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

SAN MARCOS COMMUNITY FOUNDATION
GRANT FUNDING SUBCOMMITTEE MEETING AGENDA

Wednesday, November 13, 2024 – 6:00 PM
San Marcos Room – 2nd Floor

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

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the Board Secretary at (760) 744-1050, ext. 3137. Notification 48 hours in advance will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired. Please see the Board Secretary if you wish to use this device.

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

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

Meeting Schedule: Regular San Marcos Community Foundation Board meetings are generally held on the third Tuesday in the month of February, May, August and November. 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

NEW BUSINESS

1. **MINI GRANT APPLICATION PROPOSALS**

2. **REGULAR GRANT APPLICATION PROPOSALS**

ORAL COMMUNICATIONS –

Speakers are limited to five minutes.

ITEMS FOR THE GOOD OF THE ORDER

NEXT MEETING DATE –The next meeting of the SMCF is scheduled for Tuesday, November 19, 2024.

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 Friday, November 8, 2024, prior to 5:30 pm.

Phil Scollick, Recording Secretary

FALL Quarter Grant Requests 2024-25

Asset Balance on 7/1/2024:	$ 1,300,423	
Total Available for Distribution for FY 2024-25:	$ 52,017	$ 65,021
Total FY 2024-25 Distributions Year to Date:	$ 13,250	
Total Funds Available for Quarter if Awarding Grants at 4% of Assets:	**$ 13,004**	
Total Funds Available for Quarter if Awarding Grants at 5% of Assets:	**$ 16,255**	

Nonprofit	Program	# San Marcos Residents Served	Summary	Lead	Request	Recommend	Approved
			Mini-grants				
Agua Hedionda Lagoon Foundation	AHLF Coastal Bluffs Erosion Project		We are seeking funding to support an ongoing restoration and trail management project at the Agua Hedionda Lagoon.		$ 1,500		
HomeMore Project, Inc.	Makeshift Traveler backpack for the Homeless in San Marcos	10	Our Makeshift Traveler is a backpack specifically tailored to the needs of an individual experiencing homelessness. The pack was designed sustainably with a goal to serve as premium storage until obtaining permanent housing.		$ 500		
Lake San Marcos Kiwanis Club Foundation, Inc.	Holiday Parade Traffic & Safety Costs	1,200	To ensure a safe event for the parade participants and viewing crowd, we will be coordinating with San Marcos Public Works and using a contractor, Hiway Safety, to provide cones and barricades for the assembly area at Palomar College Lot 9 and the road closures along the parade route.		$ 1,500		
North County Education Foundation, Inc.	Super STEM Saturday	6,000	Super STEM Saturday is a free, educational community event hosted in partnership with North County Education Foundation (NCEF) / Classical Academies and Cal State University San Marcos (CSUSM).		$ 1,000		
Traveler's Aid Society of San Diego, Inc.	Journey to Safety (J2S)	15	Journey to Safety assists survivors of domestic violence (and their dependent children) with safe transportation options—both local and outside the region—to places of safety, including hotels, court, police stations, and family justice centers; case management; information and referrals; and supportive wrap-around services such as overnight accommodations, food, and gas vouchers for emergency situations.		$ 1,500		
Ride Above Disability Therapeutic Riding Center	ADA Communication Board	25	This grant would provide us with a giant outdoor communication board for students who may not speak. We would get a communication board tailored to therapeutic riding so the students would be able to communicate their needs.	Mike	$ 780		
			Regular-grants				
Big Brothers Big Sisters of San Diego County	Improving Health and Wellbeing for San Marcos Youth Through Proven Mentoring Program	6	Funding for our direct program staff is essential, as they recruit and match mentors and mentees, individually support each Match, and overall guiding all elements that help each youth achieve long-term success.	Paul	$ 5,000		
Boys & Girls Club of San Marcos	Promoting Youth Development & Success at the Walter J. & Betty C. Zable Foundation Branch.	300	Support our innovative and enriching programs and services at our second stand-alone Clubhouse, the Walter J. & Betty C. Zable Foundation Branch. Located within the heart of the Rich mar neighborhood, and within walking distance of San Marcos Elementary, this Clubhouse is a fun, safe, and supportive place for our Club members to learn and grow.		$ 5,400		
Breast Cancer Angels	One Famiy At A Time	150	This grant will specifically support San Marcos residents, ensuring they can focus on healing without the added stress of potential homelessness or hunger.	Gary	$ 1,850		
Casa De Amparo	Food for Residential Services Youth	70	Funding will ensure that we can continue to provide meals that meet the diverse nutritional needs and preferences of our youth.		$ 5,000		
Community Resource Center	Food and Nutrition Center	122	Support our Food and Nutrition Center (FNC) which serves San Marcos residents and many more in our coastal north county service area. The FNC will provide free nutritious fresh food (produce, meat and dairy), non-perishable food and hygiene items (including diapers) and CalFresh Enrollment assistance to economically vulnerable individuals and families.	Paul	$ 10,000		
Equation Collaborative	Box Nutrition Program	750	The funding requested would enable our two organizations to continue a program that began last year and has already delivered more than 26,000 pounds of fresh, healthy food to TrueCare San Marcos patients.	MIke	$ 9,604		
Fresh Start Surgical Gifts	Surgery Weekend Program	25	Grant funds would only cover direct costs for the Surgery Weekend Program including medical and dental supplies, pharmaceuticals, overnight care, radiology, and other much-needed supplies and services.	Gary	$ 5,000		
Home of Guiding Hands	Respite Care Expansion for Individuals with Disabilities	25	The funds will be used to offer 25 hiring bonuses of $200 each, aimed at attracting new respite care workers to meet the growing demand for services.	Mike	$ 5,000		
Luminary Arts	"A Boy and Girl" Free Teen Workshop	1000	Funds received will be utilized to offset production costs of this free teen workshop, including staff time for the Luminary Arts teaching artists and technicians, who will serve as the mentors and guides for the workshop. Other costs include, costumes, props, and set pieces, and marketing and publicity materials.	Paul	$ 5,000		
National Conflict Resolution Center	Certificate in Culture, communication and conflict	20	We propose bringing together one cohort of 20 diverse non-profit and community leaders from San Marcos to participate in our C3 Certificate program. This training will enhance participants' ability to address conflicts constructively, promote inclusivity, and strengthen collaboration.	Gary	$ 10,000		
San Diego-Imperial Council Boy Scouts of America	Scouting for a better community	100	Providing the youth and their parents with a day camp in the summer of 2025 will have a long-lasting positive effect on the community of San Marcos. It promotes spending time in green spaces, which has been shown to have positive effects on health.	Paul	$ 4,500		
Solutions for Change	Solutions Academy	60	Solutions Academy is a transformative 700-day program designed to end family homelessness in our community. It offers a comprehensive approach that goes beyond providing shelter, addressing the root causes of homelessness through personalized support, education, and workforce development.	Gary	$ 10,000		
					$ 68,634	**$ -**	**$ -**

Joseph & Lenka Finci
Jewish Community Building
4950 Murphy Canyon Road
San Diego, CA 92123

(858) 279-2740 tel
(858) 279-6105 fax

www.jcfsandiego.org

Chair
Graeme Gabriel

Chair Elect
Tina Berenbaum

Vice Chair
Theresa Dupuis
Ron Friedman
Alan Viterbi

Treasurer
Michael Levinson

Assistant Treasurer
Andy Ratner

Secretary
Steve Hochberg

General Counsel
Lawrence Sherman

Directors
Ben Arnold
David Bark
Debby Cushman-Parrish
Judi Gottschalk
Elena High
Shai Kalansky
Taylor Lucas
Craig Misrach
Allan Saltz
Barbara Sherman
Nancy Spector

Immediate Past Chair
Janet Acheatel

Past Chairs
Carl Esenoff*
Victor Schulman*
Herbert Solomon
Stanley Foster*
Nessim Tiano*
Jerome Katzin*
Rodney Stone
Shearn Platt*
Lawrence Sherman
Pauline Foster*
Jack Schuster
Andrew Viterbi
Edgar Berner
Sheila Potiker*
Murray Galinson*
Emily Einhorn
Jeff Silberman
Jane Scher
Sydney Selati*
Leo Spiegel
Janet Acheatel
**of blessed memory*

President and
Chief Executive Officer
Miriam and Jerome Katzin Presidential Chair
Jeremy Pearl

November 5, 2024

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

Dear Phil,

Enclosed please find the Fall 2024 grants package 2, containing full applications for the San Marcos Community Foundation grant opportunity. The applicants include:

Agua Hedionda Lagoon Foundation
HomeMore Project, Inc.
Lake San Marcos Kiwanis Club Foundation, Inc.
North County Education Foundation, Inc.
OMG Youth Sports (Late Filed Regular Grant)
Traveler's Aid Society of San Diego, Inc.

Best wishes,

Jessica Ludwig
Grants Officer

Title

Agua Hedionda Lagoon Foundation- AHLF & CSUSM Capstone Coastal Bluffs Restoration project

10/28/2024

id. 48651925

by **Larissa Fullmer** in **San Marcos Community Foundation**
on behalf of **Agua Hedionda Lagoon Foundation**
larissa.fullmer@aguahedionda.org

Original Submission

10/28/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Agua Hedionda Lagoon Foundation- AHLF & CSUSM Capstone Coastal Bluffs Restoration project
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	AHLF Coastal Bluffs Erosion Project
Project Start Date	1/9/2025
Project End Date	10/31/2025
Date by Which Funds Will Be Expended:	10/31/2025
Total Number of People Served by this Project	869322.0
Total Number of People Served by this Project in San Marcos Only	94400.0
Grant Amount Requested	1500.0
	Organization Details

Organization Name	Agua Hedionda Lagoon Foundation
Organization Street Address	1580 Cannon Rd
Organization City	Carlsbad
Organization State	CA
Organization Zip Code	92008
Organization Website	Aguahedionda.org
Organization's EIN	33-0411888 200 Agua Hedionda Lagoon Foundation 8878bea3-920c-4e0d-ac9a-66e521e6ed2d 1580 Cannon Rd Carlsbad CA 92008 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-10-15T00:00:00 2024-10-28T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(2) organization 2024-10-15T00:00:00 1995 06
	Contact Information
Contact First Name	Larissa
Contact Last Name	Fullmer
Contact Title	Director of Trails and Conservation
Contact Phone	+16196779058
Contact Email	larissa.fullmer@aguahedionda.org
	Project Details

Briefly describe your request for funds.	Agua Hedionda Lagoon Foundation is a local non-profit environmental organization with it's mission to energize people through education and outreach to preserve the Agua Hedionda Lagoon as an accessible and healthy watershed. We are seeking funding to support an ongoing restoration and trail management project at the Agua Hedionda Lagoon. Our initiative focuses on addressing coastal bluff erosion at the North Shore Hubbs Trail. The erosion not only degrades the landscape but contributes to unsafe conditions for the community and limits access to essential recreational areas. To address this ongoing issue, this grant will primarily be used to purchase the tools and native plants needed to stabilize the soil through their deep root systems, improve local biodiversity, and support the long-term health of the lagoon. Additionally, the grant will assist us in the beautification of the lagoon through the installation of educational signage and fencing to discourage foot traffic on unmarked trails, which heavily contributes to soil loss and erosion. The funding will also support a small portion of AHLF staff salary to provide project oversite, leadership, and guidance for students and volunteers performing this important field work.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	The population of North SD County is approximately 869,322. Specifically, San Marcos is 94,400. This project serves the entire community by maintaining free public access to the outdoors, recreation, and safe spaces in nature, for all. It also invites the community to participate in the restoration of the habitat and provides critical educational opportunities for participants to better understand watershed systems, responsible recreation, and importance of erosion control. This restoration project is being carried out in partnership with Agua Hedionda Lagoon Foundation and three students from CSU San Marcos to achieve their capstone project. This project will improve the health of the lagoon, strengthen partnerships with CSUSM to open future opportunities for numerous environmental students to gain invaluable field experience. The project will create a volunteer team of 20 CSUSM students to educate and help restore the coastal bluffs to preserve the Agua Hedionda Lagoon. The Agua Hedionda Lagoon is connected through the Carlsbad watershed, runoff from rain, irrigation, and stormwater in the city flows through creeks and rivers to the lagoon. The health of the lagoon and the health of San Marcos' ecosystem are inextricably linked through these waterways. This project will strengthen intercommunal ties between these cities.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We collaborate regularly on projects with CSUSM and Palomar college providing meaningful educational opportunities and service-learning credit with free mentorship and free educational resources

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	We have not received funds in the past due to my knowledge

Please upload the annual operating budget for your organization.

AHLF_24.25_Annual_Operating_Budget.pdf

SupportLetter_Cezo_1.pdf

Letter_of_Support_CSUSM_Professor_Valle.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

San_Marcos_Community_Foundation_Letter_LCR_10.16.2024.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	3536.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	We will still be able to run this project if we don't receive the full grant request. We have other strategies such as fundraisers, in kind donations for supplies, volunteers, and pending grants.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Native plants- Estimated 250 plants	*$1000.00*	*This includes delivery fee*
Educational Signage- depending on size cost ranges $776-$990.00 not including delivery fee	$1000.00	Signs will be in English and Spanish
(5) Interpretative "Stay on the trail" signs	$150.00	Unit price $28.32 for 5 signs size 12" x18"
(5) Sign Mounting Hardware	$310.00	Shipping included
(2) Large water storage containers	$120.00	
(3) 4 Gal. watering backpacks	$120.00	Total cost for all three
Travel expenses and fuel to project - for field work and watering	$200.00	
AHLF staff salary- Mentorship, guidance, and project oversite- 8 hours over course of the project-	$346.00	DTC will provide in kind hours to match
AHLF Admin overhead 10% overall project cost	$290.00	
Total budget for this PROJECT:	$3536.00	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Home Depot- Donation	$475.00	Committed
Additional Funding Source 2	Two for Trails- Grant	$1500.00	Pending- portion of grant was written for plants, signage, and supplies
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

		2024-2025 BUDGET												
		1	2	3	4	5	6	7	8	9	10	11	12	
		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Total
01 Donations														
	01A Donations - Cash	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	19,800
	01C Donations - Other	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132,000
	01D Donations-Rentals	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
	01F Newsletter	0	0	2,000	0	0		0	2,000		0	0	2,000	6,000
	01I San Diego Gives/Giving Tuesday/End of Year Campaign	0	0	5,000		25,000	20,000	0	0	0	0	0	0	50,000
Total 01 Donations		18,650	18,650	25,650	18,650	43,650	38,650	18,650	20,650	18,650	18,650	18,650	20,650	279,800
02 Educational Programs Revenue														
	02.1 Camps/Scouts/Misc. Field Trips/ECO Tours	2,800	2,800	2,800	2,800	2,800	2,800	2,800	150,000	2,800	2,800	2,800	2,800	180,800
	02B Grants	-	-	-	-	-	-	-	-	-	-	-		
	02B Grants	-	-	-	-	-	-	-		-		-	-	
	02B Grants	-	-	-	-	-	8,500	-		8,500	-			17,000
	02B Grants	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
	02D Live the Past/Colonization	-	-	4,500	4,500	4,500	4,500	4,500	-	-	-	-	-	22,500
	02E Experience Today/Adaptions	-	-	-	-	-	-	5,000	5,000	5,000	-		-	15,000
	02F Honor the Future/Origins	-	-	-	-	-	-	-	-	1,500	1,500	1,500		4,500
	02G Preschool	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	318,000
	02H Outreach	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
	02I 2nd Grade			555	555	555	555	555	555	555	555	555		4,995
Total 02 Educational Programs Revenue		32,800	32,800	37,855	37,855	37,855	46,355	42,855	185,555	48,355	34,855	34,855	32,800	604,795
03 Events/Festivals/Fundraising														
	03A Discovery Gala	25,000	75,000	125,000	-	-	-	-	-	-	-	10,000	15,000	250,000
	03K Lagoona Kahuna Cleanup Challenge	-	-	-	-	-	-	-	-	-	15,000	25,000	-	40,000
	03L Haunted Corn Maze	-	-	-	45,000	50,000	-	-	-	-	-	-	-	95,000
	03M Sponsorships	3,850	3,850	3,850	3,850	3,850	3,850	3,850	3,850	60,000	3,850	3,850	3,850	102,350
	03N Brick Walkway	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Total 03 Events/Festivals/Fundraising		36,850	86,850	136,850	56,850	61,850	11,850	11,850	11,850	68,000	26,850	46,850	26,850	583,350
04 Grant Income														
	04B Grants/Awards	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	228,000
Total 04 Grant Income		19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	228,000
05 Membership Dues	05 Membership Dues	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
Total 05 Membership Dues		16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000

		2024-2025 BUDGET												
		1	2	3	4	5	6	7	8	9	10	11	12	
		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Total
06 Other Income														
	06A Gift Shop Sales	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	31,200
	06B Interest Earned	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Total 06 Other Income		3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	45,600
		127,600	177,600	239,655	152,655	182,655	136,155	112,655	257,355	174,305	119,655	139,655	119,600	1,939,545
07 Educational Programs														
	07B Camps/Scouts/Outreach/Misc. Field Trips/ECO Tours/Preschool Supplies	1,200	1,200	750	750	750	750	750	750	750	750	1,200	1,200	10,800
	07D Stewardship Program Supplies		200	800	500	500	500	500	500	500	500	500	-	5,000
	07E Teacher Dev/Training	295	295	295	295	295	295	295	295	295	295	295	295	3,540
	07F In House Teachers (all teaching)	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	13,900	166,800
	07G Edu-tainers								-	-		2,000	-	2,000
	07H Transportation	9,000			2,000					2,000				13,000
	07I Curriculum Writing (All)	625	625	625	625	625	625	625	625	625	625	625	625	7,500
	07K Educational Grants	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Total 07 Educational Programs		25,170	16,370	16,520	18,220	16,220	16,220	16,220	16,220	18,220	16,220	18,670	16,170	210,440
08 Events/Festivals/Fundraising														
	08A Discovery Gala	25,000	25,000	55,000	-	5,000	-	-		5,000	5,000	5,000	15,000	140,000
	08I Lagoona Kahuna Clean-Up Challenge	-	-		-	-	-	-	-	-	1,000	4,000	-	5,000
	08L Haunted Corn Maze	-	-	-	1,000	1,000	-	-	-	-	-	-	-	2,000
	08M Major Gifts	800	800	800	800	800	800	800	800	800	800	800	800	9,600
	08N Brick Walkway	32,000	1,000	1,000	1,000	500	500	500	500	500	500	500	500	39,000
Total 08 Events/Festivals/Fundraising		57,800	26,800	56,800	2,800	7,300	1,300	1,300	1,300	6,300	7,300	10,300	16,300	195,600
10 Insurance														
	10A Liability Insurance	950	950	950	950	950	950	950	950	950	950	950	950	11,400
	10B Workers Comp Insurance	725	725	725	725	725	725	725	725	725	725	725	725	8,700
	10C Employee Health Insurance	3500	3700	3700	2200	2200	2200	2350	2350	2350	2350	2350	2350	31,600
Total 10 Insurance		5,175	5,375	5,375	3,875	3,875	3,875	4,025	4,025	4,025	4,025	4,025	4,025	51,700

		2024-2025 BUDGET												
		1	2	3	4	5	6	7	8	9	10	11	12	
		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Total
11 DC OPERATIONS														
	11A Accounting	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**
	11B Advertising/Marketing/Outreach/Sponsorship	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	**26,400**
	11C Bank Charges/Processing Fees	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**
	11E Copying Expenses - In-house	425	425	425	425	425	425	425	425	425	425	425	425	**5,100**
	11F Staff Development	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	**22,800**
	11G Dues & Subscriptions	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	**18,000**
	11I Exhibit Expenses	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	**33,000**
	11K Licenses & Permits	150	150	150	150	150	150	150	150	150	150	150	150	**1,800**
	11L Meetings/Appreciation	300	300	300	300	300	300	300	300	300	300	300	300	**3,600**
	11M Postage	500	500	500	500	1,000	500	500	500	500	1,000	500	500	**7,000**
	11N Printing (Newsletter)	5,000	-		-			-			-	-		**5,000**
	11O Security	54	54	54	54	54	54	54	54	54	54	54	54	**648**
	11P Supplies	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	**15,000**
	11Q Travel	350	350	350	350	350	350	350	350	350	350	350	350	**4,200**
	11R Technology	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	**30,000**
	11S Maintenance/Cleaning													
	11S.1 Cleaning	*625*	*625*	*625*	*625*	*625*	*625*	*625*	*625*	*625*	*625*	*625*	*625*	***7,500***
	11S.2 Maintenance - Building	*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***
	11S.4 Maintenance - Trails	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	*1,500*	***18,000***
	11S.5 Maintenance Garden	*150*	*150*	*150*	*150*	*150*	*150*	*150*	*150*	*150*	*3,000*	*150*	*150*	***4,650***
	11V Gift Shop	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***
	11X Rental Expenses	700	700	700	700	700	700	700	700	700	700	700	700	***8,400***
	11Y Membership Expenses	450	450	450	450	450	450	450	450	450	450	450	450	***5,400***
Total 11 DC OPERATIONS		**31,004**	**26,004**	**26,004**	**26,004**	**26,504**	**26,004**	**26,004**	**26,004**	**26,004**	**29,354**	**26,004**	**26,004**	**320,898**
12 Staff Salaries														
	12A Car Reimbursement	350	350	350	350	350	350	350	350	350	350	350	350	**4,200**
	12C Payroll Admin Expenses	350	350	350	350	350	350	350	350	350	350	350	350	**4,200**
	12D Payroll Taxes - Employer	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	**86,400**
	12E Staff Salaries/Wages	83,750	83,750	83,750	83,750	83,750	83,750	83,750	83,750	83,750	83,750	83,750	83,750	**1,005,000**
	12F Cell Phone Reimbursement	125	125	125	125	125	125	125	125	125	125	125	125	**1,500**
	12H Simple IRA	1,650	1,650	1,650	1,650	1,850	1,850	1,850	1,850	2,025	2,025	2,100	2,100	**22,250**

		2024-2025 BUDGET												
		1	2	3	4	5	6	7	8	9	10	11	12	
		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Total
Total 12 Staff Salaries		93,425	93,425	93,425	93,425	93,625	93,625	93,625	93,625	93,800	93,800	93,875	93,875	1,123,550
13 Taxes														
	13A Property Taxes	175	175	175	175	175	175	175	175	175	175	175	175	2,100
Total 13 Taxes		175	175	175	175	175	175	175	175	175	175	175	175	2,100
14 Utilities & Telephone														
	14A Gas & Electric	600	600	600	600	600	600	600	600	600	600	600	600	7,200
	14B Telephone & Internet	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
	14C Trash	200	200	200	200	200	200	200	200	200	200	200	200	2,400
	14D Water	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Total 14 Utilities & Telephone		2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	25,800
		214,899	170,299	200,449	146,649	149,849	143,349	143,499	143,499	150,674	153,024	155,199	158,699	1,930,088
		(87,299)	7,301	39,206	6,006	32,806	(7,194)	(30,844)	113,856	23,631	(33,369)	(15,544)	(39,099)	9,457
		(87,299)	(79,998)	(40,792)	(34,786)	(1,980)	(9,174)	(40,018)	73,838	97,469	64,100	48,556	9,457	

California State University
SAN MARCOS

College of Humanities, Arts, Behavioral & Social Sciences

Environmental Studies California State University San Marcos 333 S. Twin Oaks Valley Road San Marcos, CA 92096-0001

October 18, 2024

To Whom It May Concern:

I am writing in support Scott Johnson, Racheal Block, and Aleah Rubio, all of whom are in CSUSM's senior Capstone in Environmental Studies class. This group of students is engaged in a community-based research and restoration project with Agua Hedionda Lagoon and are seeking funding to support an ongoing restoration project.

The initiative focuses on addressing coastal bluff erosion at the North Shore Hubbs Trail. The ongoing erosion is currently degrading the landscape and contributing to flooding during rainstorms. This persistent issue creates unsafe conditions for the community and limiting access to essential recreational areas throughout much of the wet season. To address this ongoing issue, the use of the funds received from the grant will be used to purchase native plants, which will ultimately stabilize the soil through their deep root systems, improve local biodiversity, and support the long-term health of the lagoon. In addition, the funds will help with the purchase the necessary tools required for the restoration process.

In addition to the benefits to the Lagoon itself, this project is a fantastic opportunity to establish ties between the Agua Hedionda Lagoon Foundation and CSUSM for potential research and restoration projects with future students as well as volunteer opportunities.

The Environmental Studies Program at CSUSM has a long history of collaboration with community organizations who provide our students real-life experiences. One of the key learning outcomes of the Environmental Studies Program at CSUSM is fostering spaces for students to become future environmental leaders in their communities. This student-led, community-based project is an example of the success and drive of our students.

Thank you for your consideration,

Gabriel Valle Ph.D.
Associate Professor
Environmental Studies Program Director
California State University, San Marcos

California State University
SAN MARCOS

CHABSS Liberal Studies California State University San Marcos 333 S. Twin Oaks Valley Road San Marcos, CA 92096-0001

October 15, 2024

Dear San Marcos Community Foundation Board:

I am writing in support of Rachael Block, Aleah Magou and Scott Johnson, who are applying for a Mini Endowment Grant in partnership with the Agua Hedionda Lagoon Foundation. As students at CSUSM, they are spearheading a critical restoration project at the Agua Hedionda Lagoon, addressing severe coastal bluff erosion along the North Shore Hubbs Trail. This erosion exacerbates flooding risks and compromises community safety, while restricting access to important recreational areas.

Rachael, Aleah and Scott are seeking a Mini Grant from the SMCF to purchase native plants whose deep root systems will help to stabilize the soil, while also improving local biodiversity and promoting the long-term health of the lagoon ecosystem. The grant will also support the procurement of tools needed for planting.

This project not only offers significant environmental and community benefits, but also strengthens the partnership between CSUSM and the Agua Hedionda Lagoon Foundation. The students envision this collaboration as a starting point for future restoration projects and hands-on volunteer opportunities for the CSUSM community.

I am excited to support Rachael, Aleah and Scott in this endeavor, and believe their efforts will have a lasting positive impact on both the environment and the local community. By awarding this grant, the SMCF will be investing in an important local initiative with long-last impacts!

Sincerely,

Katie Cezo

Katie Cezo
Geography Lecturer
California State University San Marcos

Letter of Approval

October 29, 2024

I, Zac Clark, Executive Director, affirm that HomeMore Project Inc., DBA The HomeMore Project, EIN 85-2644419, recognized by the IRS and the State of California, is in good standing with both entities. We are still in good standing being a 501(c)(3) nonprofit organization. Board Chair, Shelley London and I are supportive of applying to this grant.

Thank you so much for your time, consideration, and the opportunity to collaborate with you to serve the homeless community.

Sincerely,

Shelley London
Chair

Zac Clark
Founder & Executive Director

Title

The HomeMore Project, Makeshift Traveler backpack for the Homeless in San Marcos

10/29/2024

id. 48670435

by **Zac Clark** in **San Marcos Community Foundation**
on behalf of **HomeMore Project Inc**

10824 Lindbrook Drive
Suite 121
Los Angeles, California
90024
CA
United States
6284448094
zac@homemoreproject.org

Original Submission

10/29/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	The HomeMore Project, Makeshift Traveler backpack for the Homeless in San Marcos
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	Makeshift Traveler backpack for the Homeless in San Marcos
Project Start Date	3/1/2025
Project End Date	5/31/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	1000.0
Total Number of People Served by this Project in San Marcos Only	10.0

Grant Amount Requested	500.0
	Organization Details
Organization Name	The HomeMore Project
Organization Street Address	10824 Lindbrook Drive, Suite 121
Organization City	Los Angeles
Organization State	CA
Organization Zip Code	90024
Organization Website	https://www.thehomemoreproject.org
Organization's EIN	85-2644419 200 HomeMore Project Inc 21c53de0-de50-4980-816d-2e65222431e7 1600 Bryant St #411447 Smb#51223 San Francisco CA 94141 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-10-15T00:00:00 2024-10-28T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-10-15T00:00:00 2020 10
	Contact Information
Contact First Name	Zac
Contact Last Name	Clark
Contact Title	Founder and Executive Director
Contact Phone	+16284448094
Contact Email	zac@homemoreproject.org

	Project Details
Briefly describe your request for funds.	The HomeMore Project kindly requests $500 to support the manufacturing, equipment of belongings, and delivery of our Makeshift Traveler to 5 individuals experiencing homelessness in the San Marcos community, expanding on the 5 packs that we delivered earlier this year. Our Makeshift Traveler is a backpack specifically tailored to the needs of an individual experiencing homelessness. The pack was designed sustainably with a goal to serve as premium storage until obtaining permanent housing. The pack is made from recycled water bottles, creating a waterproof and robust hardshell to make up the outer portion of the pack. Notably, the pack features a solar panel with a battery pack and USB charging port, as nearly 70% of those without homes rely on their phones to connect with loved ones and access critical services. The bottom of the pack also features a nylon pillow, which can puff out by inserting a t-shirt inside the backpack. This is both a comfort feature and a security feature, as theft is a common occurrence during the evening hours. We include a sleeping bag, poncho, radio, flashlight, ID card, socks, hygiene kit, water bottle, and lockbox for important belongings.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	It is crucial to leverage technology, innovation, and creativity to address the daily obstacles and long-term impacts faced by individuals experiencing homelessness. According to UCSF, around 70% of the homeless population in California possess cell phones, which serve as their means to connect with loved ones and access vital services. However, the lack of places and opportunities to charge their phones becomes a significant barrier. We have spoken to hundreds of individuals who have expressed that a simple phone call or email could have potentially secured them housing, but without a reliable connection, they were pushed to the back of the line. Moreover, homelessness presents numerous challenges when it comes to keeping one's belongings safe, dry, secure, and usable. Given the various elements and conditions faced by those without homes, maintaining the safety of belongings in everyday backpacks can be incredibly challenging. The features and the need for frequent use of these belongings create a considerable obstacle in terms of storage longevity until individuals secure permanent housing.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	The HomeMore Project currently partners with over 15 organizations throughout San Diego County, although none of them are currently operating in San Marcos.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	The HomeMore Project received $500 to distribute 5 Makeshift Travelers in the San Marcos area in San Diego County earlier this year. We are kindly requesting $500 to distribute another 5 this year.

Please upload the annual operating budget for your organization.

2024_Operating_Budget_Board_Approved_-_2024_HomeMore_Operating_Budget_1.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

Signature-_San_Marcos_Community_Foundation.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	500.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	The HomeMore Project is able to distribute a Makeshift Traveler for every $100 we receive; therefore, this grant is important to continue building on the work that we did from the last $500 grant.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Makeshift Traveler Units (5)	*$310*	
Included Items within Each Makeshift Traveler (5 Sets)	$165	
Logistics: Delivery (Two Trips)	$25	
Total budget for this PROJECT:		

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Del E. Webb Foundation	$10000	C
Additional Funding Source 2	John W. Porter Trust	$3,000	C
Additional Funding Source 3	Creag Foundation	$3,000	C
Additional Funding Source 4	Lucky Duck Foundation	$5,000	C
Additional Funding Source 5	Healthcare Advocates International	$5,000	C
Additional Funding Source 6	CPPS Heritage Mission Fund	$5,000	C
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

The HomeMore Project Budget Compliments of

2024 Projected Organizational Operating Budget

January 1, 2024- December 31, 2024

Expenses: Human Resources (minimal required)	**Total Cost for 2024**	**Notes**
Finance and Accounting Manager (Contracted)	$2,500	Includes contracted professional services
Nonprofit Attorney (Contracted)	$2,500	Includes contracted professional services
Intern, Specialist & Associate Stipends (5-10 hours per week)	$4,000	Includes 20 Interns ($2,000), 8 Leads ($2,000)
Total Expenses for Human Resources in 2024:	**$9,000**	

Expenses: Makeshift Traveler Program (1000 Units)	**Total Cost for 2024**	**Notes**
Makeshift Traveler Unit	$60,640	Includes the backpack indepdent of added materials
Makeshift Traveler Included Materials	$22,080	Includes solely added materials: sleeping bag, radio, etc.
Logistics: Shipping from China	$16,000	Includes Shipping Packs & Materials from China
Logistics: Transportation	$7,500	Includes Transportation of Packs to Partners & Storage
Total Expenses for Makeshift Traveler in 2024:	**$106,220**	

Expenses: General and Administrative	**Total Cost for 2024**	**Notes**
Cell Phone	$850	
Insurance (liability, directors & officers)	$2,000	
Website Maintenance	$500	
Supplies (office and field)	$1,500	
HomeMore Merchandise for Volunteers and Team Members	$1,500	
DonorBox/Donation Platform Fees	$1,000	
In-Person Board Meeting Event Budgeted Amount	$500	Includes venue, food, etc.
Total Expenses for GA in 2024:	**$7,850**	

Expenses: Fundraising	**Total Cost for 2024**	**Notes**
Advertising and Marketing	$1,000	
Direct Mail Campaigns	$500	

Promotional Materials	$1,500	
Total Expenses for Fundraising in 2024:	**$3,000**	
Total Expenses for 2024:	**$126,070**	
Anticipated Revenue	**Total Revenue for 2024**	**Notes**
Individual Contributions (memberships, one-time donations)	$50,000	Based on previous years donations
Corporate and Foundation Grants	$100,000	Factors 20 grants on average $5,000 each
Contracted Services	$50,000	Factors 5 Pilots with local agencies at $10,000 each
Government Funding	$20,000	Facts 4 Pilots with Political Figures at $5,000 each
Partnership Events	$5,000	Examples: Madewell Clothing, Speaking Events, etc.
Merchandise Sales	$2,500	Sales of T-Shirts and Makeshift Travelers
In-Kind	$50,000	Bombas Socks, Donated Items
Total Anticipated Revenue for 2024:	**$277,500**	

Kiwanis

Lake San Marcos Kiwanis Club Foundation

Board of Directors

Jan Conkright, President
Margo Dutton, Past President
Toni Johnson, President-Elect
Carrie Clevers, Treasurer
John Gibbs, Director
James Murphy, Director
Debbie Beauchesne, Director
David DaCosta, Director
Pat Haugen, Secretary

October 9, 2024

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

To Whom It May Concern:

The Lake San Marcos Kiwanis Club Foundation wishes to submit a grant application to support our holiday gift to the community - The Annual Kiwanis San Marcos Holiday Parade is scheduled for Sunday, December 8, 2024.

Our parade costs are much higher than expected this year due to the need to pay an outside contractor to provide traffic safety.

Our Members and Board of Directors would be so grateful if you could help us with the costs of putting on this event.

Public acknowledgement of your support will be posted on our website and Facebook pages:
http://www.facebook.com/KiwanisClubLakeSanMarcos
http://www.lsmkiwanis.org/LSM_Kiwanis/Donors_Link.html

Thank you so much for your support.

Pat Haugen

Pat Haugen, Secretary and
Chief Operating Officer
Cell 925-348-3834
for Jan Conkright, President

Title

Lake San Marcos Kiwanis Club Foundation - Assistance with Holiday Parade Traffic & Safety Costs

10/10/2024

id. 48450839

by **PAT HAUGEN** in **San Marcos Community Foundation**
on behalf of **Lake San Marcos Kiwanis Club Foundation Inc**

pat.haugen@yahoo.com

Original Submission

10/10/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Lake San Marcos Kiwanis Club Foundation - Assistance with Holiday Parade Traffic & Safety Costs
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	Assistance with Holiday Parade Traffic & Safety Costs
Project Start Date	12/8/2024
Project End Date	12/8/2024
Date by Which Funds Will Be Expended:	12/31/2024
Total Number of People Served by this Project	1200.0
Total Number of People Served by this Project in San Marcos Only	1200.0
Grant Amount Requested	1500.0

	Organization Details
Organization Name	Lake San Marcos Kiwanis Club Foundation
Organization Street Address	1030 LA BONITA DR, SUITE 342
Organization City	SAN MARCOS
Organization State	CA
Organization Zip Code	92078
Organization Website	LSMKiwanis.org
Organization's EIN	33-0345204 200 Lake San Marcos Kiwanis Club Foundation Inc 57152462-625c-420b-80df-da682d2ec672 1030 La Bonita Dr Ste 342 San Marcos CA 92078 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-10-07T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-09-09T00:00:00 1993 12
	Contact Information
Contact First Name	Pat
Contact Last Name	Haugen
Contact Title	Club/Foundation Secretary
Contact Phone	+19253483834
Contact Email	pat.haugen@yahoo.com
	Project Details

Briefly describe your request for funds.	Request for $1500 to pay for a portion of the traffic and safety costs of the Annual Kiwanis San Marcos Holiday Parade scheduled for December 8, 2024.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	To ensure a safe event for the parade participants and viewing crowd, we will be coordinating with San Marcos Public Works and using a contractor, Hiway Safety, to provide cones and barricades for the assembly area at Palomar College Lot 9 and the road closures along the parade route. Marching in parade last year were 255 youth aged 0-12 years old, 600 teens, and 300 adults; and we expect an increase this year. The viewing crowd along the Mission Road parade route will be in the thousands.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	City of SanMarcos, SanMarcos Sheriff's Station, Senior Patrol Volunteers, PalomarCollege and PalomarCollegeCampusPolice, and many San Marcos community volunteers are integral to achieving our mission.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	none

Please upload the annual operating budget for your organization.

LSMKCFoundation_Budget_2024-2025.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

SMCF_Signed_Letter_2024_10_9.pdf

	Funding
Budget Worksheet	

San Marcos Community Foundation - Budget Worksheet.xlsx

Project Budget Total	12985.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No

Additional Funding

SMCF Budget Worksheet 2.xlsx

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	A new expense this year is the Hiway Safety invoice at $7,000. Without the full grant request, we will still run the project. The City Administration and Sheriff's Station are donating their time.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Hiway Safety - provide street barricades and control intersections	*$7,000*	
North County Transit District permit fee	$650	
Trophies	$450	
Office supplies, postage, advertising	$750	
Senior Patrol Volunteers stipend	$250	
Diamond Environmental - portable restrooms for Assembly area	$600	
Stipends for bands: SMHS, MHHS, UCR Pipe Band	$3,000	
Trailer rental	$85	
Donuts, coffee, water for Assembly area volunteers (50)	$200	
Total budget for this PROJECT:	$12,985	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Friends of San Marcos Parks & Recreation Fdn	$1,000	C
Additional Funding Source 2	County Supervisor NRP	$5,000 - applied for	P
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Lake San Marcos Kiwanis Club Foundation, Inc
Budget
October 1, 2024 - September 30, 2025

Income	
Contributions, Community	1,000
Contributions, Members	2,500
Interest: CNH Investors and Edward Jones CD	2,800
Holiday Parade - entrant fees, donations	1,050
July 4th	100
Marine Holiday Party	150
One Safe Place Holiday Party	500
Pancake Breakfast Income	12,000
Ralphs Rewards	4
Recycle CRV	300
Scholarship Restricted Contribution	500
Total Income	20,904
Expense	
Youth Support	
Boys & Girls Club, San Marcos	500
Boy Scouts of America, Cub Scouts, Pack 662	375
Future Farmers of America, SMHS Ag Boosters	1,500
Key Club: Key Leader Camp, Fall Rally, DCON	3,000
Scholarships - Current Year	12,000
Scholarships - Prior Year Liability	5,000
Scholarships - Awards Luncheon for Scholar/Parent	2,000
Charities	
The Arc of San Diego	500
Boys & Girls Club	500
CNH Children's Fund - Yes Initiative	500
International Outreach - Peru	575
KI Children's Fund	100
Meals on Wheels	500
MMQ, Rady Children's Foundation	500
San Marcos Educational Foundation	500
Solutions for Change	500
Service Awards - CNH Foundation	500
Service Projects	
Flag Retirement Ceremony	50
Literacy Program - books purchased in prior FY	-
Marines - USMC 1st ANGLICO	150
One Safe Place/PalomarHealth Fdn/OliveCrest	500
San Marcos Holiday Parade	12,935
Sheriff's Dept's Rise Above Youth Academy	2,400
Fundraising	
Pancake Breakfast Expense & Sales Tax	3,000
Administrative Costs	
Bank Services Charges	2
Insurance, Member Liability, D&O, Risk	770
Legal Compliance	75
Supplies, photocopying, postage	50
Storage Rental	3,500
Total Expenses	52,482
Net	(31,578)

NORTH COUNTY
EDUCATION FOUNDATION

October 7, 2024

Dear San Marcos Community Foundation,

On behalf of the North County Educational Foundation (NCEF) and The Classical Academies, I am writing to express my enthusiastic support for the grant application submitted to the San Marcos Community Foundation for Super STEM Saturday.

