. Financial Statement Findings - No matters are reportable

III. Federal Award Findings - No matters are reportable

Prior Year Findings - None



13 April 2021

Re: Neighborhood Healthcare Letter of Support

To whom it may concern,

Interfaith Community Services is pleased to provide this letter of support for Neighborhood Healthcare (Neighborhood) and their impact on our community's health and well-being.

Interfaith Community Services empowers people in need to stabilize and improve their lives through comprehensive programs in partnership with diverse faith communities and people of compassion. These services include basic needs, housing, counseling, employment services, and drug and alcohol rehabilitation as necessary for each individual to achieve independent and thriving lives.

Our residents and clients access medical care through a Neighborhood Health Center site co-located at our Escondido Headquarters. Interfaith has a long history of successful partnerships with Neighborhood, especially in the area of Behavioral Health. This collaboration between our organizations establishes a wraparound service system that allows for the full integration of healthcare and social services for some of Escondido's most vulnerable individuals. Together, we are closer to fulfilling our collective vision that all individuals, regardless of their ability to pay, should have the opportunity to pursue physical wellness, mental health, and improved quality of life.

Neighborhood Healthcare has a proven track record of providing high-quality, patient-centered health care services for over 50 years. Interfaith can attest to the positive impact that they make for individuals and families in the community who are medically underserved, under-insured, and uninsured. Community health centers are important providers of health care for vulnerable populations; therefore, I encourage your financial support of Neighborhood Healthcare towards their provision of these critical services.

Sincerely,

Greg Anglea
Chief Executive Officer