As an organization dedicated to helping youth reach their full potential by becoming thinkers, communicators, and achievers, we are proud to support community events like Super STEM Saturday. This event offers a valuable platform where youth can explore STEM, spark their curiosity, and challenge their thinking.

In collaboration with Cal State University San Marcos, Super STEM Saturday draws 15,000–20,000 attendees and enriches the educational experience of San Marcos youth. The event fosters meaningful partnerships between industry leaders, students, and the broader community. We are excited about its positive impact on local families and the many learning opportunities it provides.

We respectfully request a $1,000 sponsorship from the San Marcos Community Foundation to help keep this event free for all families. Your contribution will be instrumental in ensuring the continued success and growth of this project.

We deeply appreciate your consideration and believe that Super STEM Saturday will have a lasting impact on the San Marcos community. We would be honored to partner with the San Marcos Community Foundation in this effort. Please don't hesitate to reach out if you require any further information or support.

Thank you for your time and consideration.

Warm regards,

Mark Kalpakgian

Mark Kalpakgian
Chief Operating Officer
The Classical Academies
mark@classicalacademy.com

Title

North County Education Foundation/Classical Academies - Super STEM Saturday

10/07/2024

id. 47737712

by **Kjerstie Bourne** in **San Marcos Community Foundation**
on behalf of **North County Education Foundation Inc**

kbourne@classicalacademy.com

Original Submission

10/07/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	North County Education Foundation/Classical Academies - Super STEM Saturday
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	Super STEM Saturday
Project Start Date	3/8/2025
Project End Date	3/8/2025
Date by Which Funds Will Be Expended:	3/8/2025
Total Number of People Served by this Project	18000.0
Total Number of People Served by this Project in San Marcos Only	6000.0
Grant Amount Requested	1000.0

	Organization Details
Organization Name	North County Education Foundation (NCEF) / Classical Academies
Organization Street Address	355 E. Grand Avenue
Organization City	Escondido
Organization State	CA
Organization Zip Code	92025
Organization Website	https://www.classicalacademy.com/community/super-stem-saturday
Organization's EIN	04-3694280 200 North County Education Foundation Inc 0e9c7cda-8c75-4850-b339-1bbc973e57f1 355 E Grand Ave Escondido CA 92025 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-10-07T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-09-09T00:00:00 2006 08
	Contact Information
Contact First Name	Kjerstie
Contact Last Name	Bourne
Contact Title	Development Manager
Contact Phone	+18584423421
Contact Email	kbourne@classicalacademy.com
	Project Details

Briefly describe your request for funds.	Super STEM Saturday is a free, educational community event hosted in partnership with North County Education Foundation (NCEF) / Classical Academies and Cal State University San Marcos (CSUSM). Children of all ages come to discover science, reimagine technology, create engineering, and explore math. We are excited to invite SMCF to become a sponsor of our annual Super STEM Saturday Conference, scheduled for March 8, 2025, at CSUSM. **Event Highlights:** • Free educational community event held in partnership with CSUSM • Expected attendance: 18,000+ • 110+ interactive break-out sessions • Featured attractions: STEM magic show, rocket launch booth, Rubik's cube competition, and much more NCEF / Classical Academies requests a 1,000 sponsorship from SMCF to help continue to provide the popular event free to the community. The sponsorship levels and benefits are attached to the application.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Thousands of San Marcos families attend the free STEM festival filled with hands-on experiments, live demonstrations, and exciting day-of challenges that will ignite curiosity and deepen love for STEM. Goals: 1. STEM inspiration and engagement 2. Exploration of STEM Careers 3. Promote STEM learning as fun and enjoyable 4. Free event that opens STEM horizons to all demographics and students from all backgrounds
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	NCEF/Classical Academies partner with CSUSM to plan and co-host Super STEM Saturday. This annual event removes cost barriers by offering no-charge entry and coordinating free parking for attendees.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	No, We have not received prior funds from SMCF. The annual community event has become a source of pride for our community, showcasing the San Marcos commitment to STEM education and the STEM industry.

Please upload the annual operating budget for your organization.

NCEF_Budget_2024-2025.pdf

Super_STEM_Budget.pdf

Sponsorship_2025_Super_STEM.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

signed_LOS_SMCF_-_1000_sponsorship.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	55000.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	We've collaborated with CSUSM for over 15 years on the annual event that's growing in size, excitement, and cost. Without funding, we may need to reevaluate budget & offerings, including free parking.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Main Event charges	*21,100.00*	*Ex: Parking lot, parking passes, booth supplies, PA system, ambulance, insurance, etc.*
Booth Charges	25,000.00	Ex: Power Cords, rental canopies, rental tables, rental chairs, trash/recycle, etc.
CSUSM Labor	3,025.00	CSUSM Student and CSUSM Professional Staff
Classical Academies Labor	-	Educational and Admin Staff volunteer time
USU Spaces	1,500.00	Ex: Ballroom, Amphitheater, Sounds System, AV Technician, etc.
CSUSM Spaces	1,742.00	Ex: Palm Court, Chavez Plaza, Forum Plaza, Kellogg Plaza, Classrooms, etc.
Supplies	2,633.00	STEM supplies for booths
Total budget for this PROJECT:		

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Pacific Premier Bank	5,000.00	c
Additional Funding Source 2	San Diego Foundation	1,000.00	c
Additional Funding Source 3	General Atomics	2,500.00	p
Additional Funding Source 4	Medtronic	1,500.00	p
Additional Funding Source 5	Viasat	10,000.00	p
Additional Funding Source 6	Cox	5,000.00	p
Additional Funding Source 7	Thermofisher	5,000.00	p
Additional Funding Source 8	Tri-City Medical Center	5,000.00	p
Additional Funding Source 9			
Additional Funding Source 10			

NORTH COUNTY EDUCATION FOUNDATION

Super STEM Budget 2025

Description		Rate	
Main Event charges	Ex: Parking lot, parking passes, booth supplies, PA system, ambulance, insurance, etc.	$	21,100.00
Booth Charges	Ex: Power Cords, rental canopies, rental tables, rental chairs, trash/recycle, etc.	$	25,000.00
Labor	CSUSM Student and CSUSM Professional Staff	$	3,025.00
USU Spaces	Ex: Ballroom, Amphitheater, Sounds System, AV Technician, etc.	$	1,500.00
CSUSM Spaces	Ex: Palm Court, Chavez Plaza, Forum Plaza, Kellogg Plaza, Classrooms, etc.	$	1,742.00
Supplies	STEM supplies for booths	$	2,633.00
	Total	$	55,000.00

NORTH COUNTY EDUCATION FOUNDATION

Budget 2024 -2025

Expected Income/Donation Revenue		
Sports Fees	$	40,000
Sports Fundraisers	$	100,000
Scholarships	$	18,000
Endowment	$	40,000
School Grants	$	200,000
One Day for Education	$	40,000
Super STEM Saturday	$	25,000
Year End Campaign	$	50,000
JumpStart Conference	$	25,000
Matching Gifts	$	115,000
INVEST	$	10,000
Charter Stars TBD	$	60,000
Misc.	$	7,000
Total Income/Donation Revenue	$	730,000
Expenses		
Biennial Charter Stars	$	40,000
Commenrative Brick Etching at CA & CAHS	$	500
Misc. and Credit Card Fees 3%	$	10,000
Donor Cultivation - Appreciation events, donor	$	20,000
Employee Recognition - Excellence Awards, Site	$	30,000
Endowment Investments - TBD Board Approved	$	50,000
Scholarships	$	17,000
Finance Audit and Bank Fees	$	15,000
Sports	$	115,000
JumpStart	$	15,000
NCEF Management Services Agreement	$	20,000
One Day for Education and Year End Campaign	$	3,500
Restricted donations/grants from funders	$	200,000
Site funding priorities - Board Approved	$	100,000
Software Subscriptions (Bloomerang/GiveButter	$	5,500
Printing and postage	$	2,500
Super STEM Saturday	$	25,000
Total Expense	$	669,000
Net Income	$	61,000

EVENT SPONSORSHIP

MARCH 8, 2025

Super STEM Saturday is a free, educational community event that inspires students to explore Science, Technology, Engineering, and Math. This annual event welcomes over 18,000 attendees to the Cal State University San Marcos campus to explore hands-on demonstrations, interactive displays, scientist chats, experiments, competitions, and more! Super STEM Saturday is a part of the San Diego Festival of Science & Engineering, the largest celebration of innovation and science education in Southern California. Businesses, corporations, and individuals are invited to sponsor the event or host a booth.

California State University San Marcos
333 S Twin Oaks Valley Rd, San Marcos, CA 92096

SPONSORSHIP LEVELS

ATOMIC
$10,000

- Opportunity to give a "Scientist Chat"
- Opportunity to speak at event opening ceremony
- Logo placed prominently in event program
- Company name listed in pre and post press releases as a title sponsor
- Interactive booth has prominent main entrance placement
- Complimentary lunch for all sponsor attendees
- Logo on event promotional items
- Company name listed in pre and post press release
- Logo on The Classical Academy and CSUSM's websites
- Interactive booth at event
- Logo in event program

COSMIC
$5,000

- Interactive booth has prominent main entrance placement
- Complimentary lunch for all sponsor attendees
- Logo on event promotional items
- Company name listed in pre and post press release
- Logo on The Classical Academy and CSUSM's websites
- Interactive booth at event
- Logo in event program

GRAVITY
$2,500

- Logo on event promotional items
- Company name listed in pre and post press release
- Logo on The Classical Academy and CSUSM's websites
- Interactive booth at event
- Logo in event program

PHOTON
$1,000

- Logo on The Classical Academy and CSUSM's websites
- Interactive booth at event
- Logo in event program

SUPER STEM SATURDAY

The Classical Academies is a registered 501(3) non-profit. All sponsorships are tax-deductible. Contact us at foundation@classicalacademy.com for more information. Checks can be made payable to the North County Education Foundation (Tax ID #04-3694280).

North County Education Foundation
355 East Grand Avenue, Escondido, CA 92025 • 760-535-5189

California State University SAN MARCOS

Bloom Institute Festival of Science & Engineering San Diego

The Classical Academies

TRAVELERS AID
SAN DIEGO

2615 CAMINO DEL RIO S., SUITE 103 • SAN DIEGO, CALIFORNIA 92108-3713 • TELEPHONE (619) 295-8393 • FAX (619) 295-3217

CHAIR OF THE BOARD
Jordan Williams
Strom Commercial Real Estate

VP, ADMINISTRATION
Sharon Bogdanski
PAVmed, Inc

VP, DEVELOPMENT
Atticus Hickok
Blanchard

VP, FINANCE
Ky Reding
Alliant Insurance Services

IMMEDIATE PAST CHAIR
Janet E. Ford, Emeritus
Retired Educator

DIRECTORS

Jake Craigmile
Three Omens

Alfonso Hernandez
Five Star Tours

Kara Kohnen
Grow Through Life Counseling

Mistie McDougall
Torrey Pines Bank

Barbara McNeese
Volunteer Ambassador

Meagan Schmidt
MMS Consulting

Sarah Scott
The Scott Group San Diego

Gary Zeugschmidt
Zeugschmidt Motor Cars

PRESIDENT
Marcy W. Roke

MEMBERS EMERITUS
Amy Martel
Anthony Palmeri

123 years of service to
our community

October 30, 2024

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

Attn: Mini Endowment Grant Submission

To Whom It May Concern:

I am pleased to present Travelers Aid Society's application for a Mini Endowment Grant to support our *Journey to Safety* Program. Funds will be used to assist individuals and their dependent children who are fleeing from domestic violence. Included with our submission is our application and a FY2025 Operating Budget for our organization.

I am fully supportive of the program and this application for funding. We welcome any questions or conversations that may aide in your consideration of our application.

Gratefully,

Marcy Roke
President & CEO
marcy@traveleraidsandiego.org
619-295-8393, ext. 317

Title

Travelers Aid Society of San Diego; Journey to Safety

10/30/2024

id. 48677215

by **Shannon Lamoureux** in **San Marcos Community Foundation**
on behalf of **Travelers Aid Society of San Diego Inc**
shannon@travelersaidsandiego.org

Original Submission

10/30/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Travelers Aid Society of San Diego; Journey to Safety
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	Journey to Safety (J2S)
Project Start Date	1/1/2025
Project End Date	6/30/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	15.0
Total Number of People Served by this Project in San Marcos Only	15.0
Grant Amount Requested	1500.0
	Organization Details
Organization Name	Travelers Aid Society of San Diego

Organization Street Address	2615 Camino del Rio South, Suite 103
Organization City	San Diego
Organization State	CA
Organization Zip Code	92108
Organization Website	https://travelersaidsandiego.org/
Organization's EIN	95-1727674 200 Travelers Aid Society of San Diego, Inc. 3cd16e8b-264a-427d-aef8-0b544c2cb7f5 2615 Camino del Rio S. Suite 103 San Diego CA 92108 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-10-15T00:00:00 2024-10-28T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-10-15T00:00:00 1942 03
	Contact Information
Contact First Name	Adrianna
Contact Last Name	Yemhatpe
Contact Title	Director of Social Services
Contact Phone	+16192958393
Contact Email	adrianna@travelersaidsandiego.org
	Project Details

Briefly describe your request for funds.	*Journey to Safety* assists survivors of domestic violence (and their dependent children) with safe transportation options—both local and outside the region—to places of safety, including hotels, court, police stations, and family justice centers; case management; information and referrals; and supportive wrap-around services such as overnight accommodations, food, and gas vouchers for emergency situations. Airfare trips are provided when individuals are reconnecting with family members in another part of the country to obtain safe housing. We provide gas vouchers for those with their own vehicles but who need financial assistance to make it to local appointments at courthouses and safe havens, or for out-of-town travel to obtain safe housing. Local transportation options include Lyft rideshare trips. We provide hotel stays when necessary for clients who may require a safe night's sleep prior to a scheduled flight, or for those traveling long distances in their own vehicles. Food vouchers assist those traveling further distances who require additional assistance. The SD District Attorney's Office reported 1,892 domestic violence-related cases in 2023; *Journey to Safety* alleviates transportation barriers that impact this population's access to safety and allows for individualized solutions, recognizing that each situation is unique and therefore the resolution must be as well.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	We currently receive funding from the County of San Diego's District Attorney's Office; our initial goal was to improve the lives of 256 survivors within the County of San Diego over the course of the 18-month grant period, reducing the number of people who will ultimately become homeless or victims of secondary crime by remaining in unsafe situations. As of September, 2024, we have assisted 235 individuals and families with in-county and out-of-county transportation and have three months remaining of the program funding. The North County Family Justice Center, One Safe Place, is critical to survivors of domestic violence (DV) in the San Marcos community, and *Journey to Safety* works to support their mission by providing transportation to increase access to resources through direct referrals from DV advocates and partner agencies. Many of the local in-county trips occur to or from the San Marcos One Safe Place facility. As a partner agency, Travelers Aid has the ability to use work space at this location when needed. With this funding we plan to assist 15 unduplicated individuals and dependent children in San Marcos to go to and from One Safe Place to receive resources and support.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	Yes; we have an MOU with One Safe Place, which houses Crisis House, Palomar Health, SD Regional Center, the Women's Resource Center. TASD is a member of the North County Domestic Violence Council.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	No.

Please upload the annual operating budget for your organization.

TASD_Annual_Budget_FY2025.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

TASD_City_of_San_Marcos_Mini_Grant_Grant_FY25.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	64175.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	J2S provides individualized transportation options to those fleeing DV, and is supported by diverse funding sources. J2S is scalable, and the project can run if the full grant request is not received.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Hotel Room Night Stays: @$150	*$150*	*1 night*
Food vouchers: @$50	$100	2 gift cards
Airfare trips: @$300	$600	2 flights
Rideshare (Lyft) Trips: @$45	$450	10 rides
Gas Vouchers/Cards: @$50	$200	4 gift cards
Total budget for this PROJECT:	$1500	

	Source Name	Amount
Additional Funding Source 1	Travelers Aid General Fund	$10,000
Additional Funding Source 2	County of SD DA Community Grant Program FY24 carry-ver	$14,675
Additional Funding Source 3	Kinship Fund	$1,000
Additional Funding Source 4	Downtown San Diego Lions Club	$7,000
Additional Funding Source 5	County of SD DA Community Grant Program FY25 (1/2 year)	$25,000
Additional Funding Source 6	TJX Foundation	$5,000
Additional Funding Source 7		
Additional Funding Source 8		
Additional Funding Source 9		
Additional Funding Source 10		

C / CD / P
C
C
C
C
P
P

Travelers Aid Society Budget FY2025

Support & Revenue	**Budget FY2025**
Contributions, Individuals (fundraising)	$30,000.00
Contributions, Corporation	$10,000.00
Contributions, Foundations	$30,000.00
SANDAG	
SMG SenioRide Cycle 12	$243,000.00
5310 Senior Solutions Cycle 12	$60,000.00
5310 RIDEFinder Cycle 11	
5310 RIDEFinder Cycle 12	$93,000.00
5310 Cycle 11 ARPA	
City of San Diego	
CDBG Senior Solutions	$117,000.00
Economic Development/TOT	$0.00
City of San Diego CPPS	$6,000.00
County of San Diego	
Comm.Enchancement (for Visitor Svcs)	$15,000.00
District Attn Office (Journey to Safety)	$50,000.00
Interest	$11,200.00
TAI Scholarship for Conference	$1,200.00
Miscellaneous	$250.00
Total Revenue & Support	**$666,650.00**
Expenses	
Salaries & Wages	$256,000.00
Payroll Taxes	$23,000.00
Health Insurance	$25,000.00
Dental/Vision	$1,300.00
Life Insurance	$2,300.00
Workers' Comp Insurance	$1,300.00
Total Personnel Expenses	**$308,900.00**
Audit	$6,000.00
Accounting Services	$4,400.00
Accounting services ERTC	$0.00
Supplies and Equipment	$1,500.00
Telephone Service (Admin Office)	$2,300.00
Telephone & Internet (Train Station)	$1,000.00
Internet (Admin Office)	$1,000.00
Postage & Shipping	$1,800.00
Office Expense	$4,000.00
Occupancy - Rent	$32,000.00
Insurance	$7,070.00
Mktg & PR (NFG, printing, copies)	$10,000.00
Mileage & Parking	$250.00
Equipment Maintenance/Lease	$0.00
Transportation Assistance to Clients:	$0.00
SANDAG Programs	$165,000.00
Senior Solutions/CDBG	$72,600.00
Homeless Services at SVDP	$500.00
Senior Solutions/American Cancer Soc	$10,000.00
DA's Office Journey to Safety	$18,000.00
Transp. Assistance Other Grants	$10,000.00
Consulting Services	$1,000.00
Meetings & Conferences	$1,600.00
Organization Dues	$1,200.00
Miscellaneous	$1,000.00
Support to Travelers Aid International	$750.00
Bank Fees	$400.00
Late fees/Penalties	$0.00
Total Non-Personnel Expenses	**$353,370.00**
Total Expenses	**$662,270.00**
Excess (Deficit)	**$4,380.00**

Joseph & Lenka Finci
Jewish Community Building
4950 Murphy Canyon Road
San Diego, CA 92123

(858) 279-2740 tel
(858) 279-6105 fax

www.jcfsandiego.org

Chair
Tina Beranbaum

Vice Chair
Ron Friedman

Treasurer
Michael Levinson

Assistant Treasurer
Andy Ratner

Secretary
Theresa Dupuis

General Counsel
Lawrence Sherman

Directors
Ben Arnold
David Bark
Debby Cushman-Parrish
Judi Gottschalk
Elena High
Larry Katz
Taylor Lucas
Jeff Platt
Barbara Sherman
Nancy Spector

Immediate Past Chair
Graeme Gabriel

Past Chairs
Carl Esenoff*
Victor Schulman*
Herbert Solomon
Stanley Foster*
Nessim Tiano*
Jerome Katzin*
Rodney Stone
Shearn Platt*
Lawrence Sherman
Pauline Foster*
Jack Schuster
Andrew Viterbi
Edgar Berner
Sheila Potiker*
Murray Galinson*
Emily Einhorn
Jeff Silberman
Jane Scher
Sydney Selati*
Leo Spiegel
Janet Acheatel
Graeme Gabriel
**of blessed memory*

President and
Chief Executive Officer
Miriam and Jerome Katzin Presidential Chair
Jeremy Pearl

October 1, 2024

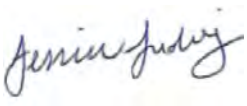
San Marcos Community Foundation
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069

Dear Phil:

Enclosed please find the Fall 2024 grants package, containing 13 full applications for the San Marcos Community Foundation grant opportunity. The applicants include:

Big Brothers Big Sisters of San Diego County
Boys & Girls Club of San Marcos
Breast Cancer Angels
Casa De Amparo
Community Resource Center
Equation Collaborative
Fresh Start Surgical Gifts
Home of Guiding Hands + their audited financials attached separately
Luminary Arts Corporation
National Conflict Resolution Center
Ride Above Disability Therapeutic Riding Center
San Diego-Imperial Council Boy Scouts of America
Solutions for Change

Sincerely,



Jessica Ludwig
Grants Officer

Enclosure

Big Brothers Big Sisters
OF SAN DIEGO COUNTY

September 25, 2024

San Marcos Community Foundation
C/O Jewish Community Foundation San Diego
4950 Murphy Canyon Road
San Diego, CA 92123

Dear Members of the San Marcos Community Foundation,

Big Brothers Big Sisters of San Diego County (BBBS San Diego) greatly appreciates the opportunity to present this request for grant funding to support our project, Improving Health and Well-being for San Marcos Youth Through Proven Mentoring Program, serving at-promise youth and their families within the San Marcos community.

Our empirically based program is one of the most impactful and cost-effective strategies to tackle serious problems affecting children and teens today. The success of our proven mentoring program proves there is tremendous potential in at-promise youth. Most often, children and teens who struggle the most have the capability to persevere and overcome the most. They have the capacity to change their life with the right guidance and inspiration. The potential outcome of nurturing these youth is multi-faceted, changing immediate issues we see with at-promise youth (i.e., mental health problems, school dropouts, drug/alcohol use, gang association, human trafficking), which in time, creates new paradigms for these youth, their families, and communities. As each child creates a new, healthy self-image, builds confidence to back out of otherwise tempting and poor choices, realizes opportunities life has for them enough to believe them and plan for them, this child – and all who surround him – are forever changed.

We are most grateful for the support you have contributed towards this program over the past two years, and it is our sincerest hope that the information we have shared through our application this year may inspire you to continue your investment to our organization. I wholeheartedly support the submission of this grant request and truly appreciate your review and consideration. Please do not hesitate to reach me by phone at 619-504-1579 or email at TinaR@sdbigs.org if there are any questions or anything I can do for you.

Sincerely,

Tina Rose
Chief Executive Officer and President

Title

Big Brothers Big Sisters of San Diego County – Improving Health and Well-being for San Marcos Youth Through Proven Mentoring Program

09/25/2024

id. 47606977

by **Tina Rose** in **San Marcos Community Foundation**
on behalf of **Big Brothers Big Sisters of San Diego County, Inc.**

4305 University Avenue
Suite 300
San Diego, California
92105-1699
United States
858-536-4900
tinar@sdbigs.org

Original Submission

09/25/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Big Brothers Big Sisters of San Diego County – Improving Health and Well-being for San Marcos Youth Through Proven Mentoring Program
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Improving Health and Well-being for San Marcos Youth Through Proven Mentoring Program
Project Start Date	1/1/2024
Project End Date	12/31/2024
Date by Which Funds Will Be Expended:	12/31/2024
Total Number of People Served by this Project	662.0

Total Number of People Served by this Project in San Marcos Only	6.0
Grant Amount Requested	5000.0
	Organization Details
Organization Name	Big Brothers Big Sisters of San Diego County
Organization Street Address	4305 University Avenue, Suite 590
Organization City	San Diego
Organization State	CA
Organization Zip Code	92105
Organization Website	http://www.sdbigs.org
Organization's EIN	95-2151526 200 Big Brothers Big Sisters of San Diego County, Inc. 432643c1-0771-4d1b-99ee-d16dd1a3579a 4305 University Avenue, Suite 590 San Diego CA 92105 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2022-12-12T00:00:00 2023-03-06T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-02-14T00:00:00 1961 06
	Contact Information
Contact First Name	Tina
Contact Last Name	Rose
Contact Title	CEO & President

Contact Phone	+16195041579
Contact Email	TinaR@sdbigs.org
	Project Details
Briefly describe your request for funds.	Mentoring has been proven in numerous studies as one of the most cost-effective and profoundly impactful ways to help youth overcome the complicated challenges they face and a key strategy to influence numerous aspects that can alter their entire life's trajectory. As an evidence-based prevention and intervention mentoring strategy, BBBS Matches are meticulously paired and ideally positioned for a long-lasting relationship with a high number of touchpoints. Program activities are ongoing throughout the year and include individual Big/Little outings 2-4 times a month, organization-hosted events for Matches, and our program team offering intensive case management/referral services. Our mentoring model provides each youth with individualized attention – from staff and their Big – and ways to help them overcome difficult situations with resilience, encouragement, and sense that someone "has their back." A close connection with a mentor can be the difference between misdirecting negative emotions, disengaging with school, and making risky/unhealthy choices versus talking through challenges, feeling heard and understood, and leading their life with confidence in their choices. Funding for our direct program staff is essential, as they recruit and match mentors and mentees, individually support each Match, and overall guiding all elements that help each youth achieve long-term success.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	The youth and families we serve are facing significant adversity that can contribute to youth struggling with feelings of isolation and loneliness, poor physical and mental health, lack of friendships and social supports, unhealthy relationships, and making poor/risky choices that can negatively impact their future. BBBS San Diego's mentorship model leverages hundreds of caring volunteers in specific communities like San Marcos, and with the guidance from our professional team, helps at-promise youth overcome challenge and achieve their personal ambitions. Further, our team facilitates 50+ Match events throughout the year, providing special touchpoints for small groups of Bigs and Littles to experience a unique activity together that complements the outings and engagement they have individually. This year, we have served six San Marcos Littles, with four currently active and one youth waiting to be paired with the best-matched Big, when identified. We anticipate serving between 5-7 San Marcos youth/families throughout this grant cycle, and given the life-changing difference and rewarding relationships our Bigs report that they receive in their role as a mentor, we ultimately are impacting the lives of approximately one dozen residents of San Marcos in a deeply meaningful way.

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	Our partnerships: 1) provide activities for Littles/Matches, 2) increase program referrals (e.g., One Safe Place in San Marcos), and 3) coordinate referrals for youth/families to other resources.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	In 2023, your $1,000 grant supported our mentoring program serving nine San Marcos youth (2 more than projected.) Funds covered a Match Support Specialist working directly with youth/mentors/families.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	The mission of Big Brothers Big Sisters is to create and support one-to-one mentoring relationships that ignite the power and promise of youth. Our vision is for all youth to achieve their full potential. Our entire team works closely with each Little, their family and Big, and our important partners across San Diego County to achieve the following objectives: • Teach essential social/emotional skills that impact a youth's mindset and self-confidence, which impacts choices and behaviors that influence long-term outcomes. • Through behavioral change, connections to helpful resources, and academic assistance, equip youth with skills and educational support to improve school performance and post-high school success. • Provide multiple training opportunities for BBBS San Diego staff/volunteer Bigs with a goal to improve their skills in working with a diverse, at-promise population. Some of our top accomplishments since our application last year include: *Our agency was a recipient of the 2023 Big Brothers Big Sisters of America Platinum Award which recognizes the agencies that have excelled in retention rates of Matches staying active within their program, as well growth of Matches served.

*We decreased the wait time for child interviews from 6-12 months in the recent past to 3-6 weeks as we concluded last year.

*During 2023, our Enrollment team interviewed 254 children who wanted to enroll into our program as Littles. They also interviewed 243 volunteers, compared to 230 volunteers at the end of 2022.

*As one of the largest BBBS agencies in the country, we ranked in the top three in our quality assurance measures, per our third-party QA consultant who conducts quarterly evaluations of agencies' work and processes regarding youth/volunteer enrollment and Match support.

*Our marketing team launched a first of its kind awareness campaign – "It Takes Little to Be Big" – to grow volunteer recruitment which resulted in more than 100 inquiries with 50% now in progress or ready to be matched.

*Hosted an event at Camp Pendleton with the Duke and Duchess of Sussex and the Commanding General of Camp Pendleton which included family and youth voice and elevated the status of the Operation Bigs program not only locally, but nationally.

*With a grant from the David C. Copley Foundation, we purchased a Live Scan machine and became a certified location to run background checks for volunteers, staff, and Board; this greatly enhances convenience for our volunteer mentors as they complete this important clearance step in becoming a Big.

*Exhibited superior financial management, hitting our 2023 revenue goals and ending the year with positive net operating income, managing investment reserves to grow funds and match increasing operating costs and strategic investments, and further still, invested in our professional team by including an average 10% wage increase for all staff in alignment with a strategic plan goal to progressively raise staff salaries to match the Cost of Living.

*CEO and BBBS of California State Association Co-Chair, Tina Rose, and Board Chair, Ryan Waterman, helped plan and execute Lobby Day for BBBS California State Association and were one of two agencies to create legislation with their local representative to potentially benefit the entire state.

We strive to build upon tracked youth progress year-over-year and use standardized assessment tools designed by BBBS of America which are created by experts in the field of child development, behaviors, and safety. They are given upon enrollment and annually thereafter and measure within Academic Performance/School Grades, Educational Expectations, School Connectedness, Very Important Adult, Social Competence, Risky Behaviors, Family/Parent Connectedness, Police & Juvenile Justice Contact, Emotional Regulation, Depressive Symptoms, and Positive Affect.

Our program goals for the youth we serve are to consistently meet – or exceed – the prior outcomes tracked for youth. As a reference, the average youth outcomes for the past three years include:

* 94% of Littles maintain or improve in Social Competence. Poor social

competence in childhood is associated with poor mental health, low academic achievement and other school difficulties, poor employment history, and poor adult relationships.

* 90% maintain/improve in School Connectedness which is linked to high school graduation rates.

* 94% of Littles maintained or improved in Emotional Regulation, which is linked to coping, resiliency, and improved communication skills, especially when stressful and challenging situations arise.

* 86% of Littles maintained or improved in Academic Performance outcomes. Greater performance in school boosts confidence and opens opportunities for post-secondary education.

* 80% of the Littles maintained or improved in Family/Parent Connectedness, which is linked to decreased risky behavior and improved school performance.

* 95% maintain/improve in risky behaviors such as avoiding substance use, status offenses/illegal activity, bullying, and school discipline.

This past June, 96% of senior Littles graduated high school with 8% joining the military, 8% heading into the workforce, and 80% heading to college – 19% of these being first-generation college students!

Some of these recent testimonials include:

“Hearing about some of her struggles as a teenager is humbling because it takes me back to that age, and I can clearly remember those feelings. Luckily, as a mentor, I have the power to reassure her that there will always be better days and that she is not alone on this journey through her adolescence.” Big Sister, Alma, of San Marcos Little, Allison

"In our 7 plus years matched I've seen Sheldon grow from a shy young boy to a confident young man. He has even taken some of my characteristics, such as my sarcasm, which has made us laugh numerous times. But the one funny time we had was at the Padres event game. He tried so many times to get on the big scoreboard between innings until one time he did. He was excited! That was a fun memory!" Big Brother, Chuck

"Brandon has changed the way I interact with the world. I feel as though I am a less shy person now who is more willing to speak my mind. Without him I would have missed out on so many new experiences.” Little Brother, Salem

Please upload any community letters or media in support of this project.

2023_BBBS_Support_Letter-San_Marcos_Big_Abhishek.pdf

BBBS_Parent_Support_Letter_Caboara_San_Marcos_9.25.24.pdf

BBBS_SD_Social_Media_Posts_Supporting_Mentoring_Programs.pdf

Please upload the annual operating budget for your organization.

Big_Brothers_Big_Sisters_San_Diego_2024_Organizational_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

Big_Brothers_Big_Sisters_of_San_Diego_Audited_Financial_Statements_12.31.22.pdf

Please attach the first two pages of your Federal 990.

BIG_BROTHERS_BIG_SISTERS_OF_SAN_DIEGO_990_for_2022_Page_1-2.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

BBBS_CEO_Letter_to_San_Marcos_CF_2024.pdf

	Funding
Budget Worksheet	**San Marcos Community Foundation - Budget Worksheet.xlsx**
Project Budget Total	2092348.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	**SMCF Budget Worksheet 2.xlsx**
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Funding sources include grants, events, corporate and personal donations. We can run the project without the full requested funds, yet program growth is related to staff/program resources available.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Salaries & Benefits (@20%) for the following: 8 FTE Match Support Specialists, 5 FTE Enrollment & Matching Specialists, 1 FTE CalVIP	*$1,685,591*	
Marketing & Recruitment for Bigs & Littles	$30,000	
QA Consultant/Trainings	$5,148	
Match Introduction Supplies	$500	
Match Activities Fees	$540	
Mileage	$2,734	
Translation Services	$100	
Trainings for Staff, Bigs, and Littles	In-Kind/Pro bono	
Renewal Background Checks & Live Scan Service	$19,011	
Overhead	$348,725	
Total budget for this PROJECT:	$2,092,348	Each Match requires approximately $3,000 in staff time and program supplies for one year (with the average Length of Match lasting over three years.)

	Source Name	Amount	C / CD / P
Additional Funding Source 1	SDG&E	$10,000	C
Additional Funding Source 2	David C. Copley Foundation	$10,000	C
Additional Funding Source 3	Samuel H. French & Katherine	$15,000	C
Additional Funding Source 4	Arby's Foundation	$8,000	C
Additional Funding Source 5	The JEM Project	$30,000	C
Additional Funding Source 6	Hervey Family Fund at the San	$25,000	P
Additional Funding Source 7	RTX	$30,000	P
Additional Funding Source 8	Rancho Santa Fe Women's Fur	$75,000	P
Additional Funding Source 9	TEGNA Foundation	$5,000	P
Additional Funding Source 10	Teichert Foundation	$7,500	P

Big Brothers Big Sisters of San Diego County
2024 Organizational Budget

Income	
Events	$1,231,603
Grants/Foundations	$620,228
Corporate	$168,000
Board Dues/Contributions	$82,500
Government	$340,909
Individual Giving	$156,000
Individual Major Gifts	$258,500
Misc.	$37,500
Other (Interest Income)	$150,900
TOTAL INCOME	**$3,046,140**
Expenses	
Events	$374,557
Marketing	$15,000
Recruitment	$15,000
Mileage/Parking/Travel	$23,393
Banking & Credit Card Fees	$13,635
Dues & Subscriptions	$113,207
Agency Insurance	$29,643
Professional Fees	$129,400
Occupancy	$165,130
Equipment & Technology	$9,000
Postage & Office Supplies	$6,580
Payroll Wages & Taxes	$1,815,826
Employee Benefits	$127,311
Employee Retirement Plan	$28,448
Program Expenses	$29,109
Outside Consultants	$150,900
TOTAL EXPENSES	**$3,046,139**

PUBLIC DISCLOSURE COPY - STATE REGISTRATION NO. 0408353

Form **990**

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

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2022 calendar year, or tax year beginning and ending

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY INC

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
4305 UNIVERSITY AVE STE 590

City or town, state or province, country, and ZIP or foreign postal code
SAN DIEGO, CA 92105

F Name and address of principal officer: CHRISTINA ROSE
SAME AS C ABOVE

D Employer identification number
95-2151526

E Telephone number
(858) 536-4900

G Gross receipts $ 3,585,577.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(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.SDBIGS.ORG

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

L Year of formation: 1961 **M** State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO IMPROVE THE LIVES OF CHILDREN BY CREATING AND SUPPORTING 1:1 MENTORING RELATIONSHIPS.

2 Check this box ☐ 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	33
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	33
5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	30
6	Total number of volunteers (estimate if necessary)	6	0
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.

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	2,810,216.	2,530,053.
9	Program service revenue (Part VIII, line 2g)	0.	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-694.	15,774.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	142,819.	576,566.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,952,341.	3,122,393.
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,367,275.	1,584,329.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) 279,650.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	480,960.	628,027.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,848,235.	2,212,356.
19	Revenue less expenses. Subtract line 18 from line 12	1,104,106.	910,037.

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	2,282,208.	3,114,132.
21	Total liabilities (Part X, line 26)	493,060.	422,106.
22	Net assets or fund balances. Subtract line 21 from line 20	1,789,148.	2,692,026.

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

CHRISTINA ROSE, CEO/PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
RICHARD HOTZ		09/19/23	☐	P00452784

Firm's name CONSIDINE & CONSIDINE — Firm's EIN 95-2694444

Firm's address 8989 RIO SAN DIEGO DRIVE, SUITE 250
SAN DIEGO, CA 92108-1604 — Phone no. 619.231.1977

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

BBBS MISSION:
CREATE AND SUPPORT ONE-TO-ONE MENTORING RELATIONSHIPS THAT IGNITE THE POWER AND PROMISE OF YOUTH.

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 X 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 X 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 $ 1,283,263. including grants of $) (Revenue $)

THE COMMUNITY-BASED MENTORING PROGRAM IS FACILITATED THROUGH 1:1 MENTORING MATCHES FOR YOUTH AGED 7-21. BIGS AND LITTLES MEET IN THE COMMUNITY TWO TO FOUR TIMES PER MONTH AND PARTICIPATE IN ACTIVITIES OF MUTUAL INTEREST. VOLUNTEERS MAKE AT LEAST A ONE-YEAR COMMITMENT AND RECEIVE SPECIALIZED TRAINING TO BEST SUPPORT YOUTH. MATCHES RECEIVE ONGOING CASE MANAGEMENT SUPPORT BY BBBS STAFF TO ENCOURAGE STRONG, IMPACTFUL, LONG-LASTING RELATIONSHIPS.

WE UTILIZE OUR PROVEN MENTORING MODEL TO TARGET YOUTH WHO ARE STRUGGLING AND WHO SHOW THE MOST PROMISE TO POSITIVELY RESPONDING TO A MENTORING RELATIONSHIP. CURRENTLY, THESE TARGET GROUPS INCLUDE:

4b (Code:) (Expenses $ 442,117. including grants of $) (Revenue $)

BBBS SAN DIEGO ALSO PROVIDES MENTORING ENHANCEMENT OPPORTUNITIES TO ENSURE ENROLLED YOUTH REACH THEIR FULL POTENTIAL.

- BBBS SAN DIEGO AND ITS STRATEGIC PARTNERS PROVIDE COLLEGE AND WORKFORCE PREPARATION WORKSHOPS, COACHING, AND RESOURCES TO ALL TEENAGE LITTLES, THROUGH ITS BIG FUTURES INITIATIVE. THE GOAL IS TO PREPARE AND SUPPORT POST-HIGH SCHOOL LITTLES (GRADUATE LITTLES) TO AND THROUGH THEIR POST- SECONDARY YEARS IN ONE OF THREE PATHS, WHICH WE CALL THE THREE E'S:

1. ENROLLING IN COLLEGE/TRADE SCHOOL
2. ENLISTING IN THE MILITARY
3. EMPLOYMENT

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 1,725,380.

SEE SCHEDULE O FOR CONTINUATION(S)

BIG BROTHERS BIG SISTERS
OF SAN DIEGO COUNTY, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.

		Pages
I	Index	1
II	Independent auditor's report	2 - 3
III	Statements of financial position	4
IV	Statements of activities and changes in net assets	5 - 6
V	Statements of functional expenses	7 - 8
VI	Statements of cash flows	9
VII	Notes to the financial statements	10 – 23

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Big Brothers Big Sisters of San Diego County, Inc.

Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters of San Diego County (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Big Brothers Big Sisters of San Diego County as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Big Brothers Big Sisters of San Diego County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers Big Sisters of San Diego County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

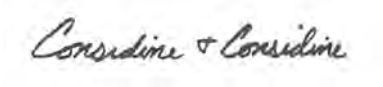
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Big Brothers Big Sisters of San Diego County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Big Brothers Big Sisters of San Diego County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CONSIDINE & CONSIDINE
An accountancy corporation

September 15, 2023

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,865,518	$ 1,937,886
Investments (note 5)	726,317	-
Grant receivable	84,693	-
Pledges receivable (note 3)	44,038	187,538
Prepaid expenses	27,212	20,559
Other current assets	8,668	9,296
	2,756,446	2,155,279
FIXED ASSETS		
Property and equipment (note 7)	11,400	20,683
OTHER ASSETS		
Operating lease right-of-use asset (note 8)	257,062	-
Pledges receivable - long term (note 3)	10,000	20,000
Beneficial interests in foundations (note 4 and 5)	76,139	83,298
Beneficial interest in endowment funds (note 6)	3,085	2,948
	346,286	106,246
TOTAL ASSETS	3,114,132	2,282,208
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses (note 9)	139,784	124,362
Operating lease liability - current portion (note 8)	137,880	-
PPP loan (note 10)	-	368,698
	277,664	493,060
LONG-TERM LIABILITIES		
Operating lease liability (note 8)	144,442	-
TOTAL LIABILITIES	422,106	493,060
NET ASSETS (note 16)		
Without donor restrictions	2,638,918	1,785,317
With donor restrictions	53,108	3,831
TOTAL NET ASSETS	2,692,026	1,789,148
TOTAL LIABILITIES AND NET ASSETS	$ 3,114,132	$ 2,282,208

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE:			
Contributions	$ 744,806	$ -	$ 744,806
Special events, net of direct benefits to donors of $258,055 (note 15)	1,116,705	-	1,116,705
Grants (note 14)	380,850	253,793	634,643
Unrealized loss on beneficial interests in foundations	(7,159)	-	(7,159)
Net investment return	19,502	-	19,502
TOTAL SUPPORT AND REVENUE	2,254,704	253,793	2,508,497
NET ASSETS RELEASED FROM RESTRICTION			
Satisfaction of program restrictions	204,516	(204,516)	-
OPERATING EXPENSES			
Program services	1,737,346	-	1,737,346
Management and general	207,326	-	207,326
Fundraising expenses	330,463	-	330,463
	2,275,135	-	2,275,135
CHANGE IN NET ASSETS BEFORE OTHER INCOME	184,085	49,277	233,362
OTHER INCOME (EXPENSE)			
PPP loan forgiveness (note 11)	368,698	-	368,698
Employee retention credit (note 12)	304,546	-	304,546
Loss on disposal of assets	(3,728)	-	(3,728)
	669,516	-	669,516
CHANGE IN NET ASSETS	853,601	49,277	902,878
NET ASSETS, BEGINNING	1,785,317	3,831	1,789,148
NET ASSETS, ENDING	$ 2,638,918	$ 53,108	$ 2,692,026

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE:			
Contributions	$ 1,279,438	$ 40,000	$ 1,319,438
Special events, net of direct benefits to donors of $142,703 (note 15)	1,215,300	-	1,215,300
Grants (note 14)	38,000	200,000	238,000
Unrealized gain on beneficial interests in foundations	5,897	-	5,897
Net investment return	(694)	-	(694)
TOTAL SUPPORT AND REVENUE	2,537,941	240,000	2,777,941
NET ASSETS RELEASED FROM RESTRICTION			
Satisfaction of program restrictions	282,831	(282,831)	-
OPERATING EXPENSES			
Program services	1,476,321	-	1,476,321
Management and general	174,146	-	174,146
Fundraising expenses	323,036	-	323,036
	1,973,503	-	1,973,503
CHANGE IN NET ASSETS BEFORE OTHER INCOME	847,269	(42,831)	804,438
OTHER INCOME			
PPP loan forgiveness (note 11)	305,565	-	305,565
CHANGE IN NET ASSETS	1,152,834	(42,831)	1,110,003
NET ASSETS, BEGINNING	632,483	46,662	679,145
NET ASSETS, ENDING	$ 1,785,317	$ 3,831	$ 1,789,148

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
EXPENSES:				
Advertising and recruiting	$ 28,130	$ -	$ -	$ 28,130
Bad debt expense	-	5,000	750	5,750
Bank and credit card fees	53	3,133	9,770	12,956
Conferences and meetings	445	5,155	-	5,600
Depreciation	-	5,555	-	5,555
Dues - National	34,335	1,333	3,528	39,196
Equipment rental and maintenance	6,765	507	666	7,938
Fundraising costs	-	-	11,736	11,736
Information and technology	33,118	4,358	3,826	41,302
Insurance	25,657	3,426	4,277	33,360
Office expense	18,981	34,007	1,117	54,105
Program expense	47,637	-	-	47,637
Professional services	104,119	83,197	-	187,316
Lease cost	114,422	9,139	19,075	142,636
Salaries	1,309,430	51,754	223,145	1,584,329
Travel	6,885	476	948	8,309
Utilities	7,369	286	757	8,412
Expenses before special events	1,737,346	207,326	279,595	2,224,267
Special events				
Food and beverage	-	-	152,265	152,265
Facilities and venue	-	-	134,197	134,197
Other event costs	-	-	22,461	22,461
	-	-	308,923	308,923
Costs of direct benefits to donors at special events	-	-	(258,055)	-
	-	-	50,868	50,868
TOTAL FUNCTIONAL EXPENSES	$ 1,737,346	$ 207,326	$ 330,463	$ 2,275,135
Percentage of total	76%	9%	14%	100%

See accompanying notes

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
EXPENSES:				
Advertising and recruiting	$ 4,988	$ -	$ -	$ 4,988
Bad debt expense	-	-	5,675	5,675
Bank and credit card fees	1,002	3,176	10,480	14,658
Conferences and meetings	1,503	610	-	2,113
Depreciation	-	14,066	-	14,066
Dues - National	31,886	1,238	3,276	36,400
Equipment rental and maintenance	7,350	505	763	8,618
Fundraising costs	45	-	508	553
Information and technology	32,591	4,020	3,416	40,027
Insurance	20,138	5,725	2,735	28,598
Interest expense	-	804	-	804
Office expense	17,515	32,606	4,273	54,394
Program expense	11,963	8,270	14	20,247
Professional services	55,034	19,034	27,731	101,799
Lease cost	109,629	15,122	17,225	141,976
Salaries	1,174,612	68,762	123,901	1,367,275
Travel	2,712	-	562	3,274
Utilities	5,353	208	550	6,111
Expenses before special events	1,476,321	174,146	201,109	1,851,576
Special events				
Facilities and venue	-	-	114,792	114,792
Food and beverage	-	-	97,506	97,506
Other event costs	-	-	52,332	52,332
	-	-	264,630	264,630
Costs of direct benefits to donors at special events	-	-	(142,703)	-
	-	-	121,927	121,927
TOTAL FUNCTIONAL EXPENSES	$ 1,476,321	$ 174,146	$ 323,036	$ 1,973,503
Percentage of total	76%	9%	15%	100%

BIG BROTHERS BIG SISTERS OF SAN DIEGO COUNTY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Change in net assets	$ 902,878	$ 1,110,003
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation	5,555	14,066
Amortization of operating lease	25,260	-
PPP loan forgiveness	(368,698)	(305,565)
Unrealized loss/(gain) from beneficial interest in foundations	7,159	-
Unrealized (gain) from Investments	(3,242)	(5,897)
Loss on disposal of fixed asset	3,728	-
Loss on write down of pledge receivable	5,750	5,675
Changes in operating assets and liabilities:		
Pledges receivable	147,750	43,821
Prepaid expenses and other current assets	(6,653)	56,090
Grant receivable	(84,693)	-
Other current assets	628	-
Beneficial interest in the SDF endowment funds	(137)	(147)
Deferred revenue	-	(25,000)
Accounts payable and accrued expenses	15,422	11,227
	(252,171)	(205,730)
NET CASH PROVIDED BY OPERATING ACTIVITIES	650,707	904,273
CASH FLOWS USED BY INVESTING ACTIVITIES		
Purchase of property and equipment	-	(6,688)
Purchase of investments	(723,075)	-
	(723,075)	(6,688)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Net decrease on line of credit	-	(43,978)
Proceeds on PPP loan	-	368,698
	-	324,720
NET INCREASE/(DECREASE) IN CASH	(72,368)	1,222,305
CASH, BEGINNING OF YEAR	1,937,886	715,581
CASH, END OF YEAR	$ 1,865,518	$ 1,937,886
Supplemental disclosures:		
Interest paid	$ -	$ 804
Taxes paid	$ -	$ -
See note 8 for cash flow transactions related to operating lease		

See accompanying notes

NOTE 1 THE ORGANIZATION

Big Brothers Big Sisters of San Diego County, Inc. (the Organization) is a non-profit organization dedicated to helping children by creating and supporting one-to-one mentoring relationships with proven results. Funds for the Organization's operations are raised primarily through contributions from private donors, sponsors and special events.

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 in the United States of America (GAAP).

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

Basis of presentation – Under accounting standards on Financial Statements of non-profit Organizations, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions - Consists of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in any of its programs 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.

Cash and cash equivalents – The Organization considers all highly liquid investments available with a maturity date of three months or less to be cash equivalents. The Organization restricts investments of cash to financial institutions of high credit standing. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. Cash equivalent funds are insured by the Securities Investor Protection Corporation (SIPC) up to $500,000. The Organization has not experienced any loss in such accounts. As of December 31, 2022 and 2021, the uninsured balance is approximately $77,000 and $389,000, respectively. The Organization believes it is not exposed to any significant credit risks on its cash balances.

Pledges receivable - The pledges receivable consist of donor promises to give and reimbursement grants. It is the Organization's policy to charge off uncollectible pledges receivable when management determines the pledge will not be collected. As of December 31, 2022 and 2021, management considers all pledges collectible.

A discount on pledges receivable expected to be received over several years are computed using risk free interest rates applicable to the years in which the pledges are received. Amortization of the discount is included in donations revenue on the statements of activities and changes in net assets.

Property and equipment – Property and equipment are carried at cost when purchased or, if contributed, at the estimated fair market value at the date of donation. Donated property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation is computed using the straight-line method of depreciation over the assets' estimated useful lives of three to fifteen years. Maintenance and repairs are charged to the expense as incurred; major renewals and betterments are capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in income.

Investments – The Organization reports its investments in accordance with generally accepted accounting principles for not-for-profit organizations, which establish accounting standards for investments in certain equity securities and for all debt securities. The guidance prescribes that covered investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statement of activities. Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting period in which they occur.

Beneficial interests in foundations – Beneficial interests in foundations are valued at their fair values on the statements of financial position. Unrealized gains and losses are included in the change 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, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been met.

Deferred Revenue - Revenues received in advance of a special event are deferred. The revenues are recognized when the event occurs.

Donor-imposed restrictions – All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received designated for future periods or restricted by the donor for specific purpose are reported as with donor restrictions, increasing that net asset class. 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 as net assets released from restrictions. If a restriction is

fulfilled in the same fiscal period in which the contribution is received, the support is reported as with donor restrictions and a release from restriction. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets with donor restrictions until the restriction is fulfilled.

Donated goods and services – The Organization has received substantial donations of goods, entertainment, food, beverage, and professional services. The Organization records donated goods with a fair value of $2,000 or more as contributions. In addition, the Organization recognizes the value of donated services by recording the donations at fair value. All donated services recognized create a non-financial asset or required specialized skills that would have been purchased if not donated.

	2022	2021
Marketing	$ 12,500	$ -
Event prizes	9,637	678
Event tickets	7,330	15,972
Professional	5,510	3,341
Other	5,008	900
	$ 39,985	$ 20,891

Dues to Big Brothers Big Sisters of America – Dues are payable to the Organization's National Affiliate (National). The calculation is based on a variable percentage of the prior year's adjusted expenditures.

Functional allocation of expenses - The Organization allocates its expenses on a functional basis among its program and support services. Directly identifiable expenses are charged to program and supporting services. Expenses related to more than one function are charged to program and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Advertising costs – The Organization expenses advertising costs when incurred.

Income taxes – The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, no provision has been made for federal income taxes in the accompanying financial statements.

The Organization follows accounting standards which clarify the accounting for uncertainty in income taxes recognized in the 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 December 31, 2022 and 2021, the Organization has not accrued interest or penalties related to uncertain tax positions. The Organization files tax returns with the Internal Revenue Service and the California Franchise Tax Board.

Recent Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02 *Leases* (Topic 842). In July 2018, FASB issued two updates to ASU 2016-02, ASU 2018-10, Codification Improvements to Topic 842 *Leases*, and ASU 2018-11, *Leases* (Topic 812): Targeted Improvements. The new standard is effective for fiscal years beginning after December 18, 2021. The Organization adopted Topic 842 as of January 1, 2022 by recognizing and measuring leases at the adoption date with cumulative effect of initially applying the guidance recognized at the date of the initial application and as a result did not restate the prior periods presented in the financial statements. The Organization elected certain practical expedients permitted under the transitional guidance, including retaining historical lease classification, evaluating whether any expired contracts are or contain leases, and not applying hindsight in determining the lease term. Lastly, the Organization elected the short-term lease exception for all classes of assets, and therefore does not apply the recognition requirements for leases of 12 months or less.

The Organization categorizes long-term leases as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset of its estimated life. The Organization had no finance leases at December 31, 2022.

Leases with a term greater than one year are recognized on the statement of financial position as right-of-use (ROU) assets and short-term and long-term lease liabilities, as applicable. Leases with a term greater than one year are recognized on the consolidated statement of financial position as right-of-use (ROU) assets and short-term and long-term lease liabilities, as applicable. Lease liabilities are measured at the lease commencement date as the present value of the future lease payments using the interest rate implicit in the lease. If the rate implicit is not readily determinable, the Organization utilizes the treasury yield rate to discount lease payments. The lease term is the non-cancellable period of the lease and includes options to extend or terminate the lease when it is reasonably certain that an option will be exercised. For finance leases, the Organization will recognize depreciation expense associated with the leased asset acquired and recognize interest expense related to the portion of the financing in the consolidated statement of activities. The adoption had no material impact on the 2022 financial statements.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958). ASU 2020-07 improves transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit entities. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities apart from contributions of cash or other financial assets, along with expanded disclosure requirements. This standard is applied on a retrospective basis. The adoption had no effect on the 2022 financial statements.

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable consist of the following at December 31:

	2022	2021
Gross pledges receivable	$ 54,038	$ 207,538
Less: unamortized discount	-	-
Less: reserve for uncollected	-	-
Pledges receivable, net	$ 54,038	$ 207,538
Amounts due:		
Within one year	$ 44,038	$ 187,538
Within two years	10,000	10,000
Within three years	-	10,000
Within four years	-	-
Pledges receivable, net	$ 54,038	$ 207,538

On an ongoing basis the Organization evaluates pledges based on facts and circumstances surrounding the gift and communication with its donors. During 2022 and 2021, management determined certain pledges to be uncollectible. Bad debt expense for the years ended December 31, 2022 and 2021 was $5,750 and $5,675, respectively.

An allowance for uncollectible pledges receivable has not been set up because the Organization's management considers all remaining pledge receivables to be collectible.

NOTE 4 BENEFICIAL INTERESTS IN FOUNDATIONS

In 2008, the Organization invested $25,000 in an endowment fund with the Jewish Community Foundation of San Diego. The investment will be held in perpetuity with the Jewish Community Foundation of San Diego and all distributions from the investment may be used at the discretion of the Organization.

In 2008, the Organization invested $25,000 in an endowment fund with the Rancho Santa Fe Foundation. The investment will be held in perpetuity with the Rancho Santa Fe Foundation and all distributions from the investment may be used at the discretion of the Organization.

NOTE 5 FAIR VALUE MEASUREMENT

The Organization follows the method 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.

Financial assets carried at fair value at December 31, 2022 and 2021 are classified in the following schedules in one of three categories described above.

The table below presents the balances of assets measured at fair value as of December 31, 2022 on a recurring basis:

Assets	Level 1	Level 2	Level 3	Total
Beneficial interest in Jewish Community Foundation of San Diego endowment fund	$ -	$ -	$ 25,599	$ 25,599
Beneficial interest in Rancho Santa Fe endowment fund	-	-	50,540	50,540
U.S. treasury notes	726,317	-	-	726,317
	$ 726,317	$ -	$ 76,139	$ 802,456

The table below presents the balances of assets measured at fair value as of December 31, 2021 on a recurring basis:

Assets	Level 1	Level 2	Level 3	Total
Beneficial interest in Jewish Community Foundation of San Diego endowment fund	$ -	$ -	$ 25,398	$ 25,398
Beneficial interest in Rancho Santa Fe endowment fund	-	-	57,900	57,900
	$ -	$ -	$ 83,298	$ 83,298

The Investments in the U.S. treasury notes are measured at market prices in active markets and are classified level 1.

The investments in the Jewish Community Foundation of San Diego foundation endowment fund and the Rancho Santa Fe endowment fund are measured using values provided by these foundations. The values are based on the fair market value of the underlying cash, securities and other investments. Although the Organization classifies its investments in each foundation as Level 3, the investments held in each foundation are comprised of Level 1, 2, and 3 investments as reported by each foundation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods used to measure fair value at December 31, 2022 and 2021.

The Organization's policy is to recognize transfers of investments into and out of level 3 as of the date of the event or change in circumstances that caused the transfer. For the years ended December 31, 2022 and 2021, there were no significant transfers of investments into or out of level 3.

The following summarizes fair value measurements using significant Level 3 inputs, and changes therein, for the year ended December 31, 2022:

Balance at December 31, 2021	$	83,298
Change in value		(7,159)
Distribution		-
Balance at December 31, 2022	$	76,139

The following summarizes fair value measurements using significant Level 3 inputs, and changes therein, for the year ended December 31, 2021:

Balance at December 31, 2020	$	77,401
Change in value		5,897
Distribution		-
Balance at December 31, 2021	$	83,298

NOTE 6 BENEFICIAL INTEREST IN ENDOWMENT

The San Diego Foundation (SDF) maintains two endowment funds for the benefit of the Organization. Under the terms of the agreement, distributions of principal and interest from the fund are at the discretion of SDF and administrative fees are charged annually in an amount which is the greater of $100 per fund or 0.5% - 2% of the fair value of the respective fund as of June 30th each year.

When the endowment funds were established, the Organization granted variance power to SDF and gives SDF the right to distribute the investment income to another non-profit organization of its choice if the Organization ceases to exist or if the governing board of SDF votes that support of the Organization (a) is no longer necessary or (b) is inconsistent with the needs of the San Diego community.

At December 31, 2022 and 2021, the distributable balance receivables in SDF totaled $3,085 and $2,948, respectively, which is reported in the statement of financial position as beneficial interest in endowment funds. During 2022 and 2021, the Organization received $5,983 in distributions from the two endowment funds.

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	2022	2021
Office equipment	$ 87,039	$ 88,260
Furniture and fixtures	28,525	40,770
	115,564	129,030
Accumulated depreciation	$ (104,164)	(108,347)
	$ 11,400	$ 20,683

Depreciation expense was $5,555 and $14,066 for the years ended December 31, 2022 and 2021, respectively.

NOTE 8 LEASES

Operating Lease

The Organization leases its office under operating lease with 4 year terms. The lease is scheduled to end on December 31, 2024. The exercise of the renewal option is at the sole discretion of the Company, and only lease options that the Company believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities.

Supplemental cash flow information related to the operating lease for the year ended December 31, 2022 is as follows:

Right-of-use assets obtained in exchange for new operating lease liabilities	$ 392,786
Cash paid for amounts included in the measurement of operating lease liabilities:	
Operating cash flows for operating leases	$ 138,461

Weighted average lease term and discount rate as of December 31, 2022 were as follows:

Weighted average remaining lease term	2 years
Weighted average discount rate	1.67%

Lease cost for the year ended December 31, 2022 consisted of the following:

Operating lease cost	$ 142,636

Rent expense was approximately 141,000 for the year ended December 31, 2021 .

Future minimum undiscounted lease payments related to the operating lease liability for the years ended December 31 are as follows:

2023	$ 137,880
2024	144,442
Total minimum lease payments	$ 282,322

NOTE 9 ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	2022	2021
Accrued vacation	$ 55,520	$ 59,845
Accrued payroll expenses	53,515	43,425
Other accrued expenses	30,749	21,092
	$ 139,784	$ 124,362

NOTE 10 LINE OF CREDIT

The Organization has a line of credit of $100,000 with Wells Fargo Bank that is collateralized by substantially all of the assets of the Organization. The interest rate is variable and at December 31, 2022 and 2021, was 5.25%. At December 31, 2022 and 2021, the Organization had a balance of $0. The line of credit remains active as long as the account is in good-standing. Interest expense related to the line is $0 and $804 for the years ended December 31, 2022 and 2021, respectively.

NOTE 11 PPP LOAN

On April 27, 2020, the Organization entered into note payable agreement with Self-Help Federal Credit Union Bank for $305,565, pursuant to the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The note matures two years from the disbursement date and bears interest at a rate of 1.000% per annum, with the first six months of interest deferred. On April, 27, 2021, the Organization received an approval letter from the Small Business Administration, stated that their PPP loan had been fully forgiven.

In April 20, 2021, the Organization received a second round of PPP and entered into a note payable agreement with Self-Help Federal Credit Union Bank for $368,698, pursuant to the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The note matures two years from the disbursement date and bears interest at a rate of 1.000% per annum, with the first six months of interest deferred. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of loans granted under the PPP. The note is subject to forgiveness to the extent proceeds are used for payroll costs, including payments required to continue group health care benefits, and certain rent, utility, and mortgage interest expenses (qualifying expenses), pursuant to the terms and limitations of the PPP. The Organization records the PPP notes as debt on the balance sheet until loan forgiveness is received or the note is paid off. Any loan forgiveness is recorded as other income on the statement of activities and changes in net assets. On June, 21, 2022, the Organization received an approval letter from the Small Business Administration, stated that their PPP loan had been fully forgive

NOTE 12 EMPLOYEE RETENTION CREDIT

The Organization has filed for the Employee Retention Credit (ERC) with the credits totaling $304,546. Laws and regulations concerning government programs, including the ERC established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Organization. As of December 31, 2022, the Organization has received a total refund of $304,546.

NOTE 13 RETIREMENT PLAN

The Organization maintains a 403(b) plan, which provides employees an opportunity to defer a portion of their compensation through salary reduction. In 2021, the Organization began to match employee contributions. The Organization match begins at 1-year (1000 hours minimum), and matches 50% of employee contribution up to 3% of gross pay. Plan costs consists of nominal administrative fees.

While the Organization expects to continue the plan indefinitely, it has reserved the right to modify, amend, or terminate the plan. In the event of termination, the entire amount contributed under the plan must be applied to the payment of benefits to the participants or their beneficiaries

NOTE 14 GRANTS

The Organization receives grants for financial assistance from various government agencies and foundations. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed expenditures resulting from such audits could become a liability of the Organization. In the opinion of the Organization's management, no material reimbursement of funds will be required as a result of expenditures allowed.

NOTE 15 SPECIAL EVENTS

Special events revenues and expenses are directly related to fundraising and consist of the following:

	2022	2021
Revenue:		
Gourmet Dinner	$ 823,408	$ 712,555
Golf Marathon	294,236	305,191
Golf Jet Away	170,515	243,698
Poker Tournament	44,657	68,374
Third Party Event	22,676	-
General Fundraising	10,279	27,882
Young Professionals Committee	8,989	303
	1,374,760	1,358,003
Expenses:		
Food and beverages	152,265	97,506
Facilities and venue	134,197	114,792
In-kind and other event costs	22,461	52,332
	308,923	264,630
	$ 1,065,837	$ 1,093,373

NOTE 16 NET ASSETS

Net assets consist of the following at December 31:

	2022	2021
Without donor restrictions:		
Undesignated and unrestricted	$ 2,638,918	$ 1,785,317
With donor restrictions:		
Subject to expenditure for specific purpose:		
Community Mentoring	26,600	-
Capacity Building	26,508	-
Bigs with Badges	-	3,831
	53,108	3,831
	$ 2,692,026	$ 1,789,148

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or events specified by donors during fiscal years ended December 31 are as follows:

	2022	2021
Purpose restrictions accomplished:		
Cal VIP Grant	$ 84,693	$ -
Capacity Building	70,492	-
Operation Bigs	45,500	190,000
Bigs with Badges	3,831	48,451
Big Futures	-	27,472
Juvenile Justice and Deliquency Program	-	16,748
Ayana	-	160
	$ 204,516	$ 282,831

NOTE 17 LIQUIDITY AND AVAILABILITY

The Organization is substantially supported by contributions with donor restrictions. Contributions and expenses are monitored on a monthly basis by the Organization's management and a committee of the Board of Directors. The level of assets are monitored on an annual basis. The Organization's long-term strategic goals are to achieve six (6) months or more of expenses in Reserves. The Organization has established unrestricted reserve funds to be used as an Operating Reserve and a Risk & Opportunity Reserve. The Organization will utilize its best efforts to maintain a minimum of three (3) months of expenses as an Operating Reserve and at least three (3) months of expenses as a Risk and Opportunity Reserve, as defined below. Reserves beyond six months of expenses will accrue to the Organization's investments and be used as Risk & Opportunity Reserves. As of December 31, 2022 and 2021, the Organization has over six months operating expenses available in cash reserves. The Organization continues to build reserve funds for both risk management and growth opportunities.

Operating Reserve – held in cash in the Organization's checking account(s), used to manage cash flow and ensure sufficient cash on hand to meet monthly operating expenses and/or short term, timing related income shortfalls.

Risk & Opportunity Reserve – held as investments, used to respond to risk or crisis as well as pursue opportunities for growth and innovation. The Risk & Opportunity Reserve may be used to cover cash needs associated with a revenue shortfall or unexpected/unbudgeted expense; new capacity costs associated with growth or expansion; transition costs associated with a new work environment or operating plan; and/or new infrastructure, capital purchases (i.e.; a building, vehicle), equipment and systems associated with growth or change.

The Organization currently has a line of credit established with a national bank. The line of credit ensures short-term financial ability of the Organization to pay general expenditures.

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 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 funds to provide reasonable assurance that long-term obligations will be discharged.

The following reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

	2022	2021
Financial assets, at year-end:		
Cash	$ 1,865,518	$ 1,937,886
Investments	726,317	-
Grant receivable	84,693	-
Pledges receivable	54,038	207,538
Total financial assets	2,730,566	2,145,424
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restictions:		
Restricted for specific programs	(53,108)	(3,831)
Restricted by time	(10,000)	(20,000)
Total amounts not available to be used within one year	(63,108)	(23,831)
Financial assets available to meet general expenditures within one year	$ 2,667,458	$ 2,121,593

NOTE 18 LEGAL CONTINGENCIES

The Organization is subject to various legal proceedings and claims incurred by non-profit organizations during the normal course of business, the outcomes of which are subject to significant uncertainty. Disclosure of contingency is required if there is a reasonable possibility that a loss has been incurred. The Organization evaluates, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. The Organization anticipates that these matters will not have a material adverse effect on the Organizations financial position or statement of activities at December 31, 2022 and 2021.

NOTE 19 SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 15, 2023, the date which the financial statements were available to be issued. There were no other material subsequent events which affected the amounts or disclosures in the consolidated financial statements.

Big Brothers Big Sisters OF SAN DIEGO COUNTY

22nd June 2023

To whom it may concern:

This letter is in support of the services Big Brothers Big Sisters of San Diego County is providing to my Little Brother through its one-to-one mentoring program. I have been matched with Taycuan for 28 months. My "Little" has benefited from this relationship in the following ways:

1. Able to express freely his opinions.
2. More mature and confident
3. Try new things which are out of his comfort zone.

I enjoy being a Big because it helps me to give back to my community and gives me an opportunity to make a small difference in a child's life. My Little and I like doing the following activities together, going for bowling, having afternoon picnics at a nearby petting zoo, visit to bird sanctuary and indulge in some ice creams occasionally. My most memorable moment with my Little was when my Little recently told me how he felt easier to talk to me now about his day-to-day stuff and told me likes all the little advices I give him off and on during our conversations/outings.

Thank you for your support of Big Brothers Big Sisters of San Diego County.

Sincerely,
Abhishek Kalapatapu
Big Brother

Big Brothers Big Sisters®
OF SAN DIEGO COUNTY

September 25, 2024

To whom it may concern:

This letter is in support of the efforts Big Brothers Big Sisters of San Diego County is providing to my child through its one-to-one mentoring program. My child has been matched with Jeffery for 3 months as of 9/25/2024. My child has greatly benefited from this relationship in the following ways:

1. Getting to experience new activities (like fishing).
2. Interest in new activities (like running)

Thank you for your support of Big Brothers Big Sisters.

Sincerely,
Amy Caboara

Social Media Posts in Support of
Big Brothers Big Sisters Community Mentoring Program

Big Brothers Big Sisters of San Diego County
July 31 ·

Suit up, sidekick! Chris and his awesome Little recently conquered Comic Con!

This isn't just about collecting cool stuff. It's about teamwork, exploring new worlds, and building a friendship that's out of this world! Moments like these are what being a Big is all about. ✨

Want to be a hero to a kid who needs you? We're looking for amazing Bigs like Chris to join our team!

Big Brothers Big Sisters of San Diego County
July 3 ·

We are deeply grateful for the generous support of the La Jolla Kawanis! Last Friday, our CEO Tina Rose shared with the Kawanis group about our current need for mentors, and received a check from Kawanis representatives, Susan Callahan and Bob Steck, in support of our mentoring programs.

A touching moment followed when a Kawanis member shared his heartfelt story of reconnecting with his Little Brother after many years and learning about the incredible impact he had on his li... **See more**

Big Brothers Big Sisters of San Diego County
March 5 ·

This Women's History Month, we're shining a spotlight on the incredible Big Sisters in our community. Your dedication to mentoring and empowering the next generation is truly inspiring. Thank you for being leaders, role models, and changemakers. Together, we're building a brighter future for Little Sisters all around San Diego!

Big Brothers Big Sisters of San Diego County
September 9 at 7:32 AM ·

Ready to have some fun, while making a difference? Become a Big Brother or Big Sister and positively impact the life of a young person aged 7-18.

Join us for our virtual info session on September 17th at 5:30pm to learn more about this rewarding experience.

August 22, 2024

Carol Gendel
President
San Marcos Community Foundation
1 Civic Center Drive
San Marcos, CA 92069

Dear Carol,

Boys & Girls Club of San Marcos (BGCSM) is most grateful for our continued partnership with the San Marcos Community Foundation. We appreciate the opportunity to submit a proposal this year. For 45 years, our organization has been inspiring and enabling all young people to realize their full potential as productive, responsible, and caring citizens. With 13 Club sites throughout San Marcos, we provide after-school and day camp programs and services to more than 2,000 youth each year.

Our organization respectfully requests a Regular Grant in the amount of $5,000 to support our innovative and enriching programs and services at our second stand-alone Clubhouse, the Walter J. & Betty C. Zable Foundation Branch. Located within the heart of the Richmar neighborhood, and within walking distance of San Marcos Elementary, this Clubhouse is a fun, safe, and supportive place for our Club members to learn and grow. Since 2022, the Walter J. & Betty C. Zable Foundation Branch has connected elementary school-aged youth to high-impact academic, recreational, and wellness services that promote knowledge and skill building, as well as confidence, leadership, and positive relationships with peers and adult mentors.

BGCSM believes that all youth need a supportive place to be a kid. We strive to connect our youth to opportunities that encourage creativity, goal setting, and personal success. Understanding that socio-economic factors can limit young people's access to these resources and opportunities, we aim to provide affordable after-school care and services to San Marcos' most underserved youth.

With your support, our organization will continue to expand our impact in the San Marcos community by offering scholarships for youth furthest from opportunity to connect with high-yield, engaging after-school programs and day camps throughout the year. These efforts align with our organization's commitment to a more equitable space for all young people to expand their worldview and succeed in their personal and professional lives beyond the Clubhouse.

Our organization strives to connect youth to opportunities to build tangible skills, real-world knowledge, and personal curiosity as they become responsible leaders in our community. We appreciate your consideration of this request. Should you have any questions, please reach out to me at cathy@boysgirlsclubsm.org or 760-539-3304. Thank you for building **Great Futures** for our youth in San Marcos!

Sincerely,

Cathy Baur
President & CEO

BOYS & GIRLS CLUB OF SAN MARCOS

Jennifer Loscher Branch & Administrative Offices
1 Positive Place
San Marcos, CA 92069
Tel. 760.471.2490
Fax 760.539.3324
www.boysgirlsclubsm.org

Walter J. & Betty C. Zable Foundation Branch
413 Autumn Drive
San Marcos, CA 92069

School Campus Programs
Double Peak K-8 School
Joli Ann Leichtag Elementary School
Knob Hill Elementary School
La Mirada Academy
Richland Elementary School
San Elijo Elementary School
San Elijo Middle School
San Marcos Elementary School
San Marcos Middle School
Woodland Park Middle School

Affordable Housing Sites
Melrose Villas Apartments

Board of Directors
Executive Committee
Paul Malone, *Chair*
Jason Simmons, *Immediate Past Chair*
Debbie Thompson, *Secretary*
Gary Levitt, *Treasurer*
Joe El-Maasri

Board of Directors
Robin Flaum
Maria Gomez
Warren Gorowitz
Michael Harris
Dr. Andy Johnsen
Darius Khayat
Stacy Moskowitz
Dr. Star Rivera-Lacey
John Seymour
Leon Wyden

President & CEO
Cathy Carothers Baur

Title

Boys & Girls Club of San Marcos – Promoting Youth Development & Success at the Walter J. & Betty C. Zable Foundation Branch

08/23/2024

id. 47294401

by **Grants Boys & Girls Club of San Marcos** in **San Marcos Community Foundation**
on behalf of **Boys & Girls Club of San Marcos**
grants@boysgirlsclubsm.org

Original Submission

08/23/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Boys & Girls Club of San Marcos – Promoting Youth Development & Success at the Walter J. & Betty C. Zable Foundation Branch
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Promoting Youth Development & Success at the Walter J. & Betty C. Zable Foundation Branch
Project Start Date	7/1/2024
Project End Date	6/30/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	300.0
Total Number of People Served by this Project in San Marcos Only	300.0

Grant Amount Requested	5400.0
	Organization Details
Organization Name	Boys & Girls Club of San Marcos
Organization Street Address	1 Positive Place
Organization City	San Marcos
Organization State	CA
Organization Zip Code	92069
Organization Website	www.boysgirlsclubsm.org
Organization's EIN	95-3330218 200 Boys & Girls Club of San Marcos 0cacd079-8971-4cc7-858e-dafb5821e065 1 Positive Pl San Marcos CA 92069 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-03-13T00:00:00 2023-04-10T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-03-13T00:00:00 1982 06
	Contact Information
Contact First Name	Erin
Contact Last Name	Radclyffe
Contact Title	Grants Manager
Contact Phone	+17605393317
Contact Email	erin@boysgirlsclubsm.org
	Project Details

Briefly describe your request for funds.	For 45 years, Boys & Girls Club of San Marcos (BGCSM) has provided young people in San Marcos with a fun, safe, and supportive place to be a kid. A place to connect with their peers, find encouragement from mentors, explore new passions, and develop the skills and confidence they need to reach their full potential. Each year, our organization welcomes more than 300 youth to the Walter J. & Betty C. Zable Foundation Branch, connecting them to high-impact services in the style of nationally sponsored programs and locally developed Specialty Clubs that align with their interests and introduce new concepts and skills. Since 2022, our members have made lasting memories and advanced their knowledge at the Walter J. & Betty C. Zable Foundation Branch during after-school hours and the summer break. Support for these programs would ensure that our organization may continue to offer impactful Club support throughout the year. Last year, with additional philanthropic support, we were able to offer 80% and 100% scholarship coverage for families with the greatest need. Your support will enable our organization to continue these efforts, aligning with our commitment to equity and access to resources that facilitate youth growth and development.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Our second stand-alone Clubhouse, the Walter J. & Betty C. Zable Foundation Branch, is located within the heart of the Richmar neighborhood, serving the community's most vulnerable youth. Within walking distance of San Marcos Elementary, a Title I school, this Clubhouse connects elementary school-aged youth who attend this school and live in local affordable housing communities to impactful programs. Our youth are welcomed to a safe space with life-changing programs and activities that focus on core areas: • Promoting **academic achievement** through literacy, STEM, and art activities • Instilling **self-confidence** and **leadership** with character building, and visual and performing arts programs • Encouraging **healthy lifestyles** through cooking and nutrition education, recreation, and integration of social-emotional learning The youth and families we serve at the Walter J. & Betty C. Zable Foundation Branch are part of underserved, marginalized communities, such as low-income households (95%), youth of color (83%), youth who receive free/reduced-price meals (97%), youth in single parent/guardian households (41%), and English Language Learners. Youth have limited access to mentorship with caring adults and learning opportunities that further their curiosity, critical thinking, and leadership skills. Through this project, we anticipate serving 300 Club members at the Walter J. & Betty C. Zable Foundation Branch.

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	SMUSD: together, we offer programs at 10 schools and transportation from eight schools. Hope Through Housing Foundation: offering free programs to youth living in four affordable housing communities.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	2024 Mini Grant ($1,500): promoting healthy lifestyles by providing 16,666 nutritious after-school meals to 201 youth participating in programs at Double Peak School and San Elijo Middle School.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	Our organization strives to inspire and enable all young people to realize their full potential as productive, responsible, and caring citizens. We further this mission by connecting youth to academic, recreational, and wellness programs and services that foster their learning and growth. Understanding that socio-economic barriers may affect a child's ability to access these resources, we aim to provide the support necessary for these youth furthest from additional opportunities to achieve personal success. Our work is informed by the organization's three strategic pillars that guide us as we make a lasting impact on the lives of young people. 1. **Deliver the gold standard** through innovative programming and world-class leadership development to continuously meet the evolving needs of our community's youth. 2. **Facilitate collaboration** by coordinating and convening organizations with shared interests to enhance our capacity to do more for kids together. 3. **Be a voice for kids and families** by building our reputation as an advocate and resource for youth in our community, so we are seen as leaders, not only service providers. Guided by these strategic pillars, our outcome-driven, targeted programs seek to address three key priority outcomes for positive youth

development: Academic Success, Good Character & Citizenship, and Healthy Lifestyles. In the last year, BGCSM has achieved significant milestones, an exciting time of growth for our organization. We welcomed more youth into our Club, serving more than 2,400 Club members through after-school programs and day camps. We added three new after-school sites, celebrated the launch of our in-Club Pet Therapy Program, and advanced our social-emotional wellness programs and services to help fill a critical gap for youth in our community. BGCSM understands that all youth deserve the resources and support needed to build a Great Future. The following story exemplifies the meaningful impact that our team has in the lives of our youth, offering critical mentorship and advocacy to young people.

At the Walter J. & Betty C. Zable Foundation Branch, we serve elementary-aged youth and connect them to programs and activities that promote academic success and healthy choices, as well as self-confidence, leadership, and sense of belonging. One of these Club members is an incoming fifth grade student who is part of our full-scholarship Summer Day Camp program. Our staff had noticed some subtle changes in this youth's appearance that were uncharacteristically different from his normal demeanor. Come to find out, one of the local gangs has been trying to recruit this young boy—he is just 10 years old! With generous community support, we are able to offer scholarships to our youth who are most vulnerable. For them, a summer at the Boys & Girls Club can really alter their future in a positive and profound way. Our staff are able to intervene and provide intentional mentorship (and in this situation, much needed male mentorship), and help our youth navigate these difficult moments to make better choices for their future.

Our organization has achieved tremendous growth and success in recent years, and we are proud to facilitate after-school and day camp services year-round at our two stand-alone Clubhouses, ensuring our programs are available for all San Marcos families who need us most. Support for this project would enable BGCSM to ensure cost is not a barrier for youth receive enriching after-school care and connection to intentional programs and learning opportunities at the Walter J. & Betty C. Zable Foundation Branch.

Please upload any community letters or media in support of this project.

Letter_of_Support_from_SME.pdf

Please upload the annual operating budget for your organization.

BGCSM_FY2024-25_Org_Budget_Summary.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

BGCSM_Audited_FS_6.30.2023.pdf

Please attach the first two pages of your Federal 990.

BGCSM_Form_990_FY22-23_-_2pgs.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

SMCF_2024_Cover_Ltr_signed.pdf

	Funding
Budget Worksheet **San Marcos Community Foundation - Budget Worksheet.xlsx**	
Project Budget Total	296204.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding **SMCF Budget Worksheet 2.xlsx**	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	We will provide 40 scholarships to youth in financial need. Other funding sources support the Clubhouse’s operations. We will continue to offer this program if not awarded the full grant amount.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
40 program scholarships @ $135 each	*$5,400*	
Total budget for this PROJECT:	$5,400	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Contributions	$10,000	C
Additional Funding Source 2	Hope Through Housing Foundation	$122,000	C
Additional Funding Source 3	Boys & Girls Clubs of America and Office of Juvenile Justice & Delinquency Prevention	$10,125	C
Additional Funding Source 4	After School Education & Safety Grant Program	$92,699	CD
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Boys & Girls Club of San Marcos
FY2024-2025 Organizational Budget Summary

	Total
Revenue	
Contributions	$370,039
Grants	$3,908,636
Fee Based	$959,260
Special Events	$333,000
Total Revenue	**$5,570,935**
Expenditures	
Personnel Expenses	$4,097,839
Operating Expenses	$801,142
Fundraising Expenses	$179,250
Program Expenses	$334,321
In-Kind Expenses	$150,000
Total Expenditures	**$5,562,552**
Net Income	**$8,383**

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning 07/01/22 , and ending 06/30/23

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
BOYS & GIRLS CLUB OF SAN MARCOS

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
1 POSITIVE PLACE

City or town, state or province, country, and ZIP or foreign postal code
SAN MARCOS CA 92069

D Employer identification number
95-3330218

E Telephone number
760-471-2490

G Gross receipts$ 5,962,560

F Name and address of principal officer:
CATHY BAUR

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. See instructions

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

J Website: WWW.BOYSGIRLSCLUBSM.ORG

H(c) Group exemption number

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

L Year of formation: 1979

M State of legal domicile:

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:
TO INSPIRE AND ENABLE ALL YOUNG PEOPLE TO REALIZE THEIR FULL POTENTIAL AS RESPONSIBLE AND CARING CITIZENS.

2 Check this box ☐ 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 2022 (Part V, line 2a)	5	151
6 Total number of volunteers (estimate if necessary)	6	0
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

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	4,287,951	3,832,621
9 Program service revenue (Part VIII, line 2g)	714,125	945,139
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	103,804	52,366
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	99,980	58,354
12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,205,860	4,888,480

Expenses

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	2,309,325	3,335,624
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (D), line 25) 18,081		
17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	833,504	1,218,906
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	3,142,829	4,554,530
19 Revenue less expenses. Subtract line 18 from line 12	2,063,031	333,950

Net Assets or Fund Balances

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	5,050,818	5,483,728
21 Total liabilities (Part X, line 26)	375,663	346,043
22 Net assets or fund balances. Subtract line 21 from line 20	4,675,155	5,137,685

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 CATHY BAUR — Date

Type or print name and title: PRESIDENT/CEO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
LEON C. COVELL, CPA	LEON C. COVELL, CPA	02/06/24		P00166785

Firm's name: COVELL, JANI & PASCH LLP — Firm's EIN: 38-3730777

Firm's address: 345 W 9TH AVE STE 100 ESCONDIDO, CA 92025-5055 — Phone no. 760-737-0700

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

TO INSPIRE AND ENABLE ALL YOUNG PEOPLE TO REALIZE THEIR FULL POTENTIAL AS RESPONSIBLE AND CARING CITIZENS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 3,679,262 including grants of $) (Revenue $)

TO ENHANCE THE QUALITY OF LIFE WITH SPECIAL CONCERN FOR THE DISADVANTAGED. TO HELP YOUNG PEOPLE HELP THEMSELVES. TO PROVIDE SERVICES THAT ACHIEVE PERSONAL AND PROFESSIONAL GROWTH IN CHILDREN. PROVIDE PROGRAMS AND ACTIVITIES FOR CHILDREN BEFORE AND AFTER SCHOOL, AND ON ALL NON-SCHOOL DAYS AND HOLIDAYS.

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

N/A

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

N/A

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

(Expenses $ 141,560 including grants of $) (Revenue $)

4e Total program service expenses 3,820,822

INDEPENDENT AUDITOR'S REPORT AND

FINANCIAL STATEMENTS

OF

BOYS & GIRLS CLUB OF SAN MARCOS

JUNE 30, 2023 AND 2022

BOYS & GIRLS CLUB OF SAN MARCOS
TABLE OF CONTENTS
JUNE 30, 2023 AND 2022

Independent Auditor's Report 1

Statements of Financial Position 3

Statements of Activities 4

Statements of Functional Expenses 6

Statements of Cash Flows 8

Notes to Financial Statements 9

Covell, Jani & Pasch LLP

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors of
Boys & Girls Club of San Marcos
San Marcos, California

Opinion

We have audited the accompanying financial statements of Boys & Girls Club of San Marcos (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of San Marcos as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys and Girls Club of San Marcos, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys and Girls Club of San Marcos's ability to continue as a going concern within one year after the date that the financial statements are available to be issued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Boys and Girls Club of San Marcos's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys and Girls Club of San Marcos's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Covell, Jani & Pasch LLP

Escondido, California
December 18, 2023

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	$ 1,236,996	$ 1,555,033
Investments, without donor restrictions	1,168,669	565,979
Accounts receivable	17,727	2,330
Grants receivable	239,344	284,956
Unconditional promises to give	285,000	275,000
Prepaid expenses	47,505	72,404
Refunds receivable - ERC	-	162,416
TOTAL CURRENT ASSETS	2,995,241	2,918,118
PROPERTY AND EQUIPMENT, NET	2,423,486	2,067,699
INVESTMENTS, ENDOWMENT (WITH DONOR RESTRICTIONS)	65,001	65,001
TOTAL ASSETS	**$ 5,483,728**	**$ 5,050,818**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 49,306	$ 78,193
Accrued payroll liabilities	186,397	140,492
Deferred revenue and deposits	110,340	156,978
TOTAL CURRENT LIABILITIES	346,043	375,663
TOTAL LIABILITIES	346,043	375,663
NET ASSETS		
Without donor restrictions	4,983,355	4,198,863
With donor restrictions	154,330	476,292
TOTAL NET ASSETS	5,137,685	4,675,155
TOTAL LIABILITIES AND NET ASSETS	**$ 5,483,728**	**$ 5,050,818**

See independent auditor's report and notes to financial statements

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
General club revenue	$ 945,139	$ -	$ 945,139
Grants	3,145,596	242,000	3,387,596
Public support contributions	333,715	10,000	343,715
In-kind donations	101,310	-	101,310
Special events	249,911	-	249,911
Less: special events direct expenses	(191,557)	-	(191,557)
Interest and dividends	68,289	-	68,289
Investment return, net	112,654	-	112,654
TOTAL SUPPORT AND REVENUE	4,765,056	252,000	5,017,056
NET ASSETS RELEASED FROM RESTRICTIONS	573,962	(573,962)	-
	5,339,018	(321,962)	5,017,056
EXPENSES			
PROGRAM SERVICES			
Jennifer Loscher & Autumn Dr branches	1,189,438	-	1,189,438
San Marcos Unified School District	1,892,234	-	1,892,234
Other programs	739,146	-	739,146
TOTAL PROGRAM SERVICES	3,820,818	-	3,820,818
SUPPORTING SERVICES			
Management and general expenses	715,627	-	715,627
Fundraising costs	18,081	-	18,081
TOTAL SUPPORTING SERVICES	733,708	-	733,708
TOTAL EXPENSES	4,554,526	-	4,554,526
INCREASE (DECREASE) IN NET ASSETS	784,492	(321,962)	462,530
NET ASSETS AT BEGINNING OF YEAR	4,198,863	476,292	4,675,155
NET ASSETS AT END OF YEAR	**$ 4,983,355**	**$ 154,330**	**$ 5,137,685**

See independent auditor's report and notes to financial statements

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
General club revenue	$ 714,125	$ -	$ 714,125
Grants	1,858,351	1,813,500	3,671,851
Public support contributions	245,960	298,766	544,726
In-kind donations	71,374	-	71,374
Special events	282,302	-	282,302
Less: special events direct expenses	(187,727)	-	(187,727)
Interest and dividends	44,638	-	44,638
Other income	5,405	-	5,405
Investment return, net	(288,115)	-	(288,115)
TOTAL SUPPORT AND REVENUE	2,746,313	2,112,266	4,858,579
NET ASSETS RELEASED FROM RESTRICTIONS	1,816,962	(1,816,962)	-
	4,563,275	295,304	4,858,579
EXPENSES			
PROGRAM SERVICES			
Jennifer Loscher & Autumn Dr branches	901,306	-	901,306
San Marcos Unified School District	1,197,214	-	1,197,214
Other programs	484,011	-	484,011
TOTAL PROGRAM SERVICES	2,582,531	-	2,582,531
SUPPORTING SERVICES			
Management and general expenses	438,422	-	438,422
Fundraising costs	121,876	-	121,876
TOTAL SUPPORTING SERVICES	560,298	-	560,298
TOTAL EXPENSES	3,142,829	-	3,142,829
INCREASE (DECREASE) IN NET ASSETS	1,420,446	295,304	1,715,750
NET ASSETS AT BEGINNING OF YEAR	2,778,417	180,988	2,959,405
NET ASSETS AT END OF YEAR	**$ 4,198,863**	**$ 476,292**	**$ 4,675,155**

See independent auditor's report and notes to financial statements

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services				Support Services			Total Expenses
	JL & AD Branches	San Marcos Unified School District	Other Programs	Total Program Services	Management and General	Fundraising Costs	Total Support Services	Year Ended June 30, 2023
EXPENSES								
Advertising, promotions, and awards	$ 2,469	$ 3,546	$ 2,696	$ 8,711	$ 21,037	$ 3,690	$ 24,727	$ 33,438
Bank and merchant fees	4,652	13,666	7,851	26,169	2,908	3,339	6,247	32,416
Board meetings/leadership support	146	-	-	146	956	200	1,156	1,302
Depreciation	33,643	98,827	56,773	189,243	21,028	-	21,028	210,271
Dues and licenses	8,742	4,105	13,875	26,722	16,197	1,390	17,587	44,309
Employee benefits	42,842	57,188	17,117	117,147	53,767	-	53,767	170,914
Employee wages and salaries	697,048	1,354,664	358,285	2,409,997	412,687	-	412,687	2,822,684
Employer payroll taxes, WC insurance and fees	84,446	164,138	43,403	291,987	50,039	-	50,039	342,026
Insurance	5,855	16,765	9,397	32,017	4,375	-	4,375	36,392
In-kind expense	6,921	-	20,000	26,921	-	6,751	6,751	33,672
Meals and entertainment	2,154	153	185	2,492	6,774	143	6,917	9,409
Outside Services	1,952	-	-	1,952	-	-	-	1,952
Postage	-	-	-	-	785	1,272	2,057	2,057
Professional fees	13,062	35,600	31,927	80,589	29,619	-	29,619	110,208
Program field trips	19,404	3,355	27,338	50,097	314	-	314	50,411
Repairs and maintenance	86,864	760	173	87,797	1,860	-	1,860	89,657
Scholarships	-	-	1,000	1,000	-	-	-	1,000
Supplies and equipment	89,996	110,306	60,158	260,460	55,103	84	55,187	315,647
Telephone and utilities	52,528	10,616	4,985	68,129	14,183	1,093	15,276	83,405
Training and conference	24,039	18,436	83,288	125,763	15,412	-	15,412	141,175
Travel	12,675	109	695	13,479	8,583	119	8,702	22,181
TOTAL EXPENSES	$ 1,189,438	$ 1,892,234	$ 739,146	$ 3,820,818	$ 715,627	$ 18,081	$ 733,708	$ 4,554,526

See independent auditor's report and notes to financial statements.

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services				Support Services			Total Expenses
	JL & AD Branches	San Marcos Unified School District	Other Programs	Total Program Services	Management and General	Fundraising Costs	Total Support Services	Year Ended June 30, 2022
EXPENSES								
Advertising, promotions, and awards	$ 297	$ 477	$ 409	$ 1,183	$ 10,259	$ 10,183	$ 20,442	$ 21,625
Bank and merchant fees	7,552	12,650	4,659	24,861	4,020	-	4,020	28,881
Board meetings/leadership support	642	-	-	642	1,973	774	2,747	3,389
Depreciation	23,899	40,030	14,742	78,671	12,721	-	12,721	91,392
Dues and licenses	7,682	12,972	6,925	27,579	4,360	9,827	14,187	41,766
Employee benefits	40,975	56,091	16,500	113,566	22,067	-	22,067	135,633
Employee wages and salaries	512,654	858,605	316,282	1,687,541	272,935	-	272,935	1,960,476
Employer payroll taxes, WC insurance and fees	53,793	94,393	37,114	185,300	27,916	-	27,916	213,216
Insurance	3,079	9,495	7,716	20,290	2,771	-	2,771	23,061
Meals and entertainment	635	43	25	703	410	622	1,032	1,735
Outside Services	1,949	-	-	1,949	-	-	-	1,949
Postage	73	-	-	73	704	2,790	3,494	3,567
Professional fees	8,707	25,576	14,692	48,975	30,181	2,245	32,426	81,401
Program field trips	15,589	142	1,194	16,925	23	-	23	16,948
Repairs and maintenance	70,293	-	-	70,293	413	10,172	10,585	80,878
Scholarships	1,000	-	-	1,000	-	-	-	1,000
Supplies and equipment	76,680	57,854	14,953	149,487	30,656	70,833	101,489	250,976
Telephone and utilities	46,230	15,843	11,043	73,116	4,675	7,806	12,481	85,597
Training and conference	18,689	12,797	37,627	69,113	9,413	6,624	16,037	85,150
Travel	10,888	246	130	11,264	2,925	-	2,925	14,189
TOTAL EXPENSES	**$ 901,306**	**$ 1,197,214**	**$ 484,011**	**$ 2,582,531**	**$ 438,422**	**$ 121,876**	**$ 560,298**	**$ 3,142,829**

See independent auditor's report and notes to financial statements

BOYS & GIRLS CLUB OF SAN MARCOS
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 462,531	$ 1,715,750
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS PROVIDED (USED) BY OPERATING ACTIVITIES		
Depreciation	210,271	91,392
Realized and unrealized (gain) loss on investments	(124,374)	274,704
(Increase) decrease in accounts receivable	(25,397)	(277,330)
(Increase) decrease in grants receivable	45,612	230,310
(Increase) decrease in prepaid expenses	24,899	(32,897)
(Increase) decrease in refunds receivable - ERC	162,416	(162,416)
Increase (decrease) in accounts payable	(28,887)	61,865
Increase (decrease) in accrued expenses	-	(15,934)
Increase (decrease) in accrued payroll expenses	45,902	94,299
Increase (decrease) in deferred revenue and deposits	(46,637)	89,074
Total adjustments	263,805	353,067
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	726,336	2,068,817
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(566,058)	(1,745,869)
Proceeds from sale of investments	866,601	1,413,683
Donation of investments	-	(25,267)
Purchase of investments	(1,344,916)	(949,498)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(1,044,373)	(1,306,951)
NET INCREASE (DECREASE) IN CASH	(318,037)	761,866
CASH, BEGINNING OF YEAR	1,555,033	793,167
CASH, END OF YEAR	**$ 1,236,996**	**$ 1,555,033**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
CASH PAID DURING THE YEAR FOR:		
Interest expense	$ -	$ -
Income tax	$ -	$ -

See independent auditor's report and notes to financial statements

A. ORGANIZATION

The Boys & Girls Club of San Marcos (the "Club") was incorporated January 23, 1979 pursuant to the general nonprofit corporation law of the state of California. The specific purpose of the Club is to promote the social, educational, health, leadership, and character development of boys and girls during critical periods of their growth.

The Club maintains two primary facilities (Jennifer Loscher Branch and Walter J. & Betty C. Zable Foundation Branch) and various sub-sites in the San Marcos area. The second site in San Marcos, located on Autumn Drive, opened in June 2022. The new location was made possible by an agreement with the city of San Marcos to pay minimal rent (see Note H) and a grant of $1,200,000 of additional funding to help pay for the tenant buildout (see Note I).

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards/Change in Accounting Principles

ASU 2016-02

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2019-01, Leases (Topic 842): Codification Improvements. The most significant change in the new leasing guidance is the requirement to recognize right-to-use ("ROU") assets and lease liabilities for operating leases on the balance sheet.

The Club adopted FASB Topic 842, Leases, using the modified retrospective approach with July 1, 2022 as the date of initial adoption (effective date method) and utilized all of the available practical expedients. The Club has elected to apply the short-term lease exception to all leases with a term of one year or less and therefore the adoption did not result in any changes to the Club's balance sheet as no recognition of ROU assets and lease liabilities for operating leases was required. The accounting for finance leases remained substantially unchanged.

ASU 2020-07

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations through enhancements to presentation and disclosure. ASU No. 2020-07 was issued to address certain stakeholders' concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by not-for-profits, as well as the amount of those contributions used in an entity's programs and other activities. The standard was effective for the Club for the year ended June 30, 2022. The adoption of this guidance did not have a material impact on the Club's financial statements.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The Club's accounting records and the accompanying financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles (GAAP) whereby all revenue is recognized when earned rather than received and expenses are recognized when incurred rather than when paid and, accordingly, reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Non-For-Profit Entities*. Under ASU 2016-14, the Club is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restriction: net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the club. These net assets may be used at the discretion of the Club's board of directors.

Net assets with donor restriction: 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 Club or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Investments

The Club carries investments in marketable securities with readily determinable fair values at their fair values based on quoted prices in active markets in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the statement of activities.

Endowment Funds: The Club's endowment was created with a restricted corpus of $65,001 established in 1998. The corpus is part of the Club's investment account, which is governed by the Endowment Investment Policy adopted by the Board in April 2009. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (continued)

The Board of Directors of the Club has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Club classifies as with donor restrictions net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Club considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the Club 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 Club, and (7) the Club investment policies.

Investment Return Objectives, Risk Parameters and Strategies: The investment goal is to achieve a total return that provides incremental value when benchmarked or compared to the relevant indexes. The Endowment Committee adheres to a total return policy in measuring investment performance. Total return is the sum of interest, dividends, and realized and unrealized gains and losses. The objective is for the portfolio to yield a total return (after fees and before distributions to current operations) of 3% over inflation, over a market cycle of usually 3-5 years, as measured by the Consumer Price Index (all urban CPI) annually. The Endowment Committee has the responsibility of determining the asset allocation guidelines that are the highest probability of achieving superior investment performance. The committee believes that the ultimate achievement of its investment mission statement is impacted most by the asset allocation decision. It is also the primary determinant of volatility of returns.

The endowment asset allocation guidelines are designed to portray the investment structure of the fund over a long time horizon. The advisors shall recommend an appropriate asset allocation mix for the portfolio within the following guidelines:

1. The equity portion of the portfolio will be managed within a range of 30% to 70%.
2. The fixed income portion will be managed within a range of 30% to 60%.

If the manager deems it necessary to vary from these ranges, such variance shall be discussed with the Club's Endowment Committee and approved by the Board of Directors if a change is to be made.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (continued)

The following categories of securities transactions are not permissible within the Club's portfolio:

1. Short sales
2. Put and call options (except that calls may be written against securities owned)
3. Margin purchases or lending or borrowing money, except for publicly traded corporate debt
4. Letter stock, private placement, or direct placements
5. Equity securities of any company which has a record of less than three years continuous operation, including the operation of any predecessor
6. Purchase for purposes of exercising control of management
7. Derivatives of any other type
8. Stock loans
9. Commodities
10. Real estate properties
11. Oil or gas real property, without prior consultation with the Endowment Committee

The Endowment Committee is responsible for monitoring the investment management of the endowment funds' assets. The committee will hold formal meetings with the investment advisors periodically, at least semiannually. These meetings will include:

1. A summary of investment performance for the period measured against established performance benchmarks
2. A report of the portfolio's holdings showing individual security positions, at cost and market value
3. A review of all transactions, including a report of all capital gains and losses
4. Discussion on portfolio structure in light of current and anticipated market conditions and investment objectives of the funds

The investment advisors will furnish the Endowment Committee a quarterly report on a timely basis summarizing investment performance and showing individual security positions at cost and market. The report should also include a review of all transactions, including all capital gains and losses.The investment advisors are expected to notify the Endowment Committee whenever significant developments occur that may affect the portfolio. These developments include, but are not limited to, major changes in investment outlook, investment strategy, or any other matters affecting investing policy.

From time to time, the fair value of assets associated with individual or donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Club to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, a deficiency of this nature is reported as unrestricted net assets. There was no such deficiency as of June 30, 2023 and 2022.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (continued)

Spending Policy: This concept calls for a specific dollar amount based on a percentage of endowed assets to be used for the annual operating budget of the Club regardless of interim market fluctuations, income and dividend levels or capital gains/losses. The board will designate which funds will be considered endowed for purposes of this policy. Any funds not a part of the Club's endowment may be subject to other donor or board spending restrictions.

The percentage of total endowed fund assets used annually by the Club is the spending policy. The Board of Directors will set this percentage. The spending policy percentage will be multiplied by the "adjusted asset base" to determine the dollar value available for club operations. The "adjusted asset base" figure will be a moving aggregate of the previous 12-quarter end market values of eligible assets.

For the purposes of this policy, the Club will use 5% of the eligible assets on an annual basis to support club operations. This spending policy will go into effect once the fund's total "eligible asset base" reaches $5 million. However, this may be reviewed and/or changed by the Board of Directors.

Cash and Cash Equivalents

The Club considers instruments purchased with a fixed maturity date of three months or less to be cash equivalents for the purposes of the statement of cash flows.

Promises to Give

Unconditional promises to give in future periods are recognized as support in the period in which the promises are received and as assets, decreases of liabilities, or expenses depending on the form of benefit received. Promises to give are recorded at net realizable value if they are expected to be collected withing one year and at net present value if they are expected to be collected in more than one year.

Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Accounts Receivable

Accounts receivable consist of program fees due and grant contracts and are stated at the amount management expects to collect from unpaid balances. Balances that are still outstanding after management has used reasonable collection efforts are written off to bad debt expense.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the fair value at the date of donation. Generally, the Club capitalizes assets with a value of $2,500 or more. Expenditures for maintenance, repairs, and improvements, which do not materially extend the useful lives of the assets, are charged to operations in the periods incurred. Depreciation is provided on the straight-line and double declining methods over the estimated useful lives of the assets as follows:

Asset	Life
Building	30 years
Building improvements – Autumn Drive	30 years
Computers and peripherals	5-7 years
Furniture and fixtures	7 years
Leasehold improvements	10-30 years
Office equipment	5-7 years
Software	3 years
Vehicles	5-10 years

Contributions of long-lived assets, or cash or other assets that must be used to acquire these assets, are reported as increases in temporarily restricted net assets. Restrictions are considered met, and an appropriate amount is reclassified to unrestricted net assets over the useful life of the long-lived assets as determined by the Club's depreciation policy.

Use of Estimates

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

Donated Assets and Services

Contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skill, are provided by entities or persons possessing those skills, and would typically need to be purchased if they were not donated, are recorded at their fair value in the period received. See Note K.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition

Disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue streams that fall under *Revenue from Contracts with Customers (Topic 606)* are as follows:

Membership Fees – Membership fees for access to the Club's support services, which include admittance into the facility, access to technology resources, and access to sports and recreational activities, which are nonrefundable, are recognized over the membership period remaining based on when the fees are collected. Memberships are utilized for access to the Club's support services, and as such, performance obligations include ensuring the Club has educators and other resources available over time in order to have activities for which individuals who pay such fees are participating. Membership fee revenue was $43,330 and $21,310 for the years ended June 30, 2023 and 2022, respectively and is included in general club revenue on the statements of activities.

Program Fees – The Club generates revenue from registration fees for after-school, teen, school holiday and summer programs, which are nonrefundable. Program fees are considered exchange transactions by nature and are recognized over the period the activity is provided. Program fee revenue was $889,399 and $680,482 for the years ended June 30, 2023 and 2022, respectively and is included in general club revenue on the statements of activities.

Overall economic conditions can impact the nature, timing, and uncertainty of the Club's revenues and cash flows.

The Club has additional revenue streams that are not within the scope of *Revenue Contracts with Customers (Topic 606)*:

Contributions and Grants, including unconditional promises to give, are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Grants and contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted grants and contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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 statements of activities as net assets released from restrictions. When restrictions are satisfied in the same accounting period that the contribution is received, both the revenue and the related expense are reported as without donor restrictions.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition (Continued)

The Club receives some grants, which are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as contribution revenue when the Club has incurred expenditures in compliance with specific contract or grant provisions. Any amounts received prior to incurring qualifying expenditures would be reported as refundable advances in the statement of financial position. The Club had grants receivable in the amount of $239,344 and $284,956 at June 30, 2023 and 2022, respectively, for qualifying expenditures that have been incurred, but not yet reimbursed to the Club.

Deferred Revenue

Program fee revenue and membership fees collected prior to the fiscal year to which they apply are deferred and recognized over the periods to which the dues and fees relate. Special event donations that are collected prior to the fiscal year in which the events occur are also deferred and recognized in the periods where the related expenses and events occur. Grant revenue collected prior to the fiscal year of the project timeframe are deferred and recognized in the appropriate fiscal year.

Leases

The Company leases certain buildings. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities in the statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in the statements of financial position. For the years ended June 30, 2023 and 2022, the Club did not have any finance lease or material long-term operating lease obligations.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses which report certain categories of expenses that are attributable to more than one program or support function. The expenses include employee wages and salaries, which are allocated to program and support services based on payroll costs for those services. Scholarships are allocated based on the program they benefit. All other expenses are allocated based on management's estimate.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

The Club expenses advertising costs as they are incurred. The total advertising expense for the years ended June 30, 2023 and 2022 was $33,437 and $21,625, respectively.

Income Tax

The Club is a private not-for-profit corporation organized under the laws of the state of California. As a Section 501(c)(3) organization, it is exempt from income tax under the U.S. Internal Revenue Code and Section 23701(d) of the California State Revenue and Taxation Code, except for unrelated business activities or unrelated business income. During the years ended June 30, 2023 and 2022, there were no unrelated business activities or unrelated business income.

C. FAIR VALUE MEASUREMENTS

The Club follows guidance issued by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, which provides the framework for measuring the fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

In January 2016 and February 2018, the FASB issued Accounting Standards Update (ASU) 2016-01 and ASU 2018-03, "Technical Corrections and Improvements to Financial Instruments—Overall: Recognition and Measurement of Financial Assets and Financial Liabilities" (ASU-2018-03), respectively. ASU 2016-01 changes accounting for equity investments, financial liabilities under the fair value option, and presentation and disclosure requirements for financial instruments. Equity investments with readily determinable fair values will be measured at fair value with changes in fair value recognized in net income instead of comprehensive income as was previously reported before the new standards.

Following is a description of the three input levels of the fair value hierarchy:

Level 1 Unadjusted quoted prices for identical assets or liabilities in active markets

Level 2 Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and inputs other than quoted prices that are observable or that can be corroborated by observable market data by correlation or other means.

Level 3 Unobservable inputs based upon the reporting entity's internally developed assumptions that market participants would use in pricing the asset or liability.

C. FAIR VALUE MEASUREMENTS (CONTINUED)

Assets and liabilities are classified in their entirety based on the lowest level of any input that is significant to the fair value measurement. The Club's assessment of the significance of a particular input to the fair value measurement requires judgement, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. There have been no changes in methodologies used at June 30, 2023.

Following is a description of the valuation methodologies used for assets measured at fair value:

Equities and exchange traded, alternative investments, real asset funds and real estate investment trusts: valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: valued at the net asset value (NAV) of shares held by the Club at year end.

The following table sets forth by level, within the fair value hierarchy, the Club's investments, other than money market funds, included in cash at fair value as of June 30:

2023	Level 1	Level 2	Level 3	Total
Mutual funds				
Bond funds	$ 104,458	$ -	$ -	$ 104,458
Corporate bonds	348,465	-	-	348,465
High Yield bonds	49,896	-	-	49,896
Equities & exchange-traded				
Communication services	59,372	-	-	59,372
Consumer cyclical	29,841	-	-	29,841
Consumer defensive	37,494	-	-	37,494
Consumer goods	83,968	-	-	83,968
Energy	46,225	-	-	46,225
Financial services	34,100	-	-	34,100
Health	60,673	-	-	60,673
Industrial goods	1,381	-	-	1,381
Large blend	84,223	-	-	84,223
Large growth	73,145	-	-	73,145
Preferred stock (ETF)	1,392	-	-	1,392
Short Government	72,090	-	-	72,090
Technology	146,947	-	-	146,947
Total asset fair value	$ 1,233,670	$ -	$ -	$ 1,233,670

C. FAIR VALUE MEASUREMENTS (CONTINUED)

2022	Level 1	Level 2	Level 3	Total
Mutual funds				
Bond funds	$ 96,017	$ -	$ -	$ 96,017
Large blend funds	34,937	-	-	34,937
Equities & exchange-traded				
Communication services	105,744	-	-	105,744
Consumer cyclical	24,688	-	-	24,688
Consumer defensive	33,806	-	-	33,806
Consumer goods	52,640	-	-	52,640
Financial services	27,302	-	-	27,302
Health	12,183	-	-	12,183
Industrial goods	16,922	-	-	16,922
Large blend	30,180	-	-	30,180
Large growth	31,672	-	-	31,672
Preferred stock (ETF)	1,480	-	-	1,480
Technology	116,136	-	-	116,136
Utilities	47,273	-	-	47,273
Total asset fair value	$ 630,980	$ -	$ -	$ 630,980

D. INVESTMENTS

The amortized cost of securities and their approximate fair values are as follows at June 30:

2023	Gross Amortized Cost	Gross Unrealized Gains/Losses	Fair Value
Equities and exchange traded	$ 611,453	$ 119,398	$ 730,851
Mutual funds	496,049	6,770	502,819
	$ 1,107,502	$ 126,168	$ 1,233,670
2022			
Equities and exchange traded	$ 520,366	$ (20,340)	$ 500,026
Mutual funds	123,746	7,208	130,954
	$ 644,112	$ (13,132)	$ 630,980

D. INVESTMENTS (CONTNUED)

Investments are classified as follows at June 30:

	2023	2022
Investments, without donor restrictions	$1,168,669	$ 565,979
Investments, endowment (restricted)	65,001	65,001
	$1,233,670	$ 630,980

Investment return, net consists of the following at June 30:

	2023	2022
Realized and unrealized gains (losses), net	$ 124,374	$ (274,704)
Investment management fees	(11,720)	(13,441)
	$ 112,654	$ (288,115)

E. AVAILABILITY AND LIQUIDITY

The following reflects the Club's financial assets as of June 30, 2023, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statement of financial position date:

Financial assets at year-end:	
Cash and cash equivalents	$ 1,236,996
Investments	1,233,670
Accounts receivable	17,727
Grants receivable	239,344
Promises to give	285,000
Total financial assets available	3,012,737
Less amounts not available for general use:	
Investment endowment	(65,001)
Financial assets available to meet cash needs for general expenditures over the next twelve months	$ 2,947,736

The Club regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Club considers all expenditures related to its ongoing program activities as well as the conduct of services undertaken to support those activities to be general expenditures.

F. RECEIVABLES

Receivables consists of the following at June 30:

	2023	2022
Accounts receivable		
Program fees receivable	$ 17,727	$ 2,330
	$ 17,727	$ 2,330
Grants receivable		
Reimbursable grant contracts	$ 239,344	$ 284,956
	$ 239,344	$ 284,956
Unconditional promises to give		
Without donor restrictions	$ -	$ 25,000
With donor restrictions for capital project	255,000	250,000
With donor restrictions for wellness program	30,000	-
	$ 285,000	$ 275,000

Accounts and grants receivable are receivable in less than one year. The promises to give consist of unconditional pledges that had not yet been collected at year end and are due within one year. The Club believes all receivables are fully collectible and that no allowance for uncollectible accounts is needed.

G. PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at June 30:

	2023	2022
Building	$1,318,013	$1,318,013
Building improvements – Autumn Drive	1,152,874	1,112,522
Computers and peripherals	168,233	138,293
Furniture and fixtures	313,751	155,020
Leasehold improvements	1,076,844	875,758
Office equipment	43,200	20,630
Software	12,121	12,121
Vehicles	208,136	38,125
Construction in process	-	56,633
	4,293,172	3,727,115
Less accumulated depreciation	(1,869,686)	(1,659,416)
	$2,423,486	$2,067,699

Depreciation expense for the years ended June 30, 2023 and 2022 was $210,271 and $91,392, respectively.

H. OPERATING LEASE OBLIGATIONS

The Club leases land for $1 per year from the City of San Marcos for the Pico Avenue location in San Marcos, California, under an agreement expiring in September 2043. No amounts have been reflected in the financial statements for donated rent or a promise to give because there is no clear measurable and objective basis for determining its value.

The Club leases a space for $1 per year from the City of San Marcos at 413 Autumn Drive, San Marcos, California, under an agreement expiring in April 2046 with an option of five years and an additional option of four years and eleven months. No amounts have been reflected in the financial statements for donated rent or a promise to give because there is no clear measurable and objective basis for determining its value.

I. MAJOR GRANT CONTRACTS

After School Education and Safety (ASES) Program: There are contract agreements between San Marcos Unified School District and the Club (contractor) to operate an ASES program to improve academic achievement and provide safe and healthy recreation and prevention activities for students at qualified school sites. Initial grant contract terms covered a three year period with extensions. Although this period has expired, the contract terms are eligible for renewal on an annual basis, and were renewed for the years ended June 30, 2023 and 2022. Award amounts totaled $904,007 and $904,400 for the years ended June 30, 2023 and 2022, respectively. Payments received totaled $904,007 and $904,400 for the years ended June 30, 2023 and 2022, respectively.

After School Education and Safety (ASES) Summer Program: There are contract agreements between San Marcos Unified School District and the Club (contractor) to provide English language summer school at three school sites. Award amounts totaled $0 and $97,320 for the years ended June 30, 2023 and 2022, respectively. Payments received totaled $0 and $176,347 for the years ended June 30, 2023 and 2022, respectively.

Expanded Learning Opportunity Program (ELOP): There is a contract agreement between San Marcos Unified School District and the Club (contractor) to implement the Expanded Learning Opportunity Program at numerous school sites in San Marcos. Award amounts totaled $1,975,220 and $0 or the years ended June 30, 2023 and 2022, respectively. Payments received totaled $1,225,917 and $0 for the years ended June 30, 2023 and 2022, respectively.

Boys & Girls Club National Youth Mentoring Program (OJP): There are contract agreements between Boys & Girls Clubs of America and the Club (contractor) to create and/or preserve full-time equivalent paid staff positions and to implement or expand an evidence-based mentoring program. Grant contract terms cover a calendar year period. Any remaining amounts may carry forward to the next year. Total payments received for the years ended June 30, 2023 and 2022 were $87,100 and $40,000, respectively.

I. MAJOR GRANT CONTRACTS (CONTINUED)

Copper Creek After School Program: There are contract agreements between BRIDGE Housing Corporation and the Club (contractor) to operate after school programs at Copper Creek Apartments to provide academic readiness and decreased tolerance for bullying and violence programs to youth members. The grant contract terms cover a calendar year period. Total payments received for the years ended June 30, 2023 and 2022 were $ 28,239 and $22,902, respectively.

Clubhouse Network: There are contract agreements between The Clubhouse Network and the Club (contractor) that provide grants to the Club when it establishes certain programs as follows: (1) Clubhouse-to-Career Pathways to Success Program for which $75,000 and $50,000 were received for the years ended June 30, 2023 and 2022, respectively, (2) Refresh & Retool Grant for the Club's Teen Tech Center for which $10,000 and $10,000 were received for the years ended June 30, 2023 and 2022, respectively and (3) an annual membership that includes a grant and license agreement for the Club's Best Buy Teen Tech Center for which $135,000 and $10,000 were received for the years ended June 30, 2023 and 2022, respectively.

Hope through Housing After School Program: There are contract agreements between the Hope Through Housing Foundation and the Club (contractor) to operate after school programs at satellite sites located in four different affordable housing sites to provide academic readiness and decreased tolerance for bullying and violence programs to youth members. The grant contract terms covered ten-month periods from August through June. Award amounts totaled $12,500 per month (up to $125,000) for the year ended June 30, 2023 and totaled $12,000 (up to $120,000) for the year ended June 30, 2022. For the years ended June 30, 2023 and 2022, there were additional funds provided for summer programs. Total payments received for the years ended June 30, 2023 and 2022 were $152,000 and $125,000, respectively.

Funding Agreement for Autumn Drive Project (Walter J. & Betty C. Zable Foundation Branch): In August 2021, a funding agreement was established for facility improvements and associated operations and program support between the City of San Marcos (City) and the Club (lessee) in the amount of $1,200,000. The agreement was amended in March 2022 to allow the funds to also be used at the Jennifer Loscher Branch. See Notes A and H.

State of California Natural Resources Agency Grant: The Club received a grant from the state of California to purchase three vans and provide cultural field trips and programs, which were purchased during the year ended June 30, 2023. The grant reimbursed up to $300,000 of eligible costs. Total payments received for the years ended June 30, 2023 and 2022 were $200,515 and $0, respectively.

County of San Diego Neighborhood Reinvestment Program Grant: The Club received a grant from the County of San Diego to help with infrastructure enhancement including the replacement of doors and locks, exterior painting and the purchase of furniture for the Jennier Loscher Branch. The total grant of $150,000 was received in the year ended June 30, 2023.

J. CASH FLOW INFORMATION

The Club did not have any non-cash financing transactions relating to the purchase of fixed assets for the years ended June 30, 2023 and 2022.

K. GIFTS IN-KIND

The Club received in-kind donations for the years ended June 30:

	2023	2022
Prizes for fundraising events	$ 67,699	$ 66,183
Supplies for fundraising events	6,691	2,390
Supplies for programs	26,920	2,801
	$ 101,310	$ 71,374

All in-kind donations received by the Club for the years ended June 30, 2023 and 2022 were classified as without donor restrictions since they were received and utilized in the same period.

L. NET ASSETS WITH DONOR RESTRICTIONS

Changes in restricted net assets for the year ended June 30, 2023 are as follows:

Purpose restrictions	2022	Additions	Released	2023
Autumn Drive improvements	$ 358,100	$ 10,000	$ (368,100)	$ -
Best Buy Teen Tech Center	-	75,000	(28,933)	46,067
The Clubhouse Network				
C2C internship	5,000	-	(5,000)	-
Pathways	5,362	75,000	(80,362)	-
Forte for Children – Music program	19,901	15,000	(26,639)	8,262
Leaders in training program	19,359	42,000	(61,359)	-
Sundt Foundation C2C internship	-	5,000	-	5,000
Walmart – C2C internship	1,000	-	(1,000)	-
Wellness program	2,569	30,000	(2,569)	30,000
	411,291	252,000	(573,962)	89,329
Permanently restricted				
Endowment fund	65,001	-	-	65,001
	65,001	-	-	65,001
	$ 476,292	$ 252,000	$ (573,962)	$ 154,330

L. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Changes in restricted net assets for the year ended June 30, 2022 are as follows:

Purpose restrictions	2021	Additions	Released	2022
Autumn Drive improvements	$ 110,487	$ 1,978,266	$ (1,730,653)	$ 358,100
Best Buy scholarship	5,000	-	(5,000)	-
Flapjacks for backpacks	500		(500)	-
The Clubhouse Network				
C2C internship	-	10,000	(5,000)	5,000
Pathways	-	50,000	(44,638)	5,362
Forte for Children – Music program	-	20,000	(99)	19,901
Leaders in training program	-	50,000	(30,641)	19,359
Walmart – C2C internship	-	1,000	-	1,000
Wellness program	-	3,000	(431)	2,569
	115,987	2,112,266	(1,816,962)	411,291
Permanently restricted				
Endowment fund	65,001	$ -	$ -	65,001
	65,001	-	-	65,001
	$ 180,988	$ 2,112,266	$ (1,816,962)	$ 476,292

M. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Club to concentrations of credit risk consist principally of cash deposits and investment securities in banks and financial institutions.

The Club maintains cash and cash equivalents and short and long-term investments with major banks. Accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 at each institution. At June 30, 2023 and 2022, the Club had balances in excess of the FDIC coverage of $0 and $405,915, respectively.

The Club also maintains accounts with a brokerage company. These accounts contain cash and securities and balances are insured up to $500,000 (with a limit of $250,000 for cash) by the Securities Investor Protection Company (SIPC). At June 30, 2023 and 2022, the Club had a balance in excess of coverage of $733,670 and $430,980, respectively.

N. REVENUE CONCENTRATION

The Club received numerous grants from the San Marcos Unified School District, which provided $2,129,924 and $1,132,762, or approximately 56% and 27%, of the Club's total grant and public support revenue for the years ended June 30, 2023 and 2022, respectively.

N. REVENUE CONCENTRATION (CONTINUED)

The Club also received several grants from the City of San Marcos, which provided $1,325,000, or approximately 31%, of the Club's total grant and public support revenue for the year ended June 30, 2022. There was no revenue concentration from the City of San Marcos for the year ended June 30, 2023.

O. PENSION PLAN

The Club has adopted a defined 401(k) profit sharing plan. The plan is open to all eligible employees. The Club makes a mandatory three percent (3%) contribution per the requirements of Boys and Girls Club of America. In addition, the Club matches 100% up to 4% of employees' compensation. Employees become vested in the plan based on a two-to-six year graded vesting scale. The total pension expense for the years ended June 30, 2023 and 2022 was $36,183 and $33,011, respectively.

P. CARES ACT EARNED RETENTION CREDIT/ADOPTION OF ACCOUNTING POLICY

The CARES Act provides an employee retention credit ("ERC"), which is a refundable tax credit against certain employment taxes of up to $5,000 per employee for eligible employers. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at $10,000 of qualified wages per employee through December 31, 2020. Additional relief provisions were passed by the United States government, which extend and slightly expand the qualified wage caps on these credits through December 31, 2021. Based on these additional provisions, the tax credit is now equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee has been increased to $10,000 of qualified wages per quarter.

The Club is eligible for the ERC and filed Form 941-X Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund for the quarters ended March 31, 2020, June 30, 2020, December 31, 2020, March 31, 2021 and June 30, 2021 totaling $428,478. The total refund receivable and grant revenue was recorded in the year ended June 30, 2021. Refunds of $266,062 were received in the year ended June 30, 2022 and $162,416 was received in the year ended June 30, 2023. Management and the board of directors were of the opinion that all of the conditions had been met and the Club would receive the refunds. Accordingly, the funds were accounted for in accordance with FASB ASC 958-605 whereby the ERC credits are treated as a conditional governmental grant and recorded as a refund receivable. The amounts receivable of $0 and $162,416 have been reflected in refunds receivable on the statements of financial position at June 30, 2023 and 2022, respectively.

Q. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 18, 2023, the date the financial statements were available to be issued. Management is not aware of any events that have occurred subsequent to June 30, 2023 that would require adjustment to, or disclosure in the financial statements.

San Marcos Elementary

Tigers

August 21, 2024

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

To Whom It May Concern:

This letter is written in support of the Boys & Girls Club of San Marcos' (BGCSM's) application for 2024 Regular Grant program.

The San Marcos Unified School District is dedicated to empowering school-age youth to achieve success and become productive citizens in their community through a high-quality education. BGCSM has been a long-standing partner with our district, providing impactful programs and services to youth during after-school hours and academic breaks. The Clubhouse is a welcoming space for our students to strengthen their knowledge and skills, pursue new interests, and connect with mentors and peers. Through this collaboration, BGCSM is connected to all 18 traditional K-12 schools within our district, providing academic, recreational, and wellness programs and activities at 10 school campuses, and offering transportation from five elementary schools and three high schools (two of which also have on-campus sites).

In the last two years, our collaboration has grown to reach more San Marcos youth through the Expanded Learning Opportunities Program, ensuring this community's most underserved youth are connected to caring adult mentors and resources that further their development and encourage them to reach their dreams and goals.

We are in full support of BGCSM receiving a grant to support the programs and services offered to youth who attend the Walter J. & Betty C. Zable Foundation Branch, which is a main location serving our students who attend San Marcos Elementary. Providing enriching support during the academic year and summer months is essential to further our students' learning and growth.

We encourage you to consider funding this application and we appreciate your commitment to the success of youth and families in our community. If you have any questions or need additional input, please feel free to contact me at 760-290-2434 or christine.griley@smusd.org. Thank you!

Sincerely,

Christine Griley
Principal
San Marcos Elementary School

San Marcos Elementary • 1 Tiger Way • San Marcos, CA 92069 • 760.290.2430 • fax 760.736.2213

"We can all be Angels."

Breast Cancer Angels
15173 Springdale St.
Huntington Beach, CA, 92649

September 16, 2024

Dear San Marcos Community Foundation Board Members,

On behalf of the Board of Directors at Breast Cancer Angels, thank you for taking the time to review our application. Over the last 24 years, BCA has done a tremendous amount of work in providing support to the breast cancer community in Southern California. We truly believe that the work is necessary and important, as there are many women who lack access to health care and come from less fortunate circumstances. Our hope for Breast Cancer Angels is to continue to be the light in the lives of these women that can easily be our neighbors and loved ones.

Like the San Marcos Community Foundation, Breast Cancer Angels makes a significant impact on the lives of San Diego County citizens by serving as a social safety net when families are at their rock bottom. Our goal is to provide hope and alleviate suffering for families so that they can get back on their feet and become thriving and active members of society once again. Even with limited resources, we have grown the organization and paved a way for thousands of women through their painful journey of healing. While offering resources, time, and emotional support, we have seen the mission of Breast Cancer Angels as a sacred task and served with much integrity.

Thank you again for your thorough consideration of our application. We hope that through a partnership with the San Marcos Community Foundation we are able to continue our mission and impact the community in a profound way.

Sincerely,

Holli Lienau

Holli Lienau
Breast Cancer Angels
Board President

Title

Breast Cancer Angels - One Family at a Time

09/17/2024

id. 47534610

by **Debbie Stroman** in **San Marcos Community Foundation**
on behalf of **Breast Cancer Angels**

15173 Springdale St.
Huntington Beach, California
92649
United States
7147850551
breastcancerangelsgrants@gmail.com

Original Submission

09/17/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Breast Cancer Angels - One Family at a Time
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	One Family at a Time
Project Start Date	1/1/2025
Project End Date	12/31/2025
Date by Which Funds Will Be Expended:	6/1/2025
Total Number of People Served by this Project	1850.0
Total Number of People Served by this Project in San Marcos Only	150.0
Grant Amount Requested	10000.0

	Organization Details
Organization Name	Breast Cancer Angels
Organization Street Address	2010 Jimmy Durante Blvd #240
Organization City	Del Mar
Organization State	CA
Organization Zip Code	92014
Organization Website	http://www.breastcancerangels.org
Organization's EIN	33-0937846 200 Breast Cancer Angels a2e12671-8144-448e-a4c9-e539473a64c9 PO Box 340 Los Alamitos CA 90720 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2022-07-11T00:00:00 2022-07-25T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2022-07-11T00:00:00 2001 06
	Contact Information
Contact First Name	Angelina
Contact Last Name	Girgis
Contact Title	Grants Administrator
Contact Phone	+15166614674
Contact Email	breastcancerangelsgrants@gmail.com
	Project Details

Briefly describe your request for funds.	Breast Cancer Angels (BCA) requests funding to support our "One Family at a Time" program, providing critical financial assistance to San Marcos residents undergoing breast cancer treatment. When diagnosed, many patients must quit their jobs to focus on healing, leading to loss of income and health insurance while bills continue to mount. Our program ensures these individuals can meet basic needs without choosing between treatment and essentials like food or housing. We offer support in various forms: • Rent/mortgage assistance • Utility bill payments • Grocery gift cards • Transportation assistance (gas cards, car repairs) • Medical co-pay coverage • Second opinion fund Assistance typically ranges from $300-$500 monthly per family for three months during chemotherapy. With increased funding, we aim to extend this support to six months, better covering the full treatment period. Our unique model provides swift verification through partner hospitals, allowing us to deliver aid within a week of request – crucial for those on the brink of financial crisis. This grant will specifically support San Marcos residents, ensuring they can focus on healing without the added stress of potential homelessness or hunger. By investing in Breast Cancer Angels, you're providing a vital lifeline to your community members during their most challenging times
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Breast Cancer Angels' request is crucial for the San Marcos community, addressing a critical need for breast cancer patients facing financial hardship during treatment. Based on our San Diego County data, we anticipate serving approximately 90 -150 San Marcos residents annually through our "One Family at a Time" program. In 2023, we assisted 221 individuals in San Diego County, distributing $133,073 in aid. Scaling this to San Marcos' population, we expect to provide around $20,000-$25,000 in financial support to local residents annually. This assistance prevents homelessness, ensures access to proper nutrition, and enables patients to focus on their treatment and recovery. Our program's significance lies in its immediate impact and comprehensive support. We provide $300-$500 monthly per family for three months, covering essential needs like rent, utilities, groceries, and transportation. This timely assistance, delivered within a week of request, is often the difference between stability and crisis for families already struggling with a life-threatening diagnosis. By supporting San Marcos residents through their cancer journey, we contribute to the overall health and resilience of the community, ensuring that no one has to choose between life-saving treatment and basic necessities.

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We partner with UC San Diego Health & Scripps Health for patient referrals & verification. Susan G. Komen aids in patient outreach. These partnerships ensure thorough support for San Marcos residents.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	N/A
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	**MISSION & IMPACT** BCA is dedicated to providing immediate financial security for individuals undergoing breast cancer treatment, allowing them to focus on healing without the burden of financial stress. Our mission is simple yet profound: ensure that no one has to choose between paying for life-saving treatment and putting food on the table for their family. Founded in 2000 by breast cancer survivor Faye Dietiker, BCA emerged from a firsthand understanding of the financial devastation that often accompanies a breast cancer diagnosis. What began as a $2,000 effort to help women in Dietiker's chemotherapy room has grown into a robust organization that now distributes nearly $50,000 monthly to over 150 individuals and their families across Southern California. **STRATEGIC OBJECTIVES** 1. Immediate Financial Assistance: Our primary objective is to provide swift financial support to breast cancer patients. We pride ourselves on our ability to verify needs and deliver assistance within a week of initial contact, a turnaround time unmatched by other organizations in our field. 2. Comprehensive Support: We aim to address all aspects of financial strain caused by breast cancer treatment. This includes rent and utility

assistance, grocery gift cards, transportation costs, medical co-pays, and even funds for second opinions or palliative care.
3. Extended Care: While we typically provide support for three months during chemotherapy, we're striving to extend this to six months, covering a more substantial portion of the treatment journey.
4. Community Education: We implement breast cancer health education for patients, their families, and surrounding communities, bridging the gap in breast cancer detection and prevention, especially among underserved populations.
5. Family Support: Recognizing that cancer affects the entire family, we provide assistance for children's needs, including educational support and basic necessities.

MILESTONE ACHIEVEMENTS

Over our 23-year history, BCA has achieved remarkable milestones that demonstrate our growing impact:

1. Served over 21,600 individuals, meeting their basic needs during breast cancer treatment.
2. Provided over $6.9 million in financial aid, with 99% of all funding received going directly back into the community.
3. Expanded our service area to cover multiple counties in Southern California, including Los Angeles, Orange, San Diego, and Riverside.
4. Established partnerships with major healthcare providers like UC San Diego Health, Scripps Health, and Susan G. Komen for efficient patient referrals and verification.
5. Maintained a sustainable model of giving, with many former recipients becoming "Angels" who donate monthly to support new patients.

In San Diego County alone, our impact has been substantial:

- In 2023, we helped 221 individuals, providing assistance twice to each, totaling $133,073 in aid.
- In 2022, we assisted 266 individuals, distributing $160,012.
- In 2021, we provided over $172,000 in financial support to San Diego residents.

Currently, we serve between 45 and 60 individuals and their families in San Diego monthly, totaling over $18,000 in assistance.

COMMUNITY IMPACT

Our impact extends beyond mere numbers. BCA serves as a crucial safety net for families teetering on the edge of financial ruin due to a breast cancer diagnosis. We prevent homelessness, ensure access to proper nutrition, and allow patients to focus on their treatment without the added stress of financial instability.

Importantly, we serve a demographic often overlooked by other assistance programs. Our patients are typically not in a state of chronic poverty but rather facing a sudden, treatment-induced financial crisis. By providing timely support, we prevent these families from falling into long-term financial distress or homelessness.

Our model is unique in its efficiency and comprehensiveness. Unlike other organizations that may have lengthy waiting periods or burdensome paperwork, our streamlined process allows us to respond to needs quickly. This is crucial for patients who are often already exhausted from treatment and cannot navigate complex application processes.

Moreover, our impact ripples out to the broader community. By supporting breast cancer patients and their families, we contribute to the overall health and resilience of the communities we serve. We help maintain family stability, which in turn supports children's educational continuity and reduces the strain on other social services.

TESTIMONIALS

Our work's true impact is best illustrated through the words of those we've helped:

Kimberly H., diagnosed just before the COVID-19 pandemic, shares: "I had to quit my job. I tried to work for as long as I could, but eventually I just became too weak. I needed the time to focus on my primary job: saving my life." When hit with an unexpected $1,000 electricity bill, Kimberly turned to BCA. "I made a call and all the money came in a week," she said. "The process was so simple. There are other programs out there, but they have a 90-day waiting period and require me to jump through hoops and hurdles to get help. I can't do that. I have to save my energy for testing, labs, and chemo."

Another survivor expressed her gratitude: "I will always be grateful for your help. You have been so generous as Breast Cancer Angels has been the only real help I have gotten on my journey with cancer."

FUTURE VISION

As we look to the future, BCA aims to expand our reach and deepen our impact. We're committed to:

1. Increasing our monthly assistance capacity to serve more families in need.
2. Extending our support duration from three to six months to cover more of the treatment journey.
3. Enhancing our educational programs to promote early detection and prevention, particularly in underserved communities.
4. Strengthening our partnerships with healthcare providers and community organizations to create a more robust support network for breast cancer patients.
5. Continuing to adapt our services to meet the evolving needs of breast cancer patients, especially in light of challenges like the COVID-19 pandemic.

In conclusion, BCA stands as a beacon of hope and practical support for those facing one of life's most challenging battles. Our mission goes beyond financial assistance; we provide peace of mind, dignity, and the ability for patients to focus on what matters most – their health and their families. With each individual we help, we strengthen the fabric of our

	communities, embodying the spirit of compassion and mutual support that defines our organization.

Please upload any community letters or media in support of this project.

Laurey_Venn_BCA_LOS.pdf

Breast_Cancer_Angels_Signed_Letter_of_Support_8.12.2024.pdf

Please upload the annual operating budget for your organization.

BCA_2024_Organizational_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

BCA_2023_Monthly_Client_Assistance.pdf

PL_2023.pdf

Balance_Sheet_2023_Prev_Yr_Comparison.pdf

Please attach the first two pages of your Federal 990.

2023_990_Breast_Cancer_Angels.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

BCA_SMCF_Board_Authorization_Letter.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	439487.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Program budget covers direct client aid. Funds are from individual donors & foundation grants. We can scale the project based on funding received, adjusting client numbers or aid amounts as needed.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Groceries	*$166,424*	*distributed by gift cards for supermarkets like Ralph's, Kroger, Albertsons to patients*
Home Essentials (e.g. toilet paper, soap, etc.)	$81,614	distributed by Walmart and Target gift cards to patients
Gas/Transportation	$86,275	distributed by public transit passes or gas cards to patients
Housing (e.g. rent/mortgage payments)	$79,617	given via check/cash to patients in need
Utilities (e.g. gas, water, electricity)	$19,175	given via check/cash to patients in need
Co-Pays/Insurance	$3,441	given via check/cash to patients in need
Uber/Lyft Rides	$2,941	distributed via gift cards to patients
Total budget for this PROJECT:		

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Trend Offset Printing	$57,000	C
Additional Funding Source 2	Shoyoroll Corporation	$10,000	C
Additional Funding Source 3	Z Supply	$14,522	C
Additional Funding Source 4	Diversified Thermal Services, In	$25,000	C
Additional Funding Source 5	Mr./Mrs. Anthony Lienau	$58,050	C
Additional Funding Source 6	Stephani Davis	$10,450	C
Additional Funding Source 7	National Charity League	$1,500	C
Additional Funding Source 8	Employees Community Fund of	$5,000	C
Additional Funding Source 9	Albertsons Foundation Cancer (	$20,000	C
Additional Funding Source 10	Armanio Foundation	$3,000	C

Breast Cancer Angels Organizational Budget for the 2024 Fiscal Year

REVENUE		
Grants/Contributions		*$446,000.00*
	Individual donations	$123,000.00
	Corporate grants	$150,000.00
	Foundation grants	$173,000.00
Earned Income		*$407,500.00*
	Fundraising	$407,000.00
	Interest	$500.00
	TOTAL	$853,500.00

EXPENSES		
Direct Costs		*$623,446.00*
	Salaries	$75,360.00
	Benefits	$28,841.00
	Contractors	$7,431.00
	One Family at a Time Financial Assistance	$439,487.00
	Utilities/Rent	$22,000.00
	Fundraising	$47,630.00
	Equipment	$1,800.00
	Travel	$897.00
Indirect Costs		*$4,461.00*
	TOTAL	$627,907.00

Breast Cancer Angels
Balance Sheet Prev Year Comparison
As of December 31, 2023

	Dec 31, 23	Dec 31, 22	$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
City Bank	471,754.76	244,373.15	227,381.61	93.1%
City Bank Bus Money Market	2.86	2.86	0.00	0.0%
Total Checking/Savings	471,757.62	244,376.01	227,381.61	93.1%
Other Current Assets				
Endowment				
CD matures 11/30/23	182,000.00	182,000.00	0.00	0.0%
CD Matures 12/16/24	250,000.00	250,000.00	0.00	0.0%
Money Market account	67,138.03	67,138.03	0.00	0.0%
Total Endowment	499,138.03	499,138.03	0.00	0.0%
Total Other Current Assets	499,138.03	499,138.03	0.00	0.0%
Total Current Assets	970,895.65	743,514.04	227,381.61	30.6%
Fixed Assets				
Machinery & Equipment	5,314.27	5,314.27	0.00	0.0%
Total Fixed Assets	5,314.27	5,314.27	0.00	0.0%
Other Assets				
Security Deposit Asset	8,077.00	8,077.00	0.00	0.0%
Total Other Assets	8,077.00	8,077.00	0.00	0.0%
TOTAL ASSETS	**984,286.92**	**756,905.31**	**227,381.61**	**30.0%**
LIABILITIES & EQUITY				
Equity				
Retained Earnings	756,905.31	787,597.98	-30,692.67	-3.9%
Net Income	227,381.61	-30,692.67	258,074.28	840.8%
Total Equity	984,286.92	756,905.31	227,381.61	30.0%
TOTAL LIABILITIES & EQUITY	**984,286.92**	**756,905.31**	**227,381.61**	**30.0%**

2:07 PM
05/28/24
Accrual Basis

BCA CLIENT DATA
Monthly Client Assistance
January through December 2023

	Inland Empire	Kern	Pasadena (LA)	LA - Other (LA)	Total LA	Anaheim (OC)	OC - Other (OC)	Total OC	San Diego	TOTAL
Expense										
GROCERIES										
COSTCO	3,300.00	0.00	400.00	17,900.00	18,300.00	1,200.00	6,500.00	7,700.00	22,100.00	51,400.00
SPROUTS	700.00	0.00	0.00	3,800.00	3,800.00	0.00	1,000.00	1,000.00	6,100.00	11,600.00
VONS/ALBERTSONS	1,050.00	0.00	0.00	3,400.00	3,400.00	0.00	3,700.00	3,700.00	10,100.00	18,250.00
RALPHS/FOOD 4 LESS	2,000.00	0.00	400.00	25,200.00	25,600.00	2,400.00	6,000.00	8,400.00	16,500.00	52,500.00
STATER BROS.	4,700.00	0.00	400.00	3,500.00	3,900.00	2,600.00	3,400.00	6,000.00	2,000.00	16,600.00
TRADER JOES	500.00	0.00	400.00	9,100.00	9,500.00	0.00	2,100.00	2,100.00	8,400.00	20,500.00
Total GROCERIES	12,250.00	0.00	1,600.00	62,900.00	64,500.00	6,200.00	22,700.00	28,900.00	65,200.00	170,850.00
SUPPLIES										
TARGET	1,700.00	0.00	900.00	12,500.00	13,400.00	600.00	3,300.00	3,900.00	8,200.00	27,200.00
WALMART	6,000.00	0.00	0.00	25,400.00	25,400.00	3,900.00	7,850.00	11,750.00	24,550.00	67,700.00
Total SUPPLIES	7,700.00	0.00	900.00	37,900.00	38,800.00	4,500.00	11,150.00	15,650.00	32,750.00	94,900.00
GAS										
ARCO	5,500.00	0.00	200.00	19,900.00	20,100.00	1,900.00	7,750.00	9,650.00	12,300.00	47,550.00
CHEVRON	4,800.00	300.00	0.00	8,800.00	8,800.00	1,300.00	3,400.00	4,700.00	7,000.00	25,600.00
Total GAS	10,300.00	300.00	200.00	28,700.00	28,900.00	3,200.00	11,150.00	14,350.00	19,300.00	73,150.00
CAR RIDE SERVICES										
LYFT	0.00	0.00	0.00	300.00	300.00	0.00	0.00	0.00	100.00	400.00
UBER	200.00	0.00	0.00	3,400.00	3,400.00	0.00	600.00	600.00	2,600.00	6,800.00
Total CAR RIDE SERVIC...	200.00	0.00	0.00	3,700.00	3,700.00	0.00	600.00	600.00	2,700.00	7,200.00
HOUSING	4,607.13	0.00	0.00	26,015.66	26,015.66	2,100.00	17,550.00	19,650.00	8,850.00	59,122.79
UTILITIES	2,448.94	0.00	0.00	17,669.27	17,669.27	0.00	3,810.27	3,810.27	2,822.83	26,751.31
INSURANCE	0.00	0.00	0.00	1,424.07	1,424.07	0.00	0.00	0.00	0.00	1,424.07
FINAL EXPENSES	0.00	0.00	0.00	750.00	750.00	0.00	0.00	0.00	0.00	750.00
Car Repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	600.00	600.00
Car Payment	690.00	0.00	0.00	1,330.00	1,330.00	600.00	0.00	600.00	0.00	2,620.00
Co Pay	0.00	0.00	0.00	600.00	600.00	0.00	848.33	848.33	0.00	1,448.33
Misc	0.00	0.00	0.00	120.00	120.00	0.00	0.00	0.00	851.02	971.02
Total Expense	38,196.07	300.00	2,700.00	181,109.00	183,809.00	16,600.00	67,808.60	84,408.60	133,073.85	439,787.52
Net Income	**-38,196.07**	**-300.00**	**-2,700.00**	**-181,109.00**	**-183,809.00**	**-16,600.00**	**-67,808.60**	**-84,408.60**	**-133,073.85**	**-439,787.52**

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

A For the 2023 calendar year, or tax year beginning , 2023, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C
BREAST CANCER ANGELS
PO BOX 340
LOS ALAMITOS, CA 90720

D Employer identification number
33-0937846

E Telephone number
(714) 898-8900

G Gross receipts $ 882,718.

F Name and address of principal officer:
PO BOX 340 LOS ALAMITOS, CA 90720

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? If "No," attach a list. See instructions. ☐ Yes ☐ No

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

J Website: breastcancerangels.org

H(c) Group exemption number

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

L Year of formation:

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Service breast cancer patients immediate needs.

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
5	Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	2
6	Total number of volunteers (estimate if necessary)	6	0
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	403,464.	452,013.
9	Program service revenue (Part VIII, line 2g)		
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-45,615.	22,562.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	265,193.	362,165.
12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	623,042.	836,740.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	522,412.	411,507.
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)	84,389.	98,062.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) 50,397.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	77,387.	62,188.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	684,188.	571,757.
19	Revenue less expenses. Subtract line 18 from line 12	-61,146.	264,983.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	738,447.	1,003,430.
21	Total liabilities (Part X, line 26)	0.	0.
22	Net assets or fund balances. Subtract line 21 from line 20	738,447.	1,003,430.

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

David Gosselin — Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Shellie Cheer-Low, EA	Shellie Cheer-Low, EA			P02171653

Firm's name: H&L Accountancy Corporation
Firm's address: 4050 Katella Avenue, Suite 216, Los Alamitos, CA 90720
Firm's EIN: 85-2955066
Phone no. (562) 596-0409

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

Service breast cancer patients immediate needs.

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 $ 484,744. including grants of $) (Revenue $)

Breast cancer support services for the needy as to food, housing, medicine, transportation, doctor bills, hospice costs and final cost for breast cancer patients who have severe financial needs not met by other sources. Numerous patients.

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 484,744.

Breast Cancer Angels
Profit & Loss
January through December 2023

	Jan - Dec 23	
Ordinary Income/Expense		
Income		
Christmas Luncheon		
Christmas Donations	100,002.35	
Christmas Raffle	18,209.58	
Christmas Sponsorship	11,690.10	
Christmas Tickets	45,585.57	
Christmas Vendor	3,090.70	
Total Christmas Luncheon		178,578.30
Donations		
Wedding	196.70	
BHHS	140.00	
Grants	173,484.47	
School Donations	5,111.25	
Angel Dues	64,525.06	
Boomers Christmas Party	4,000.00	
Clubs-Organizations	16,465.00	
Facebook	2,064.00	
General Donation	29,327.03	
Honor Donation	573.25	
Memory Donations	30,167.32	
Corp-Other	63,975.73	
Overhead -Lienau	48,000.00	
Pink Patch Fund	8,750.00	
San Diego	19.52	
Total Donations		446,799.33
Fundraising Events		
CPC Conference	6,812.30	
Laps for Lynn	8,649.51	
5K Run	1,095.00	
Boob Ride	11,910.00	
Kara Foley fundraisers	13,028.72	
Andi's Boutique	11,605.77	
Golf Events		
Marbella on a Mission	14,250.00	
Yorba Linda Golf	43,600.00	
ReMaxx Golf Tournament	8,568.41	
Costa Mesa W.G. Tournament	4,221.10	
Mile Sq Golf	10,453.00	
Meadowlark	2,915.00	
LW Golf Tournament	10,943.00	
Little Rec	4,561.00	
Hoag Classic	6,212.83	
Heartwell Golf	725.00	

Breast Cancer Angels
Profit & Loss
January through December 2023

	Jan - Dec 23
Genesis Invitational	13,223.23
Gail Moreno Mem. Golf Tournamen	8,717.29
Alta Vista Golf	16,512.29
Patti Shaw memorial	10,219.44
Total Golf Events	155,121.59
Palisades Tennis	15,833.48
PHP	5,508.82
Total Fundraising Events	229,565.19
Income - Interest	584.60
Refund.	261.40
Total Income	855,788.82
Gross Profit	855,788.82
Expense	
Fundraising Events Expense	
OC Marathon Ex	250.00
Lakewood golf	57.00
Andi's Boutique	1,130.17
Christmas Lunch Expense	35,867.50
Christmas Raffle	7,054.38
Gail Moreno Golf	50.00
Golf Tournament	1,818.80
Promotional Expense	1,402.49
Total Fundraising Events Expense	47,630.34
Non-Profit Fundraising Expense	
Marketing	4,190.41
Advertising	901.93
Postage	787.14
Total Non-Profit Fundraising Expense	5,879.48
Overhead-Office Expense	
Automobile Expense	
Mileage	897.80
Automobile Expense - Other	227.07
Total Automobile Expense	1,124.87
Bank Charges	3,474.78
Business Meeting	21.98
Dues and Subscriptions	3,460.00

Breast Cancer Angels
Profit & Loss
January through December 2023

	Jan - Dec 23	
Insurance		
Workers Comp Insurance	1,519.02	
Liability Insurance	3,381.00	
Medical Insurance -Employee	2,880.00	
Total Insurance		7,780.02
Legal & Professional Fees		
Accountant Fees	881.25	
Grant Writing	6,250.00	
Website	300.00	
Total Legal & Professional Fees		7,431.25
Maintenance		309.95
Meals, Business		476.37
Postage		1,957.15
Office Supplies		2,504.01
Overhead-Office Equipt		
Computer Repair	642.97	
Overhead-Office Equipt - Other	1,520.53	
Total Overhead-Office Equipt		2,163.50
Payroll		
Payroll Expenses		
Stroman-401K	10,400.00	
Dir.Oper.D.Stroman	43,417.94	
Exec. Assistant	21,136.39	
Payroll Expenses - Other	241.77	
Total Payroll Expenses	75,196.10	
Payroll Taxes		
Employee	19,986.08	
Total Payroll Taxes	19,986.08	
Payroll Charge	3,747.80	
Total Payroll		98,929.98
Rent		18,580.38
Taxes,Licenses		100.00
Telephone		3,176.25
Utilities - Office		1,088.58
Total Overhead-Office Expense		152,579.07

Breast Cancer Angels
Profit & Loss
January through December 2023

	Jan - Dec 23	
Patient Needs		
Christmas Gifts		178.96
Christmas Party		1,070.00
Final Expense		750.00
Groceries		186,528.50
Housing		53,765.66
Medical or Insurance Expense		
Cobra	600.00	
CoPays	1,196.28	
Medicine	851.02	
Medical or Insurance Expense - Other	1,321.00	
Total Medical or Insurance Expense		3,968.30
Other		348.00
Social Worker		4,481.25
Storage		3,345.00
Telephone		1,975.14
Transportation		134,264.67
Utilities		21,429.18
Total Patient Needs		412,104.66
Training & Education		138.79
Total Expense		618,332.34
Net Ordinary Income		237,456.48
Net Income		**237,456.48**

Laurey Venn
9440 Revere Ct.
Fountain Valley, CA 92708-4577

September 16, 2024

Dear Grant Committee,

I am writing to enthusiastically recommend Breast Cancer Angels (BCA) for your grant consideration. As an 80-year-old woman who has been a loyal supporter of BCA for over 23 years, I have witnessed firsthand the profound impact this organization has had on countless lives affected by breast cancer.

My journey with BCA began when I met founder Faye Dietiker at a local function. What immediately struck me about this organization was their unwavering commitment to ensuring that every dollar donated goes directly to those in need. This approach resonated deeply with me, especially during times when my own financial resources were limited. I knew that even my modest contributions would make a real difference in someone's life.

Over the years, I've seen BCA grow and evolve, but their core mission has remained constant: to provide immediate, tangible support to individuals battling breast cancer. In an era where breast cancer has become almost epidemic, affecting women of all ages and even some men, BCA stands out for its hands-on approach. While many organizations focus on research and administration, BCA is on the front lines, offering critical financial and emotional support to those navigating the challenging landscape of cancer treatment.

What sets BCA apart is their meticulous vetting process. They take great care to ensure that assistance reaches those who are genuinely undergoing cancer treatments and facing financial hardship. This level of diligence not only ensures the responsible use of resources but also maintains the integrity of their mission.

The love and concern with which BCA approaches their work is palpable. They don't just provide financial assistance; they offer hope, dignity, and a sense of community to those facing one of life's most daunting challenges. I've attended numerous BCA events over the years and have been consistently moved by the stories of lives transformed through their support.

In a world where breast cancer continues to impact so many, BCA's work is more crucial than ever. Their model of direct, immediate assistance fills a critical gap in cancer support services. By granting funds to BCA, you would be investing in an organization with a proven track record of making a tangible difference in the lives of breast cancer patients and their families.

I urge you to consider Breast Cancer Angels for your grant. Their dedication, efficiency, and compassion make them an exemplary choice for funding. Your support would enable them to continue their vital work and expand their reach to even more individuals in need.

Thank you for your consideration.

Sincerely,

Laurey Venn
Long-time Supporter of Breast Cancer Angels

2151 N. Harbor Blvd
Suite 3200
Fullerton, CA 92835
(714) 446-5900
providence.org

Providence
St. Jude
Medical Center

MAGNET RECOGNIZED

August 12, 2024

To Whom It May Concern,

I am writing to express my steadfast support for the Breast Cancer Angels, an esteemed organization dedicated to supporting breast cancer patients and their families since its inception in 2001. It has been my privilege to collaborate with this outstanding group over several years, referring our patients from Providence St. Jude Medical Center for essential financial and emotional assistance during their strenuous journey through breast cancer treatment.

As a Licensed Clinical Social Worker and Board-Certified Oncology Social Worker at Providence St. Jude Medical Center's Department of Oncology Services for over 34 years, my role involves extensive interaction with patients battling breast cancer. Together with our dedicated team of three breast cancer navigators, we strive to identify patients facing financial hardships.

The path through cancer treatment is formidable, with many of our patients struggling to meet both their medical and personal financial responsibilities. Breast Cancer Angels has been a beacon of hope, offering much-needed relief through their generous support. This aid has proven pivotal in allowing patients to pay their bills and lessen their financial worries, enabling them to concentrate on recovery and healing. Whether it is through food gift cards, assistance with utility bills, or help with rent or mortgage payments, the contributions from Breast Cancer Angels have significantly alleviated the burdens on our patients, often moving them to tears of gratitude.

Moreover, Breast Cancer Angels also extends their warmth through thoughtful gestures like hosting a Christmas Celebration for patients and their children. For many, the financial

strain of illness precludes even small festivities, making this event particularly poignant. It allows families a cherished pause from the relentless schedule of medical appointments, offering a moment of joy and normalcy amidst challenging times.

I am ardently urging for your support towards Breast Cancer Angels. Your contributions and grants are crucial, as they directly benefit the patients by providing indispensable non-medical financial support, a service not commonly offered by many organizations.

The impact of your generosity is profound, offering both immediate relief and long-term hope to those in need. The gratitude our patients feel towards Breast Cancer Angels is immense and ever-growing. Each donation not only supports an individual in need but also fortifies a community standing against breast cancer.

Please consider the far-reaching effects of your support and how it can dramatically improve the lives of those enduring one of their most challenging battles. Thank you for considering this heartfelt appeal for an organization that does so much for those in need. With your help, we can continue to ensure no patient has to face the financial burdens of treatment alone.

Warm regards,

Denise M. Yoshihara, MSW, LCSW, OSW-C

Denise Yoshihara, MSW, LCSW, OSW-C
Providence St. Jude Medical Center, Oncology Services
Denise.Yoshihara@stjoe.org
714-446-7181 Ext. 2041

Casa de Amparo

September 4, 2024

Katherine M. Karpé
Chief Executive Officer
Casa de Amparo
325 Buena Creek Road
San Marcos, CA, 92069

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

Dear San Marcos Community Foundation:

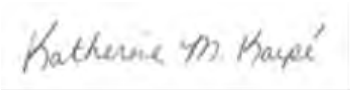
On behalf of the children and youths we serve and our dedicated staff and Board of Directors, Casa de Amparo extends our gratitude for the foundation's past support and the opportunity to request funding from the San Marcos Community Foundation again through the Regular Grants cycle.

Proposed Project
Casa de Amparo respectfully requests $5,000.00 to support the purchase of food for youth in our Residential Services program.

With weekly grocery expenses totaling $1,500+, support from generous donors helps us ensure that youth have nutritious meals and snacks that meet their diverse nutritional needs and preferences. Consistent access to nutritious food will help alleviate youths' stress, improve academic performance, and foster a sense of normalcy, supporting their journey toward a healthier, more stable future. Your support will make a meaningful impact on the lives of the foster youth we serve, helping them focus on their healing and growth.

Thank you for considering this request.

Sincerely,



Katherine M. Karpé
Chief Executive Officer
Casa de Amparo

Title

Casa de Amparo, Food for Residential Services Youth

09/05/2024

id. 47411767

by **Heather Jenkins** in **San Marcos Community Foundation**
on behalf of **Casa de Amparo**
hjenkins@casadeamparo.org

Original Submission

09/05/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Casa de Amparo, Food for Residential Services Youth
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Food for Residential Services Youth
Project Start Date	11/1/2024
Project End Date	6/30/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	70.0
Total Number of People Served by this Project in San Marcos Only	70.0
Grant Amount Requested	5000.0
	Organization Details
Organization Name	Casa de Amparo

Organization Street Address	325 Buena Creek Road
Organization City	San Marcos
Organization State	CA
Organization Zip Code	92069
Organization Website	www.casadeamparo.org
Organization's EIN	95-3315571 200 Casa de Amparo 15a5d7cf-5c0a-49a5-b35f-6ed347499177 325 Buena Creek Road San Marcos CA 92069 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-03-13T00:00:00 2023-04-03T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-03-13T00:00:00 1979 08
	Contact Information
Contact First Name	Heather
Contact Last Name	Jenkins
Contact Title	Director of Development
Contact Phone	+17605663582
Contact Email	hjenkins@casadeamparo.org
	Project Details

Briefly describe your request for funds.	Casa de Amparo requests $5,000 from the San Marcos Community Foundation to support the purchase of food for foster youth in our Residential Services program. Operating 365 days a year, this program provides comprehensive care for foster youth aged 12-18 who have experienced severe abuse and neglect trauma. Many of the youth we serve have also faced food insecurity, making access to consistent, nutritious meals essential for their mental health recovery and well-being. Proper nutrition is crucial for youths' physical health, emotional stability, cognitive development, and overall healing. Our program not only ensures regular, healthy meals but also promotes culinary independence through cooking classes and grocery shopping trips, helping youth develop valuable life skills. With weekly grocery expenses totaling $1,500, this funding will ensure that we can continue to provide meals that meet the diverse nutritional needs and preferences of our youth. Consistent access to nutritious food will alleviate stress, improve academic performance, and foster a sense of normalcy, supporting their journey toward a healthier, more stable future. Your support will make a meaningful impact on the lives of these vulnerable youth, helping them focus on their healing and growth.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Inadequate access to nutritious food has a profound impact on foster youth, affecting various aspects of their lives. Poor nutrition can lead to malnutrition, weakened immune systems, and an increased susceptibility to illness, resulting in chronic health issues, stunted growth, and developmental delays. Food insecurities can also contribute to heightened stress and anxiety. The uncertainty and worry about where their next meal will come from can negatively affect foster youth's mental health, leading to emotional distress and behavioral issues. Additionally, hunger and malnutrition impair cognitive development, affecting concentration, memory, and learning abilities which hinders academic performance and long-term educational outcomes. Furthermore, foster youth experiencing food insecurity may face social stigma and isolation, leading to withdrawal from peers and a diminished sense of belonging. Persistent food insecurity can contribute to ongoing challenges in adulthood, including difficulties maintaining a healthy diet, managing stress, and achieving financial stability. Our Residential Services program will provide all daily meals and snacks for 100 foster youth. Casa de Amparo is committed to addressing the food insecurities of our foster youth and ensuring their well-being and development by supporting their physical health, emotional stability, educational success, and social integration.

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We work with County departments, local law enforcement, and schools. Additionally, we have 35+ local community organization partnerships that provide additional support for our youth when needed.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	In March, we received a $3,000 grant supporting food purchases for Residential Services' youth. The rise in grocery costs makes funding for food an ongoing priority need for the organization.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	Casa de Amparo was founded in 1978 by a group of San Diego County women concerned about domestic violence and child welfare. Guided by the Women's Resource Center with support from law enforcement, our founders championed the creation of a haven for youth known as The Crisis Center—now Casa de Amparo's Residential Services program. We have grown over the years and stand as a prominent force in treating and preventing child abuse and neglect with our mission to support those affected by and at risk of it through a range of programs and services that promote healing, growth, and healthy relationships. We work to (1) Break the cycle of family violence and prevent behaviors that endanger children by nurturing and helping to heal children victimized by abuse, equipping children and parents with life skills and resources that reduce the effects of abuse and neglect, and supporting, educating, and redirecting participating family members toward positive resolution of problems; and (2) Implement programs and services that further our mission, focusing on delivering services in a culturally sensitive and inclusive manner, providing education that prevents child abuse, and collaborating with organizations whose activities align with our mission. Casa de Amparo currently delivers services through two primary programs: Residential Services and New Directions. Both provide evidence-based mental and behavioral healthcare focused on trauma recovery and include trauma-informed supplementary programming and therapeutic activities

intended to enhance wraparound services that empower children and young adults to heal from abuse and neglect experiences and thrive as they transition out of the foster care system into independent living.

Residential Services is a CA Community Care-licensed Short-Term Residential Therapeutic Program that offers shelter, medical care, mental and behavioral health stabilization services, and individualized wraparound services for foster girls ages 12-18 (and their children ages 0–2) who have been removed from their homes due to severe abuse and neglect. Our transitional housing program, New Directions, provides housing and Independent Living Skills training and services for youth (ages 18–25 and their children) transitioning from the foster care system into independent living. Each youth receives a fully furnished apartment and rent payment support, enabling them to learn budgeting skills and adapt to maintaining their own stable housing. Last year, we served 174 youth, 89 through Residential Services and 85 through New Directions. By year-end (June 30, 2024), we anticipate serving 200 youth.

To measure youth success through our programs, we use the Child and Adolescent Needs and Strengths assessment to evaluate the effectiveness of services provided. This enables enhanced care planning, quality improvement, and outcome monitoring. Last year, 100% of program participants received trauma-informed health care, including mental health, established a safe and trusting relationship with a supportive adult, were enrolled in an educational or job setting that met their individual needs, participated in Independent Living skills training, and received supplementary therapeutic activities that supported their overall well-being. 94% of our Residential Services youth successfully achieved mental and behavioral health stabilization, and 85% of our New Directions youth maintained stable housing within their first three months in the program.

We also have many stories of youth success. We have found that mealtime, a basic program component, provides a profound bridge between individuals, transcending cultural boundaries, invoking cherished memories, and nurturing a sense of belonging for youth in our Residential Services program. This truth resonates in the story of Hope, a 15-year-old resident in Casa de Amparo’s Residential Service program, who sought refuge with us as her mother entered hospice care and with no one else to turn to for support.

Using our Residential Services cottage kitchens as a space to generate meaningful dialogue and connections with youth through preparing and sharing meals, our staff have been able to build rapport with Hope on a fundamental level. By preparing meals for her, we not only provided sustenance but also created opportunities for healing conversations that inspired visions of a brighter now and future. In offering this care to Hope, we also extended solace to her mother, knowing that her daughter is being looked after in her absence. Each day, Hope's bonds with our staff and peers grow stronger, illustrating the profound impact of shared meals on emotional healing. Amid adversity, mealtime has become a beacon of connection and support, guiding Hope and other youth on their journey toward resilience and well-being.

Casa de Amparo substantially impacts the San Diego County community

beyond just the youth we serve. Through our programs and services, as well as our established community partnerships, our influence extends throughout the region, including in the San Marcos community, in the following ways:

· Raises child abuse and neglect advocacy, awareness, and prevention rates.

· Influences public policy and community resource allocation toward child welfare initiatives.

· Alleviates economic burden on public systems through abuse and neglect prevention (i.e., reducing extensive needs for social services, healthcare, law enforcement intervention, helping to save taxpayer money).

· Increases community safety and breaks cycles of intergenerational abuse and neglect by providing services for youth that decrease their likelihood of future criminal activity and substance abuse.

· Improves youth graduation rates and job readiness, generating more educated and productive individuals to contribute positively to society and the local economy.

· Strengthens family units, promoting healthier family dynamics and creating more stable neighborhoods and communities.

· Engages community members in volunteer and employment opportunities, fostering a sense of greater community and civic responsibility.

Casa de Amparo's recent organizational accomplishments include:

· 2022: Opened our on-campus TrueCare & Lennar Foundation Health Center, providing youth with safe and consistent access to medical care and providers they trust.

· 2023: Upgraded residential cottages and apartments, including the installation of behavioral health-grade furniture, painting, and mattress and bedding replenishment; implemented an on-campus EOS gym to provide youth with safe access to physical fitness that supports their overall wellness.

· 2024: Implemented market rate wage adjustments, increasing wages for all frontline program staff, and planned additional cost of living wage adjustments to be implemented by the end of the year.

Please upload any community letters or media in support of this project.

Please upload the annual operating budget for your organization.

FY_24-25_Casa_de_Amparo_Operating_Budget_Summary_Final.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

FY23_Casa_De_Amparo_Financial_Statements_certified.pdf

Please attach the first two pages of your Federal 990.

FY23_990_Casa_de_Amparo_pgs_1-2.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

2024_SMCF_Cover_Letter–FINAL.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	48000.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	We would apply a $5,000.00 grant to monthly grocery expenses and identify other funding to support remaining expenses, including individual donors, foundation grants, and our organization budget.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Groceries—November 2024	*$6,000.00*	*Total monthly grocery cost*
Groceries—December 2024	$6,000.00	Total monthly grocery cost
Groceries—January 2025	$6,000.00	Total monthly grocery cost
Groceries—February 2025	$6,000.00	Total monthly grocery cost
Groceries—March 2025	$6,000.00	Total monthly grocery cost
Groceries—April 2025	$6,000.00	Total monthly grocery cost
Groceries—May 2025	$6,000.00	Total monthly grocery cost
Groceries—June 2025	$6,000.00	Total monthly grocery cost
Total budget for this PROJECT:	$48,000.00	Total grocery cost over 8 months

	Source Name	Amount	C / CD / P
Additional Funding Source 1	The TJX Foundation	$10,000.00	C
Additional Funding Source 2	St. Germaine Children’s Charity	$20,000.00	C
Additional Funding Source 3	Albertsons Companies Foundation	$5,000.00	C
Additional Funding Source 4	Albertsons Companies Foundation Gift Card Bank	$5,000.00	P
Additional Funding Source 5	The Kinship Fund	$5,000.00	P
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Casa de Amparo
FY 24/25 Operating Budget

Operational Revenues	
Contributions	2,535,724
Grant Revenue	9,943,120
Miscellaneous Income	357,744
Total Operational Revenues	12,836,588
Non-Operational Revenues	-
Total Revenues	12,836,588
Operational Expenditures	
Personnel	6,833,286
Employee Benefits	1,339,430
Occupancy	1,534,315
Program Expense	320,549
Supplies	326,163
Professional Services	801,260
Transportation	122,904
Equipment Expense	144,888
Training, Meetings, Other	55,814
Telephone	78,986
Advertising & Promotion	48,893
Bank and other Fees	44,947
Postage, Printing, and Shipping	40,549
Casa Fund Raising Expense	296,900
Total Operational Expenditures	11,988,885
Change in Net Assets before Non-Cash	**847,703**
Non-Operational Expenditures	407,982
Total Expenditures	12,396,867
Net Gain/(Loss)	**439,722**

Form **990**

** PUBLIC DISCLOSURE COPY **

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

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2022 calendar year, or tax year beginning 7/01 , 2022, and ending 6/30 , 20 2023

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Final return/terminated
- [ ] Amended return
- [ ] Application pending

C
Casa De Amparo
325 Buena Creek Road
San Marcos, CA 92069

D Employer identification number
95-3315571

E Telephone number
(760) 754-5500

G Gross receipts $ 11,222,381.

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

H(a) Is this a group return for subordinates? [ ] Yes [X] No

H(b) Are all subordinates included? [ ] Yes [ ] No
If "No," attach a list. See instructions.

I Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( ) (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: www.casadeamparo.org

H(c) Group exemption number

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other

L Year of formation: 1979

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO SUPPORT THOSE AFFECTED BY AND AT RISK OF CHILD ABUSE AND NEGLECT, THROUGH A RANGE OF PROGRAMS AND SERVICES THAT PROMOTE HEALING, GROWTH AND HEALTHY RELATIONSHIPS.

2 Check this box [ ] 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	17
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	160
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, Part I, line 11	7b	0.

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	10,886,208.	10,253,219.
9	Program service revenue (Part VIII, line 2g)		
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-5,391.	58,830.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-165,220.	519,909.
12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	10,715,597.	10,831,958.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,892,151.	6,353,220.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) 594,310.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,641,002.	4,552,319.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	10,533,153.	10,905,539.
19	Revenue less expenses. Subtract line 18 from line 12	182,444.	-73,581.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	22,759,402.	22,749,057.
21	Total liabilities (Part X, line 26)	3,386,009.	3,403,625.
22	Net assets or fund balances. Subtract line 21 from line 20	19,373,393.	19,345,432.

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: 5/14/2024

Katherine M. Karpe, CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
Hayley Geier	Hayley Geier	5/14/2024		P02489333

Firm's name: Pinnacle Accounting & Financial Services
Firm's address: 601 University Ave., #288, Sacramento, CA 95825
Firm's EIN: 87-1603957
Phone no. 916-273-4808

May the IRS discuss this return with the preparer shown above? See instructions [X] Yes [ ] No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

See Schedule O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☒ No

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

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 $ 5,242,884. including grants of $) (Revenue $)

See Schedule O

4b (Code:) (Expenses $ 2,135,232. including grants of $) (Revenue $)

NEW DIRECTIONS TRANSITIONAL HOUSING AND SUPPORT PROGRAM - IN FISCAL YEAR 2022-2023 CASA DE AMPARO'S NEW DIRECTIONS PROGRAM PROVIDED JOB READINESS TRAINING AND EMPLOYMENT, CASE MANAGEMENT, HIGHER EDUCATION ACCESS/SUPPORT, FINANCIAL LITERACY & SOCIAL SKILLS EDUCATION, HEALTHY LEISURE AND TRANSPORTATION ASSISTANCE, TO HELP 79 FORMER FOSTER YOUTH, AGES 18 TO 24 AND THEIR CHILDREN. THE GOAL OF THE PROGRAM IS TO HELP CLIENTS MAKE A SUCCESSFUL TRANSITION FROM FOSTER CARE TO INDEPENDENT LIVING. SUPPORTIVE INTERVENTION IS PROVIDED BASED ON INDIVIDUAL NEEDS, TO FOSTER SKILL DEVELOPMENT, SELF-DIRECTION AND PARENTING SKILLS THAT WILL SUSTAIN THEM ONCE THEY ARE ON THEIR OWN. ASSISTANCE THAT WOULD TYPICALLY BE PROVIDED BY PARENTS, SUCH AS VEHICLE REPAIR, DENTAL/HEALTHCARE EMERGENCIES, COLLEGE APPLICATION FEES, ETC. IS PROVIDED

4c (Code:) (Expenses $ 1,250,833. including grants of $) (Revenue $)

COUNSELING SERVICES PROGRAM - PROVIDES TRAUMA INFORMED THERAPY AND CASE MANAGEMENT FOR CHILDREN AND FAMILIES EXPERIENCING OR AT RISK OF CHILD ABUSE. IN FISCAL YEAR 2022-2023 COUNSELING SERVICES PROVIDED SUPPORT TO 61 CHILDREN AND FAMILIES. IN FISCAL YEAR 2023-2023 PROVIDED APPROXIMATELY 6,200 HOURS OF INDIVIDUAL, GROUP, FAMILY, AND AGE-APPROPRIATE PLAY THERAPY TO CHILDREN. SUPPORT ALSO INCLUDES THE FACILITATION OF PSYCHIATRIC AND PSYCHOLOGICAL SERVICES AND OTHER SPECIALIZATIONS SUCH AS SPEECH THERAPY. ALL SERVICES ARE TAILORED TO THE INDIVIDUAL STRENGTHS AND NEEDS OF EACH FAMILY SYSTEM (INDIVIDUAL CHILD, INTACT FAMILY, SINGLE, YOUNG ADULT, COUPLE, ETC.).

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

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

4e Total program service expenses 8,628,949.

Casa De Amparo
Audited Financial Statements
June 30, 2023

Presented by
Pinnacle Accounting & Financial Services
A Professional Corporation

Casa De Amparo
Audited Financial Statements
Year Ended June 30, 2023

CONTENTS

	Page No.
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-19
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of Federal Awards	20
Notes to Schedule of Expenditures of Federal Awards	21
COMPLIANCE REPORTS	
Independent Compliance Reports Auditors' 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*	22-23
Independent Auditors' Report on Compliance for each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance	24-26
Schedule of Findings and Questioned Costs	27-29
Summary of Prior Year Findings and Questioned Costs	30

Pinnacle Accounting
& FINANCIAL SERVICES

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Casa De Amparo
San Marcos, CA

Opinion

We have audited the accompanying financial statements of Casa De Amparo (a nonprofit organization), which comprises the statement of financial position as of June 30, 2023, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Casa De Amparo as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Casa De Amparo and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Casa De Amparo's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Casa De Amparo's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Casa De Amparo's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

Mayer Hoffman McCann P.C. previously audited Casa De Amparo's June 30, 2022, financial statements, and expressed an unmodified audit opinion on those audited financial statements in their report dated July 14, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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* 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 schedule of expenditures of federal awards 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 May 13, 2024 on our consideration of the Casa De Amparo's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Casa De Amparo's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Casa De Amparo's internal control over financial reporting and compliance.

Pinnacle Accounting & Financial Services

Pinnacle Accounting & Financial Services
Sacramento, CA
May 13, 2024

Casa de Amparo
Statement of Financial Position
June 30, 2023
(With Comparative Totals for June 30, 2022)

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,145,786	$ 6,856,305
Grants receivable	1,572,348	961,832
Pledges receivable, net	287	250,000
Prepaid Expenses and other current assets	35,178	76,322
Total Current Assets	2,753,599	8,144,459
Noncurrent Assets		
Pledges receivable, net of current portion	-	252,427
Land lease	859,954	913,150
Deposits	62,710	61,937
Certificates of deposit	4,763,243	-
Fund held by community foundations	733,449	683,728
Property and equipment, net of assets	13,357,082	12,700,895
Operating lease right-of-use asset, net	219,022	-
Total Noncurrent Assets	19,995,460	14,612,137
TOTAL ASSETS	$ 22,749,059	$ 22,756,596
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 58,590	$ 140,733
Accrued compensation and other expenses	699,303	655,095
Loan payable, current portion	2,458,623	121,320
Operating lease liabilities, current portion	113,440	-
Deferred revenue	-	6,500
Total Current Liabilities	3,329,956	923,648
Non-Current Liabilities		
Loan payable, net of current portion	-	2,462,360
Operating lease liabilities, net of current portion	73,669	-
Total Non-Current Liabilities	73,669	2,462,360
TOTAL LIABILITIES	3,403,625	3,386,008
NET ASSETS		
Without Donor Restrictions	10,398,313	11,825,804
Board Designated net assets without donor restrictions	523,239	523,239
With Donor Restrictions	8,423,882	7,021,545
TOTAL NET ASSETS	19,345,434	19,370,588
TOTAL LIABILITIES AND NET ASSETS	$ 22,749,059	$ 22,756,596

The accompanying notes are an integral part of the financial statements

Casa de Amparo
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2023
(With Comparative Totals for June 30, 2022)

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Grant revenue	$ 7,159,179	$ -	$ 7,159,179	$ 7,481,644
Contributions of financial assets	794,581	1,402,288	2,196,869	1,268,662
Capital campaigns	-	333,899	333,899	1,309,769
Special events revenue and related contributions	661,190	157,500	818,690	723,542
Contributions of non-financial assets	562,029	-	562,029	242,271
Interest and other income	191,069	9,071	200,140	(20,118)
Net Assets Released from Restrictions	346,282	(346,282)	-	-
TOTAL SUPPORT AND REVENUE	9,714,330	1,556,476	11,270,806	11,005,770
EXPENSES				
Program Services	8,628,948	-	8,628,948	8,915,716
General and administartive	1,662,185	30	1,662,215	1,039,044
Fundraising	615,874	-	615,874	581,199
Special events expense	234,814	154,109	388,923	326,327
TOTAL EXPENSES	11,141,821	154,139	11,295,960	10,862,286
CHANGES IN NET ASSETS	(1,427,491)	1,402,337	(25,154)	143,484
Net Assets at Beginning of Year	12,349,043	7,021,545	19,370,588	19,227,104
Net Assets at End of Year	$ 10,921,552	$ 8,423,882	$ 19,345,434	$ 19,370,588

The accompanying notes are an integral part of the financial statements

Casa de Amparo
Statement of Functional Expenses
For the Year Ended June 30, 2023
(With Comparative Totals for June 30, 2022)

	2023							2022
	Residential Services (STRTP)	ND Transitional Housing	Counseling Services	Total Program Services	General and Administration	Fund-Raising and Special Events	Total	Total
Salaries and Wages	$ 3,074,273	$ 620,573	$ 728,005	$ 4,422,851	$ 525,211	$ 484,410	$ 5,432,472	$ 5,783,537
Employee Benefits	531,992	86,891	132,358	751,241	100,833	68,674	920,748	1,108,614
Occupancy	210,124	574,969	68,124	853,217	33,648	6,780	893,645	1,146,855
Lease costs	102,342	280,042	33,180	415,564	-	-	415,564	-
Depreciation and amortization	248,210	52,039	97,448	397,697	45,512	9,388	452,597	500,950
Supplies	236,747	9,633	7,750	254,130	9,892	3,563	267,585	250,440
Contributions of non-fianncial assets	372,380	154,386	-	526,766	-	-	526,766	242,333
Professional services	94,605	30,829	113,810	239,244	255,278	-	494,522	421,847
Program expenses	84,831	235,393	3,159	323,383	56,820	485	380,688	331,225
Special event expense	82	18	33	133	1,367	388,923	390,423	327,559
Equipment expense	38,220	9,758	13,890	61,868	10,037	2,664	74,569	200,580
Transportation	73,950	36,811	1,166	111,927	23,943	2,509	138,379	177,417
Other expenses	40,734	7,409	5,195	53,338	539,577	24,284	617,199	124,333
Interest expense	68,884	-	28,302	97,186	11,574	2,727	111,487	116,240
Telephone	43,108	24,626	11,503	79,237	7,228	1,804	88,269	87,941
Training meeting and other	22,403	11,855	6,909	41,167	41,296	8,586	91,049	42,415
Total Functional Expenses	$ 5,242,885	$ 2,135,232	$ 1,250,833	$ 8,628,949	$ 1,662,216	$ 1,004,797	$ 11,295,962	$ 10,862,286
Total Functional Expenses FY2023	$ 5,353,128	$ 1,940,743	$ 1,621,845	$ 8,915,716	$ 1,039,044	$ 907,526		$ 10,862,286

The accompanying notes are an integral part of the financial statements

Casa de Amparo
Statement of Cash Flows
For the Year Ended June 30, 2023
(With Comparative Totals for June 30, 2022)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ (25,154)	$ 143,484
Adjustments to Reconcile Change in Net Assets		
Net Cash Provided (Used) by Operating Activities		
Depreciation	399,401	447,757
Amortization of donated assets	53,196	53,193
Contributions restricted for long term and capital projects	333,899	(1,309,769)
Realized and unrealized investment gains	(48,400)	55,166
Changes to operating assets and liabilities:		
Grants receivable	(610,516)	101,422
Pledges receivable	502,140	5,000
Prepaid expenses and other current assets	41,144	116,339
Deposits	773	(23,095)
Accounts payable	82,143	31,142
Accrued compensation and other expenses	(44,208)	(149,433)
Deferred revenue	(6,500)	(397,733)
Net cash on leases	(105,582)	-
Net Cash Provided (Used) by Operating Activities	572,336	(926,527)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to contruction in progress	-	(293,414)
Purchases of Property and Equipment	(1,060,656)	-
Purchase of Investments	(4,763,243)	-
Net Cash Used in Investing Activities	(5,823,899)	(293,414)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions collected/released for long term and capital projects	(333,899)	1,309,769
Repayments on loan payable	(125,057)	(120,303)
Net Cash Proveded by (Used in) Financing Activities	(458,956)	1,189,466
Net Decrease in Cash	(5,710,519)	(30,475)
Cash Balance at Beginning of Year	6,856,305	6,886,780
Cash Balance at End of Year	$ 1,145,787	$ 6,856,305

The accompanying notes are an integral part of the financial statements

Note 1. Organization and Purpose:

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

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

The Organization offers four integrated child abuse prevention and treatment programs. Residential Services (Short Term Residential Therapeutic Program or "STRTP") provides 24-hour care and supportive/therapeutic services for children, from birth to 18, removed from the home due to abuse or neglect, including pregnant and parenting teens and their babies, and youth with special healthcare needs. New Directions provides transitional housing and supportive services to help former foster youth, ages 18 to 25, make a successful transition from foster care to independent living. Counseling Services provides trauma-informed therapy and case management for children and families experiencing, or at-risk of, child abuse or neglect.

The Organization has two campuses. The Casa Kids Campus on 11.4 acres owned by the Organization in the Twin Oaks Valley area of San Marcos was opened in April 2012. This campus provides housing for up to 50 children including 12 infants, and has a basketball court, a volleyball court, walking trails, gardens, a library, a learning center, an art/activities room, training rooms and administrative/support offices. The second campus is in Oceanside and is used by New Directions with buildings owned by the Organization and a long-term land lease agreement with the City of Oceanside.

In 2016, Casa de Amparo responded to the growing need for intensive residential care for pregnant and parenting female foster youth and their babies by expanding its pregnant and parenting program capacity and space and also expanding overall clinical support space on the Casa Kids Campus. The cottage for pregnant and parenting female foster youth and their babies now serves up to 12 moms and 12 babies simultaneously.

In order to comply with the State of California's Continuum of Care Reform ("CCR"), Casa de Amparo implemented STRTP standards and began the process of Joint Commission accreditation early in fiscal year 2017. Joint Commission accreditation was awarded May 19, 2017. Casa de Amparo received STRTP approval and its licensure from the State of California in January 2019.

In 2018, Casa de Amparo added the Transition Preparation Program ("TPP") within its Residential Services program. The TPP serves older teenage foster youth, including youth who are pregnant or parenting. The TPP maintains all aspects of supervision and services provided in Residential Services while preparing teens to live independently by simulating apartment-style living.

In 2020, Casa de Amparo continued its campaign to raise funds to expand the Casa Kids Campus in San Marcos to include a Teen Wellness Center ("TWC") for Foster Youth. The TWC will be licensed by California Community Care Licensing as a Community Treatment Facility, which is a secure STRTP.

Note 1. Organization and Purpose (continued):

The Teen Wellness Center will be the first of its kind in San Diego County and only the third in California. The TWC will serve foster youth who need a higher level of emotional, behavioral and mental health care. The TWC will play a vital role in the child abuse treatment and prevention services provided to children affected by complex trauma that would otherwise likely be placed out of state.

Note 2. Summary of Significant Accounting Policies:

Basis of Accounting: The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets without donor restrictions are free of donor-imposed restrictions. All revenues, gains, and losses that are not restricted by donors are included in this classification. All expenditures are reported in the without donor restrictions class of net assets, including expenditures funded by restricted contributions. Expenditures funded by restricted contributions are reported in the without donor restrictions net asset class because the use of restricted contributions is in accordance with donors' stipulations results in the release of such restrictions.

Net Assets with Donor Restrictions – Net assets with donor restrictions are limited as to use by donor-imposed stipulations that may expire with the passage of time or that may be satisfied by action of the Organization. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

Cash and Cash Equivalents: The Organization considers cash on hand and short-term investments with original maturities of three months or less to be cash and cash equivalents.

Contributions of financial assets - Contributions, including unconditional promises to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Note 2. Summary of Significant Accounting Policies (continued):

Contributions of financial assets (Continued):

All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Expenses are reported as decreases in unrestricted net assets.

Grants receivable: Grants receivable arise in the normal course of operations. It is the policy of management to review the outstanding grants receivable at year-end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. Management determined that no allowance is necessary on June 30, 2023 and 2022.

Pledges Receivable – Unconditional promises to give cash and other assets are recognized as revenue in the period received. Conditional promises to give are not recognized until donor stipulations are met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give, with payments due to the Organization beyond one year, are recorded as net assets with donor restrictions at the estimated present value of the expected future cash flows, using credit risk-adjusted rates applicable to the years in which the promises are expected to be received. Amortization of the discounts is recorded as contribution revenue in the appropriate net asset class.

An allowance for uncollectible pledges receivable is provided based upon management's judgment of such factors as prior collection history and other relevant factors. Management determined that no allowance is necessary on June 30, 2023 and 2022.

Funds held by Community Foundations – The Organization transferred assets to community foundations holding them as endowed component funds for the benefit of the Organization. See Note 7 for additional detail.

Investment – The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Property and Equipment: Acquisitions of property and equipment of $5,000 or more are capitalized. Property and equipment are stated at cost or, if donated, at the appropriate fair market value at the date of donation. Expenditures for maintenance and repairs are charged against operations.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of 5 to 45 years.

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

Depreciation expense was $399,401 and $447,757 for the years ended June 30, 2023 and 2022, respectively.

Note 2. Summary of Significant Accounting Policies (continued):

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

Impairment, which is determined based upon the estimated fair value of the asset, is recorded when estimated undiscounted cash flows expected to be generated by the asset is insufficient to recover its net carrying value. As of June 30, 2023, the Organization did not identify any events or circumstances that would require recognition of an impairment loss under this standard.

Contributions of Non-Financial Assets – Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. Certain contributed items are auctioned at the Organization's special events. Contributed items are included in the statements of activities as contributions of non-financial assets and program and special event expenses. The Organization recorded a total of $526,767 and $242,271 in operational expenses related to contributions of non-financial assets for the years ended June 30, 2023 and 2022, respectively. The Organization receives a substantial number of services donated by volunteers in carrying out the Organization's program services. The services do not meet the criteria as contributions and are, therefore, not recognized in the financial statements.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

The Organization has capitalized the value of the donated land lease as a contribution with donor restrictions. Each year the Organization reclassifies amortization of the land lease from net assets with donor restrictions to net assets without donor restrictions. For the years ended June 30, 2023 and 2022, the ending value of the land lease is $859,954 and $913,150, respectively.

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

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

Note 2. Summary of Significant Accounting Policies (continued):

Income Taxes – The Organization is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code.

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

Leases – the Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the balance sheet. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. Casa does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

New Accounting Pronouncements – During the 2023 fiscal year the Organization adopted Accounting Standards Update (ASU) No. 2016-02, Leases, which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. The Organization has elected not to restate the comparative period (2022). It also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. At July 1, 2022 as a result of implementing ASU No. 2016-02, the Organization recognized right-of-use assets of $623,557 and lease liabilities totaling $623,557 on the statement of financial position as of July 1, 2022.

During the 2023 fiscal year the Organization adopted Accounting Standards Update (ASU) 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the financial statements, with the exception of increased disclosure.

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

The Organization has evaluated subsequent events through May 13, 2024, which is the date the financial statements are available for issuance.

Note 2. Summary of Significant Accounting Policies (continued):

Comparative Financial Information: The financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, it should be read in conjunction with the Organization's financial statements for the year ended June 30, 2022 from which the summarized information was derived.

Note 3. Property and Equipment:

Property and equipment for the year ended June 30, 2023 consist of the following:

	Balance July 1, 2022	Additions	Deletion	Balance June 30, 2023
TWC Construction in Prog	$ 1,136,559	$ 112,414	$ -	$ 1,248,973
Building Campaign - Ivey Ranch	32,020	-	-	32,020
Vehicles	334,710	26,545	-	361,255
Furniture & Equipment-Office	143,403	-	-	143,403
Furniture-Equipment-Units	72,453	725,423	-	797,876
Software Customization	112,487	-	-	112,487
Land	916,587	-	-	916,587
Buildings - Ivey Ranch	1,559,789	-	-	1,559,789
Buildings - Casa Kids Campus	12,983,710	191,206	-	13,174,916
Total Property and Equipment	17,291,718	1,055,588	-	18,347,306
Less Accumulated Depreciation	(4,590,823)	(399,401)	-	(4,990,224)
Net Property and Equipment	$ 12,700,895	$ 656,187	$ -	$ 13,357,082

Note 4. Fair Value Measurements:

The Organization defines fair value as 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. A fair value hierarchy is established that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.
Level 2: Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.
Level 3: Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Note 4. Fair Value Measurements (Continued):

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of their investments. When available, the Organization measures fair value using Level 1 inputs because it generally provides the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments.

The table below presents the balances of assets measured at fair value on a recurring basis at June 30, 2023:

	Fair Value	Level 1	Level 2	Level 3
Financial Assets:				
Cash and cash equivalents	$ 4,763,243	$ 4,763,243	$ -	$ -
Funds held by community foundations	733,449	733,449	-	-
Total Financial Assets	$ 5,496,692	$ 5,496,692	$ -	$ -

Note 5. Concentration of Credit Risk

Cash

The Organization maintains cash balances at several financial institutions. Accounts at these institutions are secured by the Federal Deposit Insurance Corporation. At times, the balances may exceed federally insured limits. There have been no losses in such accounts as of June 30, 2023. Management believes that the Organization is not exposed to any significant credit risk with respect to its cash.

Revenue and Receivables

The Organization received approximately 67% of its revenue from government contracts for the year ended June 30, 2023, compared to 68% in the prior fiscal year. The Organization received $4 million or 39% of its total revenue from Residential Services (STRTP) and $2.9 million or 20% of its total revenue from its New Directions transitional housing program. For the year ended June 30, 2022, the Organization received $3.9 million or 36% of its total revenue from Residential Services (STRTP) and $1.9 million or 17% of its total revenue from its New Directions transitional housing program.

Pledges receivable totaled $287 at June 30, 2023 and $502,427 at June 30, 2022. Of the total pledges receivable at June 30, 2022, $500,000 was from one foundation and was written off as bad debt for the year ended June 30, 2023.

Note 6. Pledges Receivable

Pledges receivable consist of the following at June 30:

	2023	2022
Net pledges receivable	$ 5,000	$ 510,000
Less imputed discount	(4,713)	(7,573)
	287	502,427
Contributions receivable consist of the following:		
Due in less than one year	5,000	$ 250,000
Due in one to five years	-	260,000
	$ 5,000	$ 510,000

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

Note 7. Funds Held by Community Foundations

Funds held by community foundations consist of endowment funds held by The San Diego Foundation and the Jewish Community Foundation of San Diego ("the Foundations") for the benefit of the Organization.

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

The San Diego Foundation endowment funds are invested in the following assets classes:

Asset Class	**%**
Equity	40%
Hedge Funds	15%
Private Equity	15%
Fixed Income	10%
Real Estate	7%
Real Assets	3%
Private Credit	10%

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

Note 7. Funds Held by Community Foundations (Continued):

The Jewish Community Foundation of San Diego pool Organization funds are invested in the following assets classes:

Asset Class	%
Equity	40%
Private Assets	26%
Fixed Income	18%
Hedge Funds	13%
Real Assets	3%

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

Note 8. Contingencies and Commitments

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

Litigation - In conducting its activities, the Organization is occasionally named in various legal claims and litigations. Management believes that the ultimate resolution of such legal claims will not have a material effect on the financial statements of the Organization.

Note 9. Operating Lease Commitments

Casa De Amparo evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent Casa De Amparo's right to use underlying assets for the lease term, and the lease liabilities represent Casa De Amparo's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms.

During the year ended September 30, 2023, the Company recognized lease expense in relation to the leases described above as follows:

Lease cost	
Operating lease cost	$ 14,015
Total lease cost	$ 14,015

Note 9. Operating Lease Commitments (continued)

Casa De Amparo has elected to exercise the practical expedient permitting the use of the risk-free rate as the discount rate for its leases when it does not have access to the rate implicit in the leases. The weighted average remaining lease terms and weighted average discount rates for operating leases are as follows:

	Operating
Weighted average remaining lease term	0.70 years
Weighted average discount rate	2.85%
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	168,238

The Organization leases program facilities under non-cancelable operating leases, which expire at various dates through May 2024. Cash paid for operating leases for the year ended June 30, 2023, was $350,444. There were no noncash investing and financing transactions related to leasing.

Future minimum lease payments under this operating lease as of December 31, 2022, are detailed below.

Year End June 30, 2024	$	107,895
	$	107,895

Note 10. Nature and amount of net assets with donor restrictions

Net assets with donor restrictions were available for the following purposes as of June 30:

	2023	2022
Restricted for specified purpose:		
Land Lease – Ivey Ranch	$ 859,954	$ 913,150
Capital Campaign for Teen Wellness Center and Suppport Service Building	7,392,274	5,947,906
Total restricted for specified purpose	8,252,228	6,861,056
Endowments subject to the Organization's spending policy and appropriation	171,653	160,489
Total net assets with donor restrictions	$ 8,423,881	$ 7,021,545

Net assets in the amounts of $346,282 and $311,839 were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors for the years ended June 30, 2023 and 2022, respectively.

Note 11. Retirement Plan

The Organization sponsors a non-contributory 403(b) retirement plan covering all employees who have completed 90 days of eligible service. Contributions to the retirement plan are at the discretion of each employee. There were no contributions by the Organization for the years ended June 30, 2023 and 2022, respectively.

Note 12. Information Regarding Liquidity and Availability

Contract revenue from the federal, state and local governments historically represent approximately 71% of the Organization's operational funding needs. Support without donor restrictions averaged 26%, and the remainder funded by contributions with donor restrictions and interest income.

The Organization's cash flows have seasonal variations due to a concentration of contributions received at calendar and fiscal year-end. To manage liquidity, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization invests cash in excess of its daily requirements in money market accounts and short-term investments. As of June 30, 2023, the Organization had $588,968 available in its operating reserve accounts. Additionally, the Organization has Board Designated net assets without donor restrictions totaling $523,239 that, while the Organization does not intend to spend for those purposes other than those identified, the amounts could be made available for current operations, if necessary.

The following table reflects the Organization's financial assets as of June 30, 2023, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. Amounts not available include certain donor-restricted investments as more fully described in Note 10.

	2023
June 30,	
Financial assets at year-end:	
Cash and cash equivalents	$ 1,145,786
Grants receivable	1,572,348
Pledges / Other Grants receivable	287
Certificates of deposit	4,763,243
Funds held by community foundations	733,449
Total financial assets	8,215,113
Less:	
Amounts not available to be used within one year:	
Restricted by donors with purpose restriction	(4,954,138)
Amounts available to management with Board's approval:	
Community foundation Organization fund	(378,273)
Amounts unavailable to management in perpetuity:	
Donor restricted endowment	(171,653)
Board-designated endowment	(183,523)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,527,526

Note 13. Endowment Funds

Authoritative guidance related to not-for-profit entities provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") and requires additional disclosures about an organization's endowment funds. The Organization's endowment funds consist of four individual funds and includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. In accordance with the authoritative guidance, net assets associated with the funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted UPMIFA as the prudent preservation of the fair value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund and (d) the remaining portion of the donor-restricted endowment until those amounts are appropriated for expenditures by the Organization in a manner consistent with the standard of prudence prescribed by the State of California's UPMIFA. As such, much of the net realized and unrealized appreciation in the fair value of the assets of an endowment fund over the historic dollar value of the fund is considered prudent, unless the donor's intention is indicated in the endowment.

Changes in endowment net assets for the year ended June 30, 2023 are as follows:

	Without Donor Restrictions	With Donor restrictions	Total
Endowment assets, June 30, 2022	$ 523,239	$ 160,489	$ 683,728
Invesmnet return, net	38,557	11,164	49,721
Endowment assets, June 30, 2023	$ 561,796	$ 171,653	$ 733,449

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	Without Donor Restrictions	With Donor restrictions	Total
Endowment assets, June 30, 2021	$ 571,545	$ 167,349	$ 738,894
Invesmnet return, net	(48,306)	(6,860)	(55,166)
Endowment assets, June 30, 2022	$ 523,239	$ 160,489	$ 683,728

Endowment net assets without donor restrictions identified in the tables above represent Board designated net assets.

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no deficiencies of this nature as of June 30, 2023 and 2022.

Note 13. Endowment Funds (continued)

Due to the relatively small size of its endowment, the Organization has not enacted a policy of spending principal or principal appreciation of the funds. The Organization invests the funds for total return and reinvests all interest and dividends to enhance the growth of the funds. The Organization believes it is beneficial to defer endowment spending and grow the endowment to a size that will have a meaningful impact in stabilizing the revenues of the Organization.

Endowment and board-designated endowment funds are invested with a strong equity bias towards significant diversification across investments with fundamentally different risk characteristics. In general, assets are invested in funds that provide liquidity and diversification of security specific risk at reasonable cost. The funds are invested with a long-term horizon without attempting to time market movements. Allocations to asset classes are maintained in accordance with the long-term policy targets and ranges approved by the Operations Committee and the Board of Directors.

Note 14. Loan Payable:

On April 20, 2017, the Organization refinanced its loan agreement with Wells Fargo Bank for the purpose of financing the cost of construction of Casa Kids Campus. Interest is payable monthly at a fixed rate of 4.35% and the loan matures on May 5, 2024. The loan is secured by the Casa Kids Campus.

The Organization is subject to compliance with certain debt covenants under the loan agreement. The Organization received a waiver for covenant non-compliance for the year ended June 30, 2023. Effective May 30, 2023, Wells Fargo Bank removed all financial reporting, condition, or performance covenants with specific due dates or reporting and compliance periods for the loan.

The balance of the loan of $2,462,360 is payable in full on May 5, 2024.

Note 15. Contribution of Non-Financial Assets:

The estimated fair value of donated goods and professional services is recorded in the financial statements. Donated goods are recorded at fair value. Donated professional services are recognized in the financial statements because the services require specialized skills, provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Casa De Amparo may receive donated volunteer services which have not been reflected in the accompanying financial statements because such services do not meet the criteria requirements of creating nonfinancial assets or requiring specialized professional skills.

Casa De Amparo received contributions of non-financial assets from the various donors during the fiscal year consisting of food and gift certificate donations valued at $562,029 as determined by the respective retail value of each item. The donations were used to support the Organization's programs. The contributions of non-financial assets have been recorded in the statement of activities.

Casa De Amparo
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2023

Federal Grantor/Pass -Through Grantor/Program or Cluster Title	Assistance Listing Number		Federal Expenditures
FEDERAL			
U.S Department of Housing and Urban Development			
Pass-through County of San Diego Health and Human Services:			
Foster Care Title IV - E - Foster Care	93.658	*	$ 329,672
Promoting Safe and Stable Families - Family Visitation	93.556		26,429
Stephanie Tubbs Jones CWS Program	93.645		24,990
Temporary Assistance for Needy Families (TANF)	93.558		113,083
Social Services Block Grant	93.667		94,234
Total Pass-through County of San Diego Health and Human Services			588,408
Pass-through County of San Bernardino			
Foster Care Title IV-E (Group Home and Transitional Housing Program plus Foster Care)	93.658	*	420,175
Total Pass-through County of San Bernardino			420,175
U.S. Department of Housing and Urban Development			
Pass-through City of San Marcos			
Community Development Block Grants/Entitlement Grants	14.218		180,449
Total Expenditures of Federal Awards			$ **1,189,032**

* Denotes major program

Casa De Amparo
Notes to Schedule of Expenditures of Federal, State and Other Awards
Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying Schedule of Federal, State and Other Awards (the "Schedule") includes the federal grant activity of Casa de Amparo under programs of the federal government for the year ended June 30, 2023. 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 Casa de Amparo, it is not intended to and does not present the financial position, changes in net assets or cash flows of Casa de Amparo.

Note 2 - Summary of Significant Accounting Policies

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. Casa de Amparo has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Comingled Funding

The Foster Care Title IV- E - Foster award amounts that are passed through County of San Diego Health and Human Services are noted as major programs due to comingled funding from federal and state. The breakdown of federal and state Care funding was determined at the time of audit fieldwork.

Pinnacle Accounting
& FINANCIAL SERVICES

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Casa De Amparo
San Marcos, CA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Casa De Amparo (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 , and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 13, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Casa De Amparo's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Casa De Amparo's internal control. Accordingly, we do not express an opinion on the effectiveness of the Casa De Amparo's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be material weakness.

Report on Compliance and Other Matters

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

Responses to Findings

The Organization's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

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

Pinnacle Accounting & Financial Services

Pinnacle Accounting & Financial Services
Sacramento, CA
May 13, 2024

Pinnacle Accounting
& FINANCIAL SERVICES

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

To the Board of Directors of
Casa De Amparo
San Marcos, CA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Casa De Amparo's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Casa De Amparo's major federal programs for the year ended June 30, 2023. Casa De Amparo's major federal programs are identified in the summary of Auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Casa De Amparo complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Casa De Amparo and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Casa De Amparo's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Casa De Amparo's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Casa De Amparo's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Casa De Amparo's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Casa De Amparo's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Casa De Amparo's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Casa De Amparo's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Casa De Amparo's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Casa De Amparo's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

In planning and performing our audit of the financial statements, we considered Casa De Amparo'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Casa De Amparo's internal control. Accordingly, we do not express an opinion on the effectiveness of Casa De Amparo's internal control.

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, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency. Casa De Amparo's response to internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Pinnacle Accounting & Financial Services

Pinnacle Accounting & Financial Services
Sacramento, CA
May 13, 2024

Casa De Amparo
Schedule of Findings and Questioned Costs
June 30, 2023

Section I - Summary of Auditors' Results

FINANCIAL STATEMENTS

(a) Type of report issued on whether the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America: **Unmodified opinion**

(b) Internal control deficiencies over financial reporting disclosed by the audit of the financial statements:

- Material weaknesses identified: **Yes**
- Significant deficiencies identified: **No**

(c) Noncompliance material to the financial statements: **No**

FEDERAL AWARDS

(d) Internal control over major programs:

- Material weaknesses identified: **Yes**
- Significant deficiencies identified: **No**

(e) Type of report issued on compliance for major program: **Unmodified**

(f) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance 2 CFR 200.516(a): **Yes**

(g) Major program:

- 93.658 – Foster Care Title IV-E

(h) Dollar threshold used to distinguish between Type A and Type B programs: **$750,000**

(i) Auditee qualified as a low-risk auditee: **No**

Section II - Financial Statement Findings

Finding Number 2023-001: Review Procedures

Criteria
Management is responsible for implementing review processes over transactions and financial statement close procedures.

Condition
In testing performed over several accounts, the Auditors identified multiple deficiencies that were the result of missing review processes over transactions and financial statement close procedures. These deficiencies included:

- Adequate support was not reviewed and retained for contributions, journal entries, and expenses.
- Evidence of timely review was not available for certain journal entries, invoices, and expense reports.
- Errors were identified in the recording of several transactions. Due to lack of review these errors were not identified and corrected on a timely basis. Errors included in the release of net assets with donor restriction, allocation of expenses between departments, reconciliation of payroll expenses, and recording of grant and contributions of non-financial assets.
- Evidence of timely review was not available for certain reports required to be prepared in accordance with the Organization's grant agreements. This lack of review resulted in several errors within the reports.

Cause
The Organization's policies and processes regarding review were not consistently applied.

Effect
Material errors may not be detected or corrected in a timely manner.

Recommendation
We recommend that the Organization detail review, and consistently follow, established policies and processes of detail review, including vouching to supporting documents, of expenses and reports.

Views of Responsible Officials
Management agrees with the assessment and has implemented steps at the beginning of the fiscal year 2023-2024 to address this issue. The organization has transitioned its accounting software to QuickBooks Online to enhance efficiency and streamline processes within the accounting department. Additionally, a thorough review of procedures has been conducted, and measures have been implemented to mitigate the previous impact of employee turnover. These strategic initiatives are expected to rectify the identified deficiency and contribute to improved effectiveness and efficiency within the accounting department.

Section III - Federal Award Findings and Questioned Costs

Finding Number 2023-002: Allowable Costs/Cost Principles and Reporting, 93.658 Foster Care – Title IV-E pass-through County of San Diego Health and. Grant Award Period Year Ended June 20, 2023

Criteria
Per Part 6 of the Compliance Supplement, controls need to be designed such that they would prevent or detect potential noncompliance. Management should implement control activities through policies.

Condition
In testing performed over several accounts, the Auditors identified multiple deficiencies that were the result of missing review processes over transactions and financial statement close procedures. Refer to finding 2023-001 for more details.

Cause
The Organization's policies and processes regarding review of underlying detail of program expenses and reporting were not consistently applied.

Effect
Material errors may not be detected or corrected in a timely manner.

Questioned Costs
None reported.

Context
The condition noted above was identified during our procedures related to Allowable Costs/Cost Principles and Reporting.

Identification as a Repeat Finding
Yes.

Recommendation
We recommend that the Organization detail review, and consistently follow, established policies and processes of detail review, including vouching to supporting documents, of expenses and reports.

Views of Responsible Officials
Management agrees with the assessment and has implemented steps at the beginning of the fiscal year 2023-2024 to address this issue. The organization has transitioned its accounting software to QuickBooks Online to enhance efficiency and streamline processes within the accounting department. Additionally, a thorough review of procedures has been conducted, and measures have been implemented to mitigate the previous impact of employee turnover. These strategic initiatives are expected to rectify the identified deficiency and contribute to improved effectiveness and efficiency within the accounting department.

Section IV – Summary of Prior Year Findings and Questioned Costs

Finding Number: 2022-001
Finding Summary: The Auditors identified multiple deficiencies that were the result of missing review processes over transactions and financial statement close procedures.
Status: Corrective action was not taken

Finding Number: 2022-002
Finding Summary: The Auditors identified multiple deficiencies that were the result of missing review processes over transactions and financial statement close procedures.

+608/325Ã,5914671Ã.+'Ã$$(!)% *Ä) $)Ã#-&+Ä&&+*Ä*% *+- ##"#"

Community Resource Center

BOARD RESOLUTION

WHEREAS, the Community Resource Center (CRC) Bylaws provides that the Board may authorize any officer or agent of CRC, in the name of and on behalf of CRC, to enter into any contract or execute any instrument; and

WHEREAS, the Board deems it appropriate and the best interest of CRC to make such an authorization to:

John Van Cleef, Chief Executive Officer

Corrie McCoy, Chief Operating Officer;

NOW, THEREFORE, BE IT:

RESOLVED, that the Board hereby authorizes John Van Cleef and Corrie McCoy to approve and, in the name of and on behalf of CRC, enter into and execute contracts and instruments.

RESOLVED FURTHER, that Sarah Ferry shall be, and hereby is, removed from entering into any contract or executing any instrument on behalf of CRC.

PASSED AND ADOPTED this 18th Day of May, 2021.

Signed: DocuSigned by: Lindsey Brubaker AA49A120C8DC4FD...

Lindsey Brubaker, Secretary

Title

Community Resource Center (CRC) Food & Nutrition Center

09/25/2024

id. 47608837

by **Richard Radosh** in **San Marcos Community Foundation**
on behalf of **Community Resource Center**
grants@crcncc.org

Original Submission

09/25/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Community Resource Center (CRC) Food & Nutrition Center
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	CRC Food & Nutrition Center
Project Start Date	7/1/2024
Project End Date	6/30/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	5400.0
Total Number of People Served by this Project in San Marcos Only	122.0
Grant Amount Requested	10000.0
	Organization Details
Organization Name	Community Resource Center

Organization Street Address	650 2nd Street
Organization City	Encintias
Organization State	CA
Organization Zip Code	92024-3650
Organization Website	https://crcncc.org/
Organization's EIN	95-3497926 200 Community Resource Center ac95fea5-45cc-46bc-a028-3286e8fba543 650 2nd Street Encinitas CA 92024 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-07-10T00:00:00 2023-09-11T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(2) organization 2023-07-10T00:00:00 1980 10
	Contact Information
Contact First Name	Richard
Contact Last Name	Radosh
Contact Title	Grants & Contracts Manager
Contact Phone	+17602306308
Contact Email	grants@crcncc.org
	Project Details

Briefly describe your request for funds.	CRC is requesting $10,000 to support our Food and Nutrition Center (FNC) which serves San Marcos residents and many more in our coastal north county service area. The FNC will provide free nutritious fresh food (produce, meat and dairy), non-perishable food and hygiene items (including diapers) and CalFresh enrollment assistance to economically vulnerable individuals and families. With a 40% increase in participants compared to last year, the FNC is expanding to meet this demand by increasing hours of operation with Saturday distributions, providing free delivery to homebound seniors and persons with disabilities, and deploying a mobile food pantry to low-income neighborhoods during Spring 2025. The FNC serves San Marcos residents who visit CRC's Encinitas location and at One Safe Place, the North County Family Justice Center in San Marcos. CRC's goals are reducing food insecurity by: • Providing nutritious food to 5,400 food insecure individuals (122 in San Marcos). • Receiving and distributing healthy fresh rescue food donated by local grocers to reduce food insecurity, and to reduce the amount of food wasted and sent to landfills.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Food access is a key component of homelessness prevention. Households receive an average economic benefit of $450 per month, allowing scarce dollars to be used on other necessities, such as rent, utilities, transportation, or medicine, thereby keeping them in their homes. Susy's story highlights the need for and success of the FNC. Susy came to CRC's domestic violence emergency shelter with her two young daughters, Sammy and Sofia. Susy had experienced homelessness as a child and wanted to give her daughters a stable home. She secured a full-time job but could not afford rent, so she moved into CRC's transitional housing. To improve her situation, she took advantage of CRC's wraparound services, meeting with a therapist weekly to cope with her trauma and receiving healthy food from CRC's food pantry. With CRC's help, Susy saw her dream of providing a safe, loving and stable home for Sammy and Sofia come true. CRC anticipates serving 122 San Marcos participants (330 total individuals including household members).

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	CRC collaborates with food banks, local organizations and grocers for food, nutrition supplies, and hygiene products. CRC and 80 partner CBOs at One Safe Place work to serve victims of crime.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	In August 2020, your $7,500 grant partially underwrote the essential Food & Nutrition Center component of CRC's Homeless Prevention Services for 103 San Marcos residents.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	CRC's mission is to help our neighbors create paths to healthy food, stable homes and safe relationships. Founded in 1979, and now in our 45th year of operation, CRC provides emergency assistance, case management, counseling, shelter and food assistance to low-income individuals and families including domestic violence survivors and victims of crime or abuse who are economically vulnerable, experiencing homelessness or at imminent risk of homelessness. CRC is the primary provider of social services and domestic violence programs in coastal North County San Diego, serving more than 7,200 individuals each year without regard to race, religion, gender identity, sexual orientation, ethnicity, age, or immigration status. Almost 100% have very low incomes, at or below 80% Area Median Income. 41% are experiencing homelessness, 3% are veterans with nearly 50% experiencing homelessness, 57% are female, 72% are adults (18-64), 17% are seniors (65+), 11% are children (0-17), 36% are domestic violence victims/survivors, and 23% are disabled. Ethnicity is diverse. CRC serves participants in coastal North County San Diego including the cities of Encinitas, Solana Beach, Del Mar, Carlsbad, Oceanside, Vista and San Marcos. Individuals and families who come to CRC are impacted by barriers to personal well-being, trauma, systemic racism, racial inequality, economic instability, unemployment, food and/or housing insecurity, poverty and inaccessibility of mental health services. CRC provides a person-centered, trauma-informed and evidence-based model of care built upon the values of

compassion, acceptance, resilience, equity and success, designed to help clients achieve self-sufficiency. CRC engages community constituents, including individuals with lived experience of being sheltered in organizational governance, staffing, program planning and volunteer services to the fullest extent practicable to identify and prioritize their needs and concerns. CRC recruits those with lived experience as board members and actively solicits feedback from diverse groups through surveys, focus groups, community forums, and an onsite Pulse for Good feedback kiosk.

In 2023, our community of donors and 931 volunteers made it possible for us to distribute more than 505,000 pounds of food through 14,936 visits to our food & nutrition center, assist 317 individuals to locate safe housing through our intervention programs, domestic violence shelter and transitional units, help our neighbors with financial, housing and career resources in 4,601 sessions with our case managers, answer 3,342 calls to our 24-hour domestic violence hotline, provide compassionate care in 2,914 counseling sessions, and provide 1,608 people with domestic violence prevention education.

Our 2024-25 goals include:

• Increase access to essential services for the people we serve.

• Evaluate the need for expanded services within the communities we serve.

• Continue forward on the path to fund the creation of a bright, modern facility intentionally designed with a clear focus on human dignity, quality service, and the hope given to our neighbors who come to us in need.

Our accomplishments and achievements in 2024 include:

The San Diego Business Journal named CRC as 2024 Nonprofit of the Year and our CEO, John Van Cleef, as Nonprofit Executive of the in recognition of our work to provide economically vulnerable North County households with food, housing and safety from domestic violence.

Encinitas Rotary Club named Sara Rosenbaum, CRC's, Volunteer Manager, as their 2024 Peacemaker of the Year.

The San Diego County Board of Supervisors declared April 24th 2024 as "Community Resource Center Day" to honor our organization's outstanding years of service and dedication to our region.

CRC is nearing completion of a highly successful community needs assessment our coastal north county service area. We published a community survey with a goal of gathering 750 responses and received nearly 1,500, with 25% of respondents completing the survey in Spanish. 27% of English and 11% of Spanish respondents had not previously engaged with CRC.

We are purposefully expanding our programs and services. During 2023, we hired a dual diagnosis mental health clinician to help unsheltered individuals struggling to overcome serious mental illness and substance

use, so they can obtain and maintain permanent housing. Our new Domestic Violence (DV) program housing coordinator is working with property owners to create more housing opportunities for domestic violence survivors and their children. CRC's Latino Advocacy Services employed a victim advocate and clinician to serve clients at One Safe Place in San Marcos, the North County Family Justice Center. In March 2023, the California Victims Compensation Board selected CRC to establish a new Trauma Recover Center in north county. CRC has hired a mental health clinician and a bilingual victim advocate who will work with a psychologist and psychiatrist to assist underserved clients in coping with and recovering from trauma.

CRC hired Carolina Camacho, our new FNC program coordinator, to support expanded food distribution and the planning and implementation of new initiatives. Carolina is a recent graduate of the University of Houston with a Bachelor of Science in Human Nutrition and Foods. She served an internship in the College of Education with BOUNCE, a community outreach and research initiative dedicated to reducing obesity-related diseases among underserved community groups and was able to practice teaching methods that expanded nutritional literacy and interact with a wide range of ages and ethnicities. She also worked at Center for Discovery, Cypress, Texas, a provider of evidence-based eating disorder treatment where she provided emotional and educational support to patients including de-escalation techniques, conflict resolution, and healthy eating habits.

Carolina's work includes implementing FNC's new monthly Saturday food distributions and organizing free delivery of nutritious fresh food to more than 60 homebound seniors and persons with disabilities. During Spring 2025, she will coordinate our new mobile food pantry to serve low-income neighborhoods. She is passionate about supporting community members: "My experience informs my decisions on sourcing healthy food and assisting our dedicated FNC volunteers in their efforts to provide a dignified experience for our participants. I feel proud to be able to uphold CRC's overall mission to provide healthy foods to individuals and families of modest means."

We invite you to see our "Imagine Brighter Futures" video: https://youtu.be/J3oYQjR_STY?si=DV7suXv80Pm2dyg8e which shows the spirit and scope of our work.

Please upload any community letters or media in support of this project.

2023-CRC_Annual_Impact_Summary.pdf

Please upload the annual operating budget for your organization.

2024-25_CRC_Operating_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

CRC_Audited_Financials_06.30.23.pdf

Please attach the first two pages of your Federal 990.

CRC_-_6-30-2023_-_990_Public_Copy_Final_pages_1-2.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

2021.05.18_BOD_Resolution_-_Contract_Signers_prn.pdf

	Funding
Budget Worksheet	**San Marcos Community Foundation - Budget Worksheet.xlsx**
Project Budget Total	1160305.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	**SMCF Budget Worksheet 2.xlsx**
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	CRC will fund the balance of costs through business and community donations, fundraising event revenue, and revenue from CRC Resale stores.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Salaries	*186,208.00*	*Salaries of the FNC Manager and Program Coordinator; portions of salary directly to FNC program services of the Director of Social Services, Chief Program Officer, Volunteer Manager, Drivers, Data Evaluation Manager and Data Specialist*
Payroll Taxes, Benefits	39,858.00	
Client Assistance - in-kind food, other	$799,200	
Operating	$24,967	
Occupancy	$79,020	
Equipment	$2,102	
Vehicle	$23,530	
Professional Fees	$3,000	
Human Resources	$2,420	
Total budget for this PROJECT:	1,160,305.00	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	City of Encinitas CDBG	$30,000	C
Additional Funding Source 2	City of Del Mar	$5,000	C
Additional Funding Source 3	Smart & Final	$250	C
Additional Funding Source 4	Copley Foundation	$25,000	C
Additional Funding Source 5	Stater Bros	$5,000	P
Additional Funding Source 6	San Diego County District 3 CE	$15,000	P
Additional Funding Source 7	Sprouts	$10,000	P
Additional Funding Source 8	Life Science Cares SD	25,000.00	P
Additional Funding Source 9			
Additional Funding Source 10			

CRC FY 2025 Operating Budget		
Income Source	**Amount**	
Fundraising Events	$	246,140
Government Grants/Contracts	$	4,597,804
Other Revenue	$	54,432
Private Grants & Foundations	$	449,701
Program Service Revenue	$	4,000
Public Support/Donations	$	1,294,500
Resale Store Sales	$	1,312,608
In-Kind Donations	$	825,500
Total Income	**$**	**8,784,685**
Expense		
Personnel Expenses	$	4,943,148
Client Assistance Expense	$	1,255,355
Operating Expense	$	191,796
Occupancy Expense	$	861,435
Equipment Expense	$	122,131
Vehicle Expense	$	29,074
Professional Fees	$	252,130
Employees, Board & Volunteers	$	48,922
Fundraising Expenses	$	149,176
Depreciation Expense	$	98,004
In-Kind Assistance	$	825,500
Total Expense	**$**	**8,776,671**
Net Income (Deficit) Cash Position	**$**	**8,014**

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning 7/01 , 2022, and ending 6/30 , 20 2023

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Final return/terminated
- [ ] Amended return
- [ ] Application pending

C
COMMUNITY RESOURCE CENTER
650 2ND STREET
ENCINITAS, CA 92024

D Employer identification number
95-3497926

E Telephone number
(760) 753-1156

G Gross receipts $ 11,463,964.

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

H(a) Is this a group return for subordinates? [ ] Yes [X] No

H(b) Are all subordinates included? [ ] Yes [ ] No
If "No," attach a list. See instructions.

I Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( ) (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: crcncc.org

H(c) Group exemption number

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other

L Year of formation: 1979

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO PROVIDE FAMILIES EXPERIENCING FROM THE EFFECTS OF POVERTY, HOMELESSNESS, HUNGER, AND DOMESTIC VIOLENCE WITH SAFETY, STABILITY, AND A PATH TO SELF-SUFFICIENCY.

2 Check this box [ ] 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 2022 (Part V, line 2a)	5	74
6	Total number of volunteers (estimate if necessary)	6	2,949
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	104,522.
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	4,807,631.	8,979,144.
9	Program service revenue (Part VIII, line 2g)	1,561,849.	6,665.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,425.	3,815.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,158,895.	1,252,711.
12	Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,529,800.	10,242,335.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,657,148.	4,034,235.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) 814,618.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,675,779.	3,905,401.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	7,332,927.	7,939,636.
19	Revenue less expenses. Subtract line 18 from line 12	196,873.	2,302,699.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	5,906,459.	8,771,759.
21	Total liabilities (Part X, line 26)	1,877,148.	2,439,928.
22	Net assets or fund balances. Subtract line 21 from line 20	4,029,311.	6,331,831.

Public Disclosure Copy

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

JOHN VAN CLEEF — CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
Emin Shahbazian	Emin Shahbazian			P01761638

Firm's name: YSR CPA Group PC
Firm's address: 2529 Foothill Blvd Suite 212, La Crescenta, CA 91214
Firm's EIN: 821853384
Phone no.: 8183309752

May the IRS discuss this return with the preparer shown above? See instructions [X] Yes [ ] No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

TO PROVIDE FAMILIES EXPERIENCING FROM THE EFFECTS OF POVERTY, HOMELESSNESS, HUNGER, AND DOMESTIC VIOLENCE WITH SAFETY, STABILITY, AND A PATH TO SELF-SUFFICIENCY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☒ No

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 3,119,148. including grants of $) (Revenue $)

See Schedule O

4b (Code:) (Expenses $ 1,410,162. including grants of $) (Revenue $)

COMMUNITY RESOURCE CENTER SERVED 1,503 and 1050 LOW-INCOME INDIVIDUALS THROUGH OUR COMPREHENSIVE PROGRAMS IN 2022 and 2023, respectively: INTEGRATED CASE MANAGEMENT; EMERGENCY FOOD, HOUSING, RENTAL AND UTILITY ASSISTANCE; BENEFITS APPLICATIONS; TRANSPORTATION ASSISTANCE; ACCESS TO HEALTHY FOOD; FINANCIAL LITERACY TRAINING; FAMILY SELF-SUFFICIENCY; EMPLOYMENT READINESS; AND HOLIDAY BASKETS.

4c (Code:) (Expenses $ 926,042. including grants of $) (Revenue $)

COMMUNITY RESOURCE CENTER'S RESALE STORES, IN ADDITION TO GENERATING NET INCOME FOR THE AGENCY'S ACTIVITIES, IS A SOURCE OF CLOTHING, FURNITURE AND HOUSEHOLD GOODS FOR BOTH DOMESTIC VIOLENCE AND SOCIAL SERVICE CLIENTS; PROVIDES EMPLOYMENT OPPORTUNITIES; AND IS A SOURCE OF LOW-COST GOODS FOR LOCAL FAMILIES.

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

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

4e Total program service expenses 5,455,352.

Public Disclosure Copy

COMMUNITY RESOURCE CENTER AND 660 ENCINITAS, LLC

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

YSR CPA GROUP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

AUDIT + TAX + ADVISORY

TABLE OF CONTENTS

	Page No.
INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position as of June 30, 2023	4
Consolidated Statement of Activities for the Year Ended June 30, 2023	5
Consolidated Statement of Functional Expenses for the Year Ended June 30, 2023	6
Consolidated Statement of Cash Flows for the Year Ended June 30, 2023	7
Notes to the Consolidated Financial Statements	8 - 25
SUPPLEMENTAL INFORMATION	
Consolidating Schedule of Financial Position as of June 30, 2023	26
Consolidating Schedule of Activities for the Year Ended June 30, 2023	27
Independent Auditors' 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*	28 - 29
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	30 - 31
Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2023	32
Notes to the Schedule of Expenditures of Federal Awards	33
Schedule of Findings and Questioned Costs	34 - 35

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Community Resource Center and Subsidiary

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Community Resource Center and 660 Encinitas, LLC (the "Subsidiary") (a California nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Community Resource Center and Subsidiary as of June 30, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Community Resource Center and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Resource Center and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Community Resource Center and Subsidiary's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Resource Center and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 26 to 27 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards on page 32, as required by Title 2 U.S. *Code of Federal Regulations* 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated 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 March 26, 2024, on our consideration of Community Resource Center and Subsidiary'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 solely 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 Community Resource Center and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Resource Center and Subsidiary's internal control over financial reporting and compliance.

Emphasis of a Matter – Change in Accounting Principle

For the year ended June 30, 2023, the Organization adopted Financial Accounting Standards Board's (FASB) accounting standards update (ASU) 2016-02, Leases (Topic 842) and ASU 2021-10, Government Assistance (Topic 832) as described in Note 1. The changes required by the update have been applied in the year of adoption. Our opinion is not modified with respect to that matter.

Emphasis of a Matter – Reclassification

As discussed in Note 14 to the financial statements, the Organization discovered restricted net assets releases that were not properly classified. Accordingly, amounts reported for net assets have been reclassified in the 2023 financial statements. Our opinion is not modified with respect to that matter.

YSR CPA Group, P.C.

Encinitas, California
March 26, 2024

COMMUNITY RESOURCE CENTER AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2023

		2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	2,481,760
Grants and contributions receivables (Note 4)		1,545,052
Inventory		64,378
Prepaid expenses and other assets		62,540
TOTAL CURRENT ASSETS		4,153,730
NONCURRENT ASSETS		
Contributions receivable, net of discount (Note 4)		663,705
Deposits		31,859
Property and equipment, net of accumulated depreciation (Note 5)		3,335,495
Right-of-use assets, net of accumulated amortization (Note 11)		586,970
TOTAL NONCURRENT ASSETS		4,618,029
TOTAL ASSETS	$	8,771,759
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	138,692
Accrued expenses		181,477
Prepaid rent from tenants (Note 11)		1,950
Deferred revenue		79,362
Current portion of operating lease obligations (Note 11)		306,975
Current portion of notes payable (Note 7)		6,132
TOTAL CURRENT LIABILITIES		714,588
NONCURRENT LIABILITIES		
Client and tenant deposits		20,670
Operating lease obligations, noncurrent (Note 11)		290,458
Notes payable, noncurrent (Note 7)		1,414,212
TOTAL NONCURRENT LIABILITIES		1,725,340
TOTAL LIABILITIES		2,439,928
COMMITMENTS & CONTINGENCIES (Note 12)		
NET ASSETS		
Without donor restrictions		3,304,980
With donor restrictions (Note 9)		3,026,851
TOTAL NET ASSETS		6,331,831
TOTAL LIABILITIES AND NET ASSETS	$	8,771,759

See accompanying independent auditors' report and notes to the financial statements

COMMUNITY RESOURCE CENTER AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	$ 1,554,133	$ 2,883,691	$ 4,437,824
Contributed nonfinancial assets (Note 8)	902,096	69,571	971,667
Government grants (Note 1)	2,517,989	904,771	3,422,760
Resale shop sales, net $1,113,376 cost of sales of donated goods	1,118,143	-	1,118,143
Special events, net direct expenses of $31,716	173,695	-	173,695
Rental income (Note 11)	120,123	-	120,123
Program services	6,665	-	6,665
Investment return (loss)	(633)	-	(633)
Interest income	4,269	-	4,269
Other income	3,244	-	3,244
Net assets released from restrictions, satisfaction of program restrictions (Note 9)	1,635,841	(1,635,841)	-
TOTAL SUPPORT AND REVENUE	8,035,565	2,222,192	10,257,757
EXPENSES			
Program services			
Social services	1,410,162	-	1,410,162
Domestic violence & emergency shelter	3,119,148	-	3,119,148
Resale stores	926,042	-	926,042
Supporting services			
Management and general	1,685,267	-	1,685,267
Fundraising	814,618	-	814,618
TOTAL EXPENSES	7,955,237	-	7,955,237
INCREASE IN NET ASSETS	80,328	2,222,192	2,302,520
NET ASSETS AT BEGINNING OF YEAR AS PREVIOUSLY STATED	3,148,419	880,892	4,029,311
RECLASSIFICATION (Note 14)	76,233	(76,233)	-
NET ASSETS AT BEGINNING OF YEAR AS RESTATED	3,224,652	804,659	4,029,311
NET ASSETS AT END OF YEAR	$ 3,304,980	$ 3,026,851	$ 6,331,831

See accompanying independent auditors' report and notes to the financial statements

COMMUNITY RESOURCE CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2023

	Program Services				Supporting Services			
	Social Services	Domestic Violence & Emergency Shelter	Resale Stores	Total Program Services	Management and general	Fundraising	Total Supporting Services	Total
Salaries and wages	$ 601,057	$ 1,086,146	$ 382,845	$ 2,070,048	$ 830,719	$ 463,886	$ 1,294,605	$ 3,364,653
Employee benefits	51,020	116,732	53,473	221,225	138,974	53,168	192,142	413,367
Payroll taxes	44,709	80,834	29,230	154,773	63,561	34,056	97,617	252,390
Professional fees	4,583	33,961	7,913	46,457	185,225	141,270	326,495	372,952
Advertising	127	271	-	398	37,511	32,099	69,610	70,008
Office expenses	8,522	25,403	35,179	69,104	72,386	21,804	94,190	163,294
Information technology	12,158	34,729	-	46,887	24,834	21,450	46,284	93,171
Occupancy	29,906	142,130	398,482	570,518	105,210	12,288	117,498	688,016
Travel	2,494	6,104	-	8,598	9,445	354	9,799	18,397
Interest expense	-	-	-	-	64,555	764	65,319	65,319
Depreciation	12,768	77,922	16,895	107,585	29,592	2,032	31,624	139,209
Insurance	-	-	-	-	74,857	-	74,857	74,857
Postage and shipping	270	384	-	654	1,438	1,773	3,211	3,865
Direct program expense	624,028	1,475,276	-	2,099,304	2	650	652	2,099,956
Fundraising expense	103	-	-	103	1,345	24,655	26,000	26,103
Auto expense	66	18,254	-	18,320	4,129	500	4,629	22,949
Staff and board development	15,224	13,949	178	29,351	40,894	3,869	44,763	74,114
Miscellaneous	3,127	7,053	1,847	12,027	590	-	590	12,617
	$ 1,410,162	$ 3,119,148	$ 926,042	$ 5,455,352	$ 1,685,267	$ 814,618	$ 2,499,885	$ 7,955,237

See accompanying independent auditors' report and notes to the financial statements

COMMUNITY RESOURCE CENTER AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2023

		2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	2,302,520
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		139,209
Contributed securities		(60,936)
Proceeds from sale of contributed securities		60,303
Unrealized loss on contributed securities		179
Realized loss on contributed securities		454
Donated resale inventory		(2,266)
Non-cash lease expense		10,463
(Increase) decrease in operating assets:		
Grants and contributions receivables		(1,074,710)
Prepaid expenses and other assets		(1,845)
Increase (decrease) in operating liabilities:		
Accounts payable		25,954
Accrued expenses		43,311
Prepaid rent from tenants		(1,050)
Deferred revenue		(26,388)
Client and tenant deposits		(744)
CASH PROVIDED BY OPERATING ACTIVITIES		1,414,454
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment		(241,823)
CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(241,823)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on notes payable		(75,736)
CASH PROVIDED (USED) BY FINANCING ACTIVITIES		(75,736)
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,096,895
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,384,865
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	2,481,760
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	$	64,579

SUPPLEMENTAL DISCLOSURE OF NON-CASH FLOW INFORMATION

During the year ended June 30, 2023, the Organization capitalized right-of-use assets in exchange for operating lease obligations in the amount of $885,341.

See accompanying independent auditors' report and notes to the financial statements

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Community Resource Center ("CRC") was organized as a California Nonprofit Public Benefit Corporation in 1979 to provide emergency assistance, housing stability and food to low-income individuals and families who are experiencing homelessness or at imminent risk of homelessness, including domestic violence survivors. CRC is the primary provider of social services and domestic violence programs in coastal North County San Diego, serving more than 6,400 people each year without regard to race, religion, gender identity, sexual orientation, ethnicity, age or immigration status.

CRC's mission - to help our neighbors create paths to healthy food, stable homes and safe relationships - is supported by donor contributions, private and government grants as well as the net proceeds from resale stores and events.

The following is a brief description of CRC's programs:

Social Services

CRC assists individuals and households experiencing homelessness, or are at risk of homelessness, with housing, rental assistance, financial education, resources and individualized support.

CRC case managers assist individuals and households experiencing homelessness, or are at risk of homelessness, with housing, resources, rental assistance, financial education and individualized support. Each individual and family walk a unique path to self-sufficiency, and CRC supports them along the way.

Comprehensive, wraparound services provided during case management include:

- Homelessness Prevention and Intervention: Seasonal shelter and emergency housing assistance, Rapid Re-housing, deposit/ rental assistance
- Stabilization Services: Benefits enrollment assistance, transportation assistance, employment readiness resources, financial literacy training, budgeting
- Health & Well-being Programs: Food assistance, CalFresh and Medi-Cal Benefits applications

Holiday Baskets

What began as a delivery of a food basket and a few gifts to 25 families, has grown to serving thousands of community members in low-income households with the help of dedicated volunteers. Households receive nonperishable food, fresh produce, a blanket and family presents, while gift bags are delivered to seniors in their homes. The food and basic household supplies provide a life-saving bridge during the holidays, so scarce dollars may be spent on other needs such as rent, utilities or transportation, while the gifts help children receive a wonderful holiday experience.

Food & Nutrition

CRC's Food & Nutrition Center provides participants with free nutritious fresh food – produce, meat and dairy – along with non-perishable food and personal hygiene items (including diapers). This food allows scarce dollars to be spent on other needs such as rent, utilities or transportation.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nature of Activities (continued)

Domestic Violence Prevention and Intervention

At CRC, families and individuals escaping domestic violence find safety and healing through our wraparound services, which include:

- Emergency Hotline
- Carol's House Emergency Shelter
- Transitional Housing
- Case Management
- Therapeutic Children's Center, providing therapeutic services specifically for children to help them to effectively cope with the traumatic effects of domestic violence.
- Legal Advocacy
- Counseling, offering individual counseling sessions, weekly group therapy sessions for mothers and for children, and family counseling.
- Prevention Education, presentations and trainings for area colleges and schools, including education on healthy relationships and teen relationship violence prevention, as well as a comprehensive 40-hour domestic violence advocate training.

CRC's 2023 Impact (calendar year)*

- 1,996 unduplicated participants made 14,936 visits to the Food and Nutrition Center, which collected and distributed 505,066 pounds of food.
- 1,050 individuals participated in the Holiday Baskets program (home delivery for seniors) for low-income households, including 350 children and 258 seniors.
- Social Services provided case management to 228 unduplicated individuals during 3,283 sessions, assisted 111 benefit applicants and successfully placed more than 78 households (80 individuals) in safe housing – shelter, transitional housing and permanent housing.
- 2,914 sessions were provided by our professional counselors, offering empathic, compassionate and solution-oriented counseling.
- 317 individuals found safe housing through our intervention programs, domestic violence shelter and transitional housing units.
- 119 domestic violence (DV) survivors and children found shelter and assistance, the DV Hotline responded to 3,342 calls, and 100% of families in transitional housing moved to permanent housing.
- CRC provided domestic violence prevention education throughout the community to more than 474 high school students.

*unaudited

660 Encinitas, LLC is a single member LLC owned by Community Resource Center and was formed in 2021. The purpose of 660 Encinitas, LLC is to serve as a holding entity for property located at 660 2nd Street.

Basis of Consolidation

The consolidated financial statements include Community Resource Center and 660 Encinitas, LLC (collectively, the "Organization"). All significant intercompany balances and transactions have been eliminated in consolidation.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Consolidated Financial Statement Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

- *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. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

- *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 may be perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

  Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of Operations

The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest earned. Nonoperating activities are limited to resources that generate return from other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 periods. Actual results could differ from those estimates.

Fair Value Measurement

Fair value is defined 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 measurement to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles.

FASB ASC 820 establishes a three-tier hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs and to establish the classification of fair value measurement for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability developed based on market date obtained from sources independent of the reporting entity.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurement (continued)

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

The standard describes three-tier hierarchy of inputs that may be used to measure fair value:

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.

Due to the short-term nature of cash, receivables, other assets, accounts payable and accrued expenses, fair value approximates carrying value.

Accounting Pronouncements Recently Adopted

Topic 842

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), regarding accounting for leases. The standard aims to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements.

The Organization determines if an arrangement contains a lease at inception. Operating leases as a lessee are included in right-of-use assets and lease obligations in the accompanying statement of financial position. Right-of use assets represent the Organization's right to use an underlying asset for the lease term.

Lease obligations represent the Organization's liability to make lease payments arising from the lease. Operating lease obligations are recognized at the commencement date based on the present value of lease payments over the lease term discounted using an appropriate discount rate. Operating right-of-use assets are recognized at the commencement date as the lease obligation adjusted for initial direct costs, lease incentives received, and lease payments made to the lessor at or before the commencement date.

ASC 842-20-30-2 provides a practical expedient for nonpublic business entities, which allows a lessee to use a risk-free rate for a period comparable to the lease term. Since a risk-free rate is lower than an incremental borrowing rate for a specific entity, it will result in a higher lease liability and right-of-use asset. Use of a risk-free rate is an accounting policy election and was originally required to be applied consistently for all leases upon election. In November 2021, the FASB issued ASU 2021-09. ASU 2021-09 permits nonpublic business entity lessees to apply this election to leases by class of underlying asset, rather than to all leases. The Organization uses the rate implicit in the lease when it is readily determinable.

The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain that management will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Pronouncements Recently Adopted (continued)

Topic 842 (continued)

Leases with an initial term of twelve months or less are not recorded on the statement of financial position as a lease obligation and right-of-use asset, rather the related lease expense is recognized on a straight-line basis over the lease term. For lease agreements entered into or modified after the adoption of ASU 2016-02 lease and non-lease components are combined.

The Organization is not required to reassess the following:

- Whether any expired or existing contracts are or contain leases
- The lease classification for any expired or existing leases
- Initial direct costs for any existing leases

The Organization elected the package of practical expedients as permitted under the transition guidance within the new standard which allows for the carryforward of a historical lease classification. Additionally, under Topic 842, the Organization has elected to implement the certain practical expedients as follows:

- The accounting policy election, by class of underlying asset, to adopt the practical expedient under Topic 842 to not separate lease and non-lease components from all classes of right-of-use (ROU) assets.
- The short-term lease exception in which lessees may elect to not apply the lease accounting guidance for short-term leases. A short-term lease is a lease that, at the commencement date, has a lease term of twelve months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise.
- In the event that the rate implicit in the lease is not determinable, the Organization uses the risk-free discount rate, instead of the incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments or the implicit rate when readily determinable.

As lessee, the Organization recognizes payments for certain leases as expense when incurred including short-term leases with a lease term of 12 months or less and leases with future lease payments less than $2,500. As lessor, the Organization recognizes operating lease revenue on a straight-line basis over the lease term.

The Organization adopted ASU 2016-02 effective July 1, 2022, under the short-term lease exception practical expedient, therefore, the Organization did not apply the lease accounting guidance on short-term leases. See Leases within Note 1 for additional disclosures.

Topic 832

In October 2021, the FASB Issued ASU 2021-10 Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance, which aims to provide increased transparency by requiring business entities to disclose information about certain types of government assistance they receive in the notes to the financial statements. The disclosure requirements in ASC 832 only apply to transactions with a government that are accounted for by analogizing to either a grant model (for example, in International Accounting Standard (IAS) 20, Accounting for Government Grants and Disclosure of Government Assistance), or a contribution model (for example, in ASC 958-605, Not-for-Profit Entities – Revenue Recognition). ASC 832 requires the following disclosures about government assistance transactions in the notes to the annual financial statements:

- Information about the nature of the transactions, including a general description and the form (cash or other assets, for example) in which the assistance has been received.
- The accounting policies used to account for the transactions.
- Line items on the statement of financial position and statement of activities affected by the transactions and the amounts applicable to each financial statement line item in the current reporting period.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Pronouncements Recently Adopted (continued)

Topic 832 (continued)

Entities are required to provide the new disclosures prospectively for all transactions with a government entity that are accounted for under either a grant or a contribution accounting model and are reflected in the financial statements at the date of initially applying the new amendments, and to new transactions entered into after that date. Retrospective application of the guidance is permitted. The guidance in ASU 2021-10 is effective for financial statements of all entities, including private companies, for annual periods beginning after December 15, 2021, with early application permitted.

The Organization adopted ASU 2021-10 effective July 1, 2022. The adoption did not have a significant impact on the financial statements for the year ended June 30, 2023, however, did result in enhanced disclosures. See Government Grants in Note 1 for additional disclosures.

The Organization has reviewed other recent accounting pronouncements issued through March 26, 2024, and concluding they are not applicable.

Cash Equivalents

Cash equivalents include money market funds which can be liquidated on a daily basis.

Accounts and Grants Receivables

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

Bad debt is recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables. No allowance for doubtful accounts and grants receivables was considered necessary for the year ended June 30, 2023, as management determined all receivables were collectable.

Contributions Receivables

Contributions receivables represent unconditional promises to give and are reported at fair value by discounting the expected future contribution payments at the statement of financial position date. Contributions extending beyond one year are discounted to recognize the present value of the future cash flows. In subsequent years, this discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any.

In addition, contributions are recorded net of an allowance. The allowance for uncollectible contributions is determined by management. Changes in the fair value of contributions receivable are reported in the statement of activities as contribution revenue except for changes in the allowance which are reported as program expenses at each subsequent reporting date. No allowance for uncollectible contributions was considered necessary for the year ended June 30, 2023.

Resale Shop Inventory

The resale shop inventory consists of items that have been donated by individuals in the community. Because many of the donations are used items, the value of donations is not readily determinable until such items are sold. Sales on donated items are recorded at the point of sale. Valuable donated items, such as jewelry or artwork, with a readily determinable fair market value are recorded at their appraised value or the value based on prices of identical or similar assets in the marketplace.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

The Organization capitalizes all expenditures in excess of $2,500 for property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as without donor restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor restriction.

Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restriction to net assets without donor restriction at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful asset lives as follows:

Buildings	31.5 years
Leasehold improvements	5 – 15 years
Furniture and fixtures	3 – 7 years
Automobile	4 years
Software	5 years

Maintenance, repairs and minor renewals are charged to operations as incurred. Upon sale or disposition of property, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale with any resultant gain or loss is credited or charged to earnings.

Impairment of Real Estate

The Organization reviews its investment in real estate for impairment whenever events and changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted net cash flows expected to be generated by the property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of real estate exceeds the fair value of such property. There were no impairment losses recognized for the year ended June 30, 2023.

Leases

As Lessee

The Organization determines if a contract is considered or contains an embedded lease at inception of the agreement. Right-of-use (ROU) assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. The Organization recognizes operating lease expense on a straight-line basis over the lease term. The Organization recognizes payments for certain leases as expense when incurred including short-term leases with a lease term of 12 months or less and leases with future lease payments less than $2,500.

Topic 842 requires that a lessee discounts its lease payments using the rate implicit in the lease when that rate is readily determinable. In the event a lease does not provide an implicit interest rate, the Organization estimates incremental borrowing rates based on the information available at the commencement date in determining the present value of lease payments.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

As Lessee (continued)

In accordance with ASC 842-20-30-3, a lessee that is not a public business entity is permitted to use a risk-free discount rate for the lease instead of its incremental borrowing rate, determined using a period comparable with that of the lease term, as an accounting policy election made by class of the underlying asset. In the event that the implicit rate is readily determinable, the Organization uses the implicit rate. Lease terms include the effect of options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Operating lease expense is recognized on a straight-line basis over the lease term.

As a lessee, the Organization accounts for the lease and non-lease components as a single lease component. A lessee's discount rate directly affects lease classification and the measurement of a lessee's lease liability and corresponding right-of-use asset. In an operating lease, the discount rate does not affect the statement of activities because lease payments are recognized on a straight-line basis over the lease term.

In a finance lease, the discount rate does not affect total cost over the lease term. However, the discount rate affects the amounts recognized as interest and amortization and the timing of that recognition, which affects the statement of activities. The Organization determined the discount date for existing operating leases as of July 1, 2022, the application date of the guidance under Topic 842, and afterwards the Organization determines the discount rate at the commencement date of the lease. The Organization subsequently updates that discount rate only upon the occurrence of a lease modification not accounted for as a separate contract and certain types of remeasurement events (for example, changes in the lease term or the assessment of a lessee purchase option).

Finance lease assets (previously referred to as a capital lease before the adoption of ASU 2016-02) are depreciated on a straight-line basis over the lease term, and are included within property, plant and equipment, net of accumulated depreciation on the statement of financial position. When the rate implicit in the lease is not determinable, interest expense associated with finance leases are recorded based on the incremental borrowing rate. For the year ended June 30, 2023, the Organization had no finance lease obligations.

As Lessor

The Organization rents its property located at 660 2nd Street under various month-to-month and non-cancellable operating leases. The Organization recognizes operating lease revenue on a straight-line basis over the lease term. Lease receivables are included in revenue on an accrual basis. Prepaid rent from tenants consists of funds received in advance.

Additional disclosures related to leases under Topic 842 are included in Note 11.

Compensated Absences

Vested and accumulated personal time off (PTO) is recorded as an expense and liability as benefits accrue to employees. The accrued PTO liability totaled $170,930 as of June 30, 2023, and is included in accrued expenses in the consolidated statement of financial position.

Revenue Recognition

Government Grants

The Organization receives funding from government grants and contracts. These grants and contracts provide funding to be used for purposes indicated in the grant agreements. As the government is not receiving a benefit as a result of these transactions, the grants and contracts are considered to be contributions to the Organization. The grant and contract agreements may also contain spending requirements.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Government Grants (continued)

As these stipulations create a barrier that must be achieved, government grants and contracts are considered conditional contributions until such time as the barriers are overcome. Contributions from these grant and contract agreements are therefore recognized as revenue when costs are incurred as required by the agreements.

Until the financial information required by the funding sources is accepted, costs billed for program services under cost reimbursement contracts are subject to review and possible disallowance. In management's opinion, the potential for material disallowances is remote and, therefore, is not a barrier that would prevent the recognition of revenue.

Government Grants consist of the following for the year ended June 30:

	2023
Federal	$ 2,173,824
City and County	872,768
State	376,168
Total Government Grants	$ 3,422,760

Contributions and Support

Contributions are recognized when the donor makes a promise to give to the Organization that is in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Special Events

Special event revenues received are not recognized until the revenue is earned, which is at the time of the event or when the services are provided, and the Organization does not believe it is required to provide additional goods or services to fulfill its related performance obligation. The recognition of revenue is conditional on the event taking place, as this is the point in time when the performance obligation of hosting the event occurs.

The Organization records special event revenue equal to contribution revenue less the cost of direct benefits to donors which is included in special event revenue on the statement of activities and changes in net assets.

Other Revenue

Revenue from resale store sales is recognized at a point in time when the transaction occurs. Rental income is recognized in the month earned. Advance receipts of rental income are deferred and classified as liabilities until earned.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Contributed Nonfinancial Assets

Contributed nonfinancial assets (in-kind) are recorded as support in the statements of activities. Such contributions are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. The Organization's policy is to use contributed nonfinancial assets for programmatic or other purposes unless the assets have no utility consistent with the Organization's mission. In those instances, the assets would be monetized. See Note 8 for additional disclosures.

Contributed Services

The Organization utilizes the services of volunteers throughout the year that perform a variety of tasks that assist the Organization with various programs. 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) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Such services do not meet the criteria for recognition as a contribution and are not reflected in the financial statements.

Functional Expenses

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses are either direct costs attributable to each program, or an expense may require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, insurance and depreciation, which are allocated on the basis of estimates of time and effort, as well as occupancy, which is allocated on a square-footage basis.

Income Taxes

Community Resource Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Income generated from activities unrelated to the Organization's exempt purpose is subject to tax under IRC Section 511. The Organization did not have any material unrelated business income for the year ended June 30, 2023, and therefore, no provision for income taxes has been made.

660 Encinitas, LLC is a single member limited liability company. Under provisions of the Internal Revenue Code, a single member LLC is considered a disregarded entity for income tax purposes. Accordingly, no provision for income taxes appears in the consolidated financial statements.

The Organization follows the provision of uncertain tax positions as addressed in FASB ASC 740. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. The Organization believes that it has taken no significant uncertain tax positions for the year ended June 30, 2023. Management believes the Organization is no longer subject to income tax examinations by applicable taxing jurisdictions for the years prior to June 30, 2019.

Advertising

The Organization expenses the cost of advertising as incurred. Advertising expense for the year ended June 30, 2023, was $70,008.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern for a period of one year from the date the consolidated financial statements are available to be issued.

NOTE 2. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets as of June 30:

Financial assets as of year-end:		2023
Cash and cash equivalents	$	2,481,760
Grants receivable, current		923,900
Contributions receivable, current		621,152
Total financial assets		4,026,812
Less amounts not available to be used within one year:		
Restricted by donor with purpose restrictions		3,026,851
Less restricted contributions receivable		(1,263,710)
Debt obligations to be met in less than a year		69,744
Financial assets available to meet general expenditures over the next twelve months	$	2,193,927

The Organization receives contract payments from federal and non-federal agencies, private grants and contributions. This money is used to meet cash needs for general expenditures. The Organization manages its liquidity following two guiding principles: operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. The Organization has a liquidity target to maintain current financial assets less current liabilities at a minimum of 30 days operating expenses. The Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. During the year ended June 30, 2023, the level of liquidity was close to target.

In the event of an unanticipated liquidity need, the Organization could also draw upon its available line of credit up to $200,000.

NOTE 3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist principally of cash. The Organization maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of $250,000 per depositor. As of June 30, 2023, the Organization exceeded federally insured limits by $2,391,803. Management has not experienced any losses in the past and does not believe the Organization is exposed to any significant risk.

NOTE 4. GRANTS AND CONTRIBUTIONS RECEIVABLES

Grants and contributions receivables consist of the following as of June 30:

	2023
Contributions receivable	$ 1,318,710
California Office of Emergency Management	343,719
City of Carlsbad	116,870
City of Encinitas	33,192
City of Solana Beach	31,150
County of San Diego	46,113
Department of Housing and Urban Development	79,251
SDG&E	250,000
Other	23,605
Total grants and contributions receivables	2,242,610
Less: discount on long term pledge	(33,853)
	$ 2,208,757

Unconditional promises to give consist of the following as of June 30:

	2023
Pledges due in one year or less	$ 621,152
Pledges due after one year	697,558
	1,318,710
Less: imputed discount	(33,853)
Net pledged contributions	$ 1,284,857

As of June 30, 2023, contributions receivable consisted of multiple donors, including 2 donors accounting for approximately 41.3% of total pledges. Amounts due beyond one year have been discounted at a rate of 3.164%. As of June 30, 2023, grants receivable from 3 grantors accounted for approximately 50.5% of total grants receivable.

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30:

	2023
Buildings	$ 1,839,037
Leasehold improvements	659,022
Furniture and fixtures	90,903
Vehicles	108,075
Computers and software	76,675
Equipment	79,402
Gross fixed assets	2,853,114
Less accumulated depreciation	(1,732,070)
	1,121,044
Construction in progress	74,514
Land	2,139,937
Fixed assets, net	$ 3,335,495

NOTE 5. PROPERTY AND EQUIPMENT (continued)

Depreciation expense for the year ended June 30, 2023 was $139,209.

NOTE 6. LINE OF CREDIT

The Organization has a line-of-credit with U.S. Bank (the "Bank") in the amount of $200,000. Interest calculated on the outstanding principal balance at the Bank's prime rate plus 1.0% (9.25% as of June 30, 2023). The line-of-credit is collateralized by investment in real estate.

There was no balance on the line of credit as of June 30, 2023. The line of credit matures December 31, 2024.

NOTE 7. NOTES PAYABLE

Notes payable consists of the following as of June 30:

	2023
Note payable to U.S. Bank in the amount of $197,452, payable in monthly installments of $1,145 including interest at 4.83% due on October 15, 2025. The note is collateralized by investment in real estate.	$ 160,344
Note payable to Beach Studio LLC in the amount of $1,400,000, interest only at 4% payable in monthly installments of $4,667. The principal balance is due on May 1, 2031. Principal payments not to exceed $70,000 per calendar year may be prepaid beginning January 1, 2022.	1,260,000
	1,420,344
Less current portion	(6,132)
	$ 1,414,212

Principal payments are due as follows as of June 30, 2023:

Year Ending June 30,	
2024	$ 6,132
2025	6,435
2026	147,777
2027	-
2028	-
Thereafter	1,260,000
	$ 1,420,344

NOTE 8. CONTRIBUTED NONFINANCIAL ASSETS

Revenues from contributions of nonfinancial assets recognized within the statements of activities were as follows for the year ended June 30:

		2023	Usage in programs/activities	Donor imposed restrictions	Fair value techniques and inputs
Stock contributions	$	27,665	Social services	None	Fair market value at date of contribution
Stock contributions		33,271	Capital campaign	Yes	Fair market value at date of contribution
Food		867,056	Social services	None	Estimates based on wholesale values
Food		36,300	Holiday baskets	Yes	Estimates based on wholesale values
Clothing and household items		1,113,376	Resale stores	None	Estimates based on thrift shop value
Leasehold improvements		6,725	Management & general	None	Estimates based on current local rates for similar services
Professional services		650	Management & general	None	Estimates based on current local rates for similar services.
Total	$	2,085,043			

All gifts were recognized in accordance with donor restrictions, when applicable. The Organization's general practice is to monetize contributed stock, depending upon current market conditions within 1-2 days of receipt. The Organization does not sell the other contributed nonfinancial assets and utilizes in program use.

Clothing and household items are utilized as cost of sales for the resale shop and are included in the statement of activities netted as resale shop sales and cost of sales of donated goods.

NOTE 9. RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions were available for the following programs or purposes as of June 30:

	2023
Capital campaign	$ 2,830,252
Dual diagnosis clinician program	44,278
Information technology	20,000
Transitional housing renovations	120,719
Other	11,602
	$ 3,026,851

Net assets released from net assets with donor restrictions are as follows for the year ended June 30:

	2023
Purpose restriction:	
Capital campaign	$ 615,966
Dual diagnosis clinician program	5,722
Holiday baskets	95,184
Payroll and staff retention	46,365
Transitional housing renovations	867,276
Other	5,328
	$ 1,635,841

NOTE 10. TRANSFERS OF ASSETS TO A RECIPIENT ORGANIZATION THAT RAISES OR HOLDS CONTRIBUTIONS FOR OTHERS

Beneficial Interest in Endowment Funds

The Organization has a beneficial interest in funds held at Rancho Santa Fe Foundation (RSFF). The Organization has not recorded this asset in the accompanying consolidated financial statements. The Organization irrevocably transferred $25,000 to the Rancho Santa Fe Foundation (RSFF) on December 29, 2004 to establish the Community Resource Center Endowment Fund. The Organization granted variance power to RSFF to carry out the purposes of the fund established by the transfer including but not limited to the power to retain, invest and reinvest the funds in any manner within the "prudent investor" standard and the power to commingle the assets of the established fund with those of other funds for investment purposes.

Further, the RSFF was granted the ability to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to any specified organization if, in the sole discretion of the RSFF Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served. RSFF's spending policy is to disburse 5% of the value of the fund annually, based on a historical average value of the fund. The calculation is based on the average value of the fund for twelve quarters prior to the date of the distribution. Distributions made are used to further the Organization's mission.

Currently, the value of each fund in the RSFF is determined on December 31st of each year. Administrative costs are charged annually against the Fund in accordance with the then current fee policy identified by the RSFF. Any costs to the RSFF in accepting, transferring or managing property donated to the RSFF for the established fund shall also be paid from the established fund. The Organization did not receive any distributions for the year ended June 30, 2023. The beneficial interest in funds held at Rancho Santa Fe Foundation totaled $87,215, as of June 30, 2023.

NOTE 11. LEASE COMMITMENTS

As discussed in Note 1, the Organization recognizes leases in accordance with ASU 2016-02 (ASC 842) leases. Leases are classified as either financing or operating. Under ASC 842, lessees are required to recognize right-of-use assets and lease liabilities on the statement of financial position and provide enhanced disclosures, and lessors are required to recognize operating lease revenue on a straight-line basis over the lease term.

Operating Leases under ASC 842

As Lessee

The Organization has elected to implement the practical expedient of the short-term lease exception, in which lessees may elect to not apply the lease accounting guidance for short-term leases. A short-term lease is a lease that, at the commencement date, has a lease term of twelve months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise.

The Organization leases an administrative office facility under an operating lease agreement through its expiration in June 2024. The Organization also leases several properties for resale stores under non-cancelable operating lease agreements through March 2026. Monthly payments for base rent range between $3,626 and $13,225. Straight-line rent expense on the operating leases excluding real estate taxes, maintenance and other related charges was $309,295 for the year ended June 30, 2023. Excluding real estate taxes, maintenance and other related charges, the Organization paid $299,102 on the leases for base rent during the year ended June 30, 2023.

Rent expense for the leases, including short-term leases, real estate taxes, maintenance and other related charges totaled $446,494, for the year ended June 30, 2023, and is included in occupancy expenses in the statement of functional expenses.

NOTE 11. LEASE COMMITMENTS (continued)

Operating Leases under ASC 842 (continued)

As Lessee (continued)

The Organization also leases various office equipment with payments ranging from $270 to $430 per month through expiration in August 2023. The lease agreements include provisions to charge the Organization additional fees for overage usage of printer ink and options to new at the end of the lease terms. Lease expense on the office equipment, including additional usage charges totaled $9,304 for the year ended June 30, 2023, which is included in office expenses in the statement of functional expenses. Straight-line lease expense on the operating leases excluding additional usage charges totaled $8,398, for the year ended June 30, 2023. Excluding additional usage charges, the Organization paid $8,128 on the operating equipment leases for base rent during the year ended June 30, 2023.

The following is an aggregate analysis as of and for the year ended June 30:

		2023
Right-of-use assets:		
Balance, beginning	$	-
Additions		885,341
Amortization charged for the year		(298,371)
Right-of-use assets, net, ending	$	586,970
Accumulated amortization of right-of-use assets	$	298,371

The following is an aggregate schedule by years of future minimum payments required under the operating leases (exclusive of real estate taxes, maintenance, additional usage charges, and other related charges) together with their present value as of June 30, 2023:

Year Ending June 30,		
2024	$	323,658
2025		225,354
2026		75,729
Total future minimum lease payments		624,741
Less amount representing interest		(27,308)
Present value of net minimum lease payments		597,433
Less current portion		(306,975)
Long-term operating lease obligations	$	290,458

Aggregate future maturities of operating lease obligations are as follows as of June 30, 2023:

Year Ending June 30,		
2024	$	306,975
2025		216,174
2026		74,284
Total	$	597,433

NOTE 11. LEASE COMMITMENTS (continued)

Operating Leases under ASC 842 (continued)

As Lessee (continued)

The weighted-average discount rate for the year ended June 30, 2023 is 2.579%. The weighted-average remaining lease term as of June 30, 2023 is 25.74 months, or 2.15 years.

As Lessor

As described in Note 1, rents its property located at 660 2nd Street under various month-to-month and non-cancellable operating leases. The non-cancellable lease agreements include provisions to renew on a month-to-month basis. As of June 30, 2023, the Organization had no leases receivable. As of June 30, 2023, the Organization had prepaid rent from tenants in the amount of $1,950. Total lease revenue was $120,123 for the year ended June 30, 2023. Certain leases may require the tenants to pay utilities on the rental property. When this happens, the amounts for utilities that the Organization invoices to tenants and pays to third parties are considered variable payments.

Cash receipts from operating leases are classified within cash flows from operating activities on the statement of cash flows. During the year ended June 30, 2023, total cash proceeds received on the operating leases was $121,023.

The following is an analysis of the carrying amounts of the underlying assets related to operating leases as of June 30:

		2023
Buildings	$	604,210
Gross fixed assets		604,210
Less accumulated depreciation		(43,637)
		560,573
Land		1,600,000
Leased fixed assets, net	$	2,160,573

The following is an analysis of the maturity of future minimum undiscounted operating lease payments on the non-cancellable leases as of June 30, 2023:

Year Ending June 30,		
2024	$	8,800

The following is an analysis of the maturity of future minimum undiscounted operating lease payments on non-cancellable leases that have not yet commenced as of June 30, 2023:

Year Ending June 30,		
2024	$	23,978
2025		6,904
	$	30,882

NOTE 12. COMMITMENTS AND CONTINGENCIES

Grants and Contracts

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

Litigation

In addition to commitments and obligations in the ordinary course of business, the Organization is subject to various claims and potential legal actions or other matters arising out of the normal course of business. When a loss is considered probable and reasonably estimable, the Organization records a liability in the amount of the estimated loss.

However, the likelihood of a loss with respect to a particular contingency is often difficult to predict and determining a meaningful estimate of the loss or a range of loss may not be practicable based on the information available and the potential effect of future events and decisions by third parties that will determine the ultimate resolution of the contingency. Moreover, it is not uncommon for such matters to be resolved over many years, during which time relevant developments and new information must be reevaluated at least quarterly to determine both the likelihood of potential loss and whether it is possible to reasonably estimate a range of possible loss. When a loss is probable, but a reasonable estimate cannot be made, disclosure of the proceeding is provided.

As discussed above, development of a meaningful estimate of loss or a range of potential loss is complex when the outcome is directly dependent on negotiations with or decisions by third parties, such as regulatory agencies, the court system and other interested parties. Such factors bear directly on whether it is possible to reasonably estimate a range of potential loss and boundaries of high and low estimates. As of June 30, 2023, the Organization has not recorded any probable and reasonably estimable losses due to any potential legal actions.

NOTE 13. RETIREMENT PLAN

The Organization participates in a SIMPLE IRA savings plan, which is qualified under the Internal Revenue Code and covers substantially all employees. Employees are eligible after they have earned $5,000 during any two preceding years and reasonably expected to earn at $5,000 during the current year. Employees may elect to defer up to $15,500 of their salaries. The Organization matches 3% of the participant's elective deferrals to the Plan. Contribution expense for the year ended June 30, 2023 was $47,617.

NOTE 14. RECLASSIFICATIONS

Management discovered net assets with donor restrictions that should have been released in the prior year. A reclassification was made in the amount of $76,233 from net assets with donor restrictions to net assets without donor restrictions.

NOTE 15. SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 26, 2024, the date which the consolidated financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

COMMUNITY RESOURCE CENTER AND SUBSIDIARY
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
June 30, 2023

	Community Resource Center	660 Encinitas, LLC	Eliminating	Consolidated
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 2,444,746	$ 37,014	$ -	$ 2,481,760
Grants and contributions receivables	1,545,052	-	-	1,545,052
Due from related party	200,123	-	(200,123)	-
Inventory	64,378	-	-	64,378
Prepaid expenses and other assets	55,352	7,188	-	62,540
TOTAL CURRENT ASSETS	4,309,651	44,202	(200,123)	4,153,730
NON CURRENT ASSETS				
Contributions receivable, net of discount	663,705	-	-	663,705
Deposits	31,859	-	-	31,859
Investment in 660 LLC	862,650	-	(862,650)	-
Property and equipment, net	1,174,922	2,160,573	-	3,335,495
Right-of-use assets, net	586,970	-	-	586,970
TOTAL NONCURRENT ASSETS	3,320,106	2,160,573	(862,650)	4,618,029
TOTAL ASSETS	$ 7,629,757	$ 2,204,775	$ (1,062,773)	$ 8,771,759
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	$ 138,059	$ 633	$ -	$ 138,692
Accrued expenses	176,810	4,667	-	181,477
Due to related party	-	200,123	(200,123)	-
Prepaid rent from tenants	-	1,950	-	1,950
Deferred revenue	79,362	-	-	79,362
Operating lease obligations, current	306,975	-	-	306,975
Notes payable, current	6,132	-	-	6,132
TOTAL CURRENT LIABILITIES	707,338	207,373	(200,123)	714,588
NONCURRENT LIABILITIES				
Client and tenant deposits	11,690	8,980	-	20,670
Operating lease obligations, noncurrent	290,458	-	-	290,458
Notes payable, net of current portion	154,212	1,260,000	-	1,414,212
TOTAL NONCURRENT LIABILITIES	456,360	1,268,980	-	1,725,340
TOTAL LIABILITIES	1,163,698	1,476,353	(200,123)	2,439,928
COMMITMENTS & CONTINGENCIES				
NET ASSETS				
Without donor restrictions	3,439,208	728,422	(862,650)	3,304,980
With donor restrictions	3,026,851	-	-	3,026,851
TOTAL NET ASSETS	6,466,059	728,422	(862,650)	6,331,831
TOTAL LIABILITIES AND NET ASSETS	$ 7,629,757	$ 2,204,775	$ (1,062,773)	$ 8,771,759

See accompanying independent auditors' report and notes to the financial statements

COMMUNITY RESOURCE CENTER AND SUBSIDIARY
CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended June 30, 2023

	Community Resource Center			660 Encinitas, LLC		Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE								
Contributions	$ 1,554,133	$ 2,883,691	$ 4,437,824	$ -	$ -	$ 1,554,133	$ 2,883,691	$ 4,437,824
Contributed nonfinancial assets	902,096	69,571	971,667	-	-	902,096	69,571	971,667
Government grants	2,517,989	904,771	3,422,760	-	-	2,517,989	904,771	3,422,760
Resale shop sales, net $1,113,376 cost of sales of donated goods	1,118,143	-	1,118,143	-	-	1,118,143	-	1,118,143
Special events, net direct expenses of $31,716	173,695	-	173,695	-	-	173,695	-	173,695
Rental income	-	-	-	120,123	-	120,123	-	120,123
Program services	6,665	-	6,665	-	-	6,665	-	6,665
Investment return (loss)	(633)	-	(633)	-	-	(633)	-	(633)
Interest income	4,269	-	4,269	-	-	4,269	-	4,269
Other income	3,244	-	3,244	-	-	3,244	-	3,244
Net assets released from restrictions, satisfaction of program restrictions	1,635,841	(1,635,841)	-	-	-	1,635,841	(1,635,841)	-
TOTAL SUPPORT AND REVENUE	7,915,442	2,222,192	10,137,634	120,123	-	8,035,565	2,222,192	10,257,757
EXPENSES								
Program services								
Social services	1,410,162	-	1,410,162	-	-	1,410,162	-	1,410,162
Domestic violence & emergency shelter	3,119,148	-	3,119,148	-	-	3,119,148	-	3,119,148
Resale stores	926,042	-	926,042	-	-	926,042	-	926,042
Supporting services								
Management and general	1,559,903	-	1,559,903	125,364	-	1,685,267	-	1,685,267
Fundraising	814,618	-	814,618	-	-	814,618	-	814,618
TOTAL EXPENSES	7,829,873	-	7,829,873	125,364	-	7,955,237	-	7,955,237
INCREASE (DECREASE) IN NET ASSETS	85,569	2,222,192	2,307,761	(5,241)	-	80,328	2,222,192	2,302,520
NET ASSETS AT BEGINNING OF YEAR AS PREVIOUSLY STATED	3,277,406	880,892	4,158,298	733,663	(862,650)	3,148,419	880,892	4,029,311
RECLASSIFICATION (Note 14)	76,233	(76,233)	-	-	-	76,233	(76,233)	-
NET ASSETS AT BEGINNING OF YEAR AS RESTATED	3,353,639	804,659	4,158,298	733,663	(862,650)	3,224,652	804,659	4,029,311
NET ASSETS AT END OF YEAR	$ 3,439,208	$ 3,026,851	$ 6,466,059	$ 728,422	$ (862,650)	$ 3,304,980	$ 3,026,851	$ 6,331,831

See accompanying independent auditors' report and notes to the financial statements

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Community Resource Center

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 Community Resource Center (a California nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Resource Center'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Resource Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Resource 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Resource Center'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*.

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 Community Resource Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

YSR CPA Group, P.C.

Encinitas, California
March 26, 2024

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

To the Board of Directors of
Community Resource Center

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Resource Center's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Resource Center's major federal programs for the year ended June 30, 2023. Community Resource Center's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Community Resource Center 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 other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Community Resource Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Community Resource Center's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Community Resource Center's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Community Resource Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Community Resource Center's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Community Resource Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Resource Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Community Resource Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

YSR CPA Group, P.C.

Encinitas, California
March 26, 2024

COMMUNITY RESOURCE CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

Federal/Pass-through Grantor and Program Title	Federal Assistance Listing No.	Agency or Pass-through Grantor No.	Subrecipient Expenditures	Expenditures	Total
U.S. Department of Justice					
Pass-through from California Governor's Office of Emergency Services					
Crime Victim Assistance	16.575	AT21 02 8628	$ -	$ 100,574	
Crime Victim Assistance	16.575	AT22 03 8628	-	117,806	
Crime Victim Assistance	16.575	DV20 12 8628	-	122,802	
Crime Victim Assistance	16.575	DV22 14 8628	-	121,379	
Crime Victim Assistance	16.575	XH21 04 8628	-	77,357	
Crime Victim Assistance	16.575	XH22 01 8628	-	168,657	
Crime Victim Assistance	16.575	XD20 03 8628	-	178,047	
Crime Victim Assistance	16.575	XD22 01 8628	-	181,945	
Crime Victim Assistance	16.575	UV22 01 8628	-	48,742	
Total U.S. Department of Justice					$ 1,117,309
U.S. Department of Health and Human Services					
Pass-through from California Governor's Office of Emergency Services					
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	DV22 14 8628	-	117,666	
Total U.S. Department of Health and Human Services					117,666
U.S. Department of Housing and Urban Development					
Direct Program					
Continuum of Care Program	14.267	CA1598L9D012004	-	175,342	
Continuum of Care Program	14.267	CA1598L9D012105	-	164,221	
Continuum of Care Program - DV Bonus	14.267	CA1793D9D012002	-	130,875	
Continuum of Care Program - DV Bonus	14.267	CA1793D9D012103	-	286,570	
Pass-through from City of Carlsbad					
Community Development Block Grants	14.218	N/A	-	47,563	
Community Development Block Grant - COVID 19	14.218	N/A	-	51,682	
Pass-through from City of Encinitas					
Community Development Block Grants	14.218	N/A	-	22,821	
Pass-through from City of Solana Beach					
Community Development Block Grant - COVID 19	14.218	566832	-	31,150	
Total U.S. Department of Housing and Urban Development					910,224
U.S. Department of Agriculture					
Pass-through from California Department of Social Services					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	21-7024	-	28,625	
Total U.S. Department of Agriculture					28,625
Total Expenditures of Federal Awards					$ 2,173,824

See independent auditors' report and notes to schedule of expenditures of federal awards

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Community Resource Center applied in the presentation of the schedule of expenditures of federal awards (the "Schedule") are set forth below:

Single Audit Reporting Entity

The transactions of 660 Encinitas LLC are not reflected in the Schedule.

NOTE 2 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Community Resource Center under programs of the federal government for the year ended June 30, 2023. 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 Community Resource Center it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Resource Center.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass through entity identifying numbers are presented where available.

Community Resource Center has elected to use the 10% de minimis cost rate as allowed under Uniform Guidance.

COMMUNITY RESOURCE CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2023

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Significant deficiency(ies) identified?	None reported
Material weakness(es) identified?	None
Noncompliance material to the financial statements noted?	None

Federal Awards

Type of auditors' report issued on compliance for major programs	See table below
Internal control over major programs:	
Significant deficiency(ies) identified?	None reported
Material weakness(es) identified?	None
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, 2 CFR 200.516(a)?	No

Identification of major programs:

Name of Federal Program or Cluster	Federal Assistance Listing No.	Opinion
Crime Victim Assistance	16.575	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as a low-risk auditee under the Uniform Grant Guidance, 2.CFR.200.520?	No

Section II – Financial Statement Findings
None reported

Section III – Federal Award Findings
Non reported

Section IV – Summary of Status of Prior Year Findings

Finding 2022-001 - Financial Reporting

Condition:
The Organization did not have controls properly implemented to ensure that federal grant revenue was recorded accurately.

Current Status:
The Organization has taken corrective action and corrected the deficiency. The Organization has improved its revenue recognition procedures by developing policies to ensure revenue is recognized when federal expenditures under cost reimbursement contracts are reported when incurred. No similar findings were noted in the June 30, 2023 audit.

Finding 2022-002 - Federal Awards

Condition:
The Schedule of Expenditures of Federal Awards (SEFA) submitted to auditors for test work was missing expenditures for a program which was later determined to be part of a major Type A program.

Current Status:
The Organization has taken corrective action and corrected the deficiency. The Organization has developed policies and procedures that improve the SEFA compilation process to ensure that program expenditures reported on the SEFA are complete and accurate. No similar findings were noted in the June 30, 2023 audit.

CRC
COMMUNITY RESOURCE CENTER

Annual Impact

At Community Resource Center, our mission is to help our neighbors create paths to healthy food, stable homes and safe relationships.

We firmly believe that our hopes, not our hurts, shape our futures. When someone chooses to come to CRC for help, they're experiencing what could possibly be one of their worst days. We welcome every person with compassion, providing the assistance to turn that worst day into the start of a future filled with hope and possibility.

HEALTHY FOOD

NOURISHING

individuals and families who are vulnerable or food insecure by providing healthy food, personal care items and nutrition education.

- More than 505,000 pounds of rescued food distributed.
- 14,936 visits to our food pantry.
- 1,071 people received food, blankets and gifts during our Holiday Baskets program.

STABLE HOMES

TRANSFORMING

the lives of those experiencing, or at risk of, homelessness by providing housing, rental assistance, financial education and individualized support.

- 317 people found safe housing through our intervention programs, domestic violence shelter and transitional units.
- 4,601 case management sessions provided financial, housing and career resources to 455 people.

SAFE RELATIONSHIPS

EMPOWERING

individuals by providing safety and healing from domestic violence through our emergency shelter, housing, Therapeutic Children's Center, counseling, legal advocacy and education.

- 3,342 calls answered on our 24-hour domestic violence hotline.
- 2,168 people received domestic violence prevention education.
- 2,914 counseling sessions provided.

September 24, 2024

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

Subject: Grant Submission Authorization

To Whom It May Concern,

I, Wesley Burt, Founder & Executive Director of Equation Collaborative, a 501(c)3 nonprofit organization, hereby authorize the +BOX team to submit the enclosed grant application to the San Marcos Community Foundation in the amount of $9,604 to provide nutrition assistance in the City of San Marcos in partnership with TrueCare.

The +BOX team has the expertise, experience, capacity, and passion required to fulfill the obligations described in the grant application.

Should you have any questions or require additional documentation, then please contact me.

Sincerely,

Wesley Burt
Founder & Executive Director
Equation Collaborative
(213) 952-2074
wesley@equationcollaborative.org

Title

Equation Collaborative: +BOX Nutrition Program

09/27/2024

id. 47626571

by **Wesley Burt** in **San Marcos Community Foundation**
on behalf of **Equation Collaborative Corp**
wesley@equationcollaborative.org

Original Submission

09/27/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Equation Collaborative: +BOX Nutrition Program
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	+BOX Nutrition Program
Project Start Date	1/6/2025
Project End Date	6/30/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	750.0
Total Number of People Served by this Project in San Marcos Only	750.0
Grant Amount Requested	9604.0
	Organization Details
Organization Name	Equation Collaborative

Organization Street Address	1633 LINDA SUE LN
Organization City	ENCINITAS
Organization State	CA
Organization Zip Code	92024-2427
Organization Website	www.plus-box.org
Organization's EIN	85-4081633 200 Equation Collaborative Corp ef7a6c28-da24-4e77-963a-09ad012c235c 1633 Linda Sue Ln Encinitas CA 92024 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-09-23T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-09-09T00:00:00 2021 04
	Contact Information
Contact First Name	Wesley
Contact Last Name	Burt
Contact Title	Founder & Executive Director
Contact Phone	+12139522074
Contact Email	wesley@equationcollaborative.org
	Project Details

Briefly describe your request for funds.	+BOX is on a mission to deliver healthy food and fresh ideas to those who need it most. In partnership with TrueCare San Marcos, +BOX will provide CSA-style produce boxes to individuals and families who are food insecure, nutrition deficient, or addressing a chronic illness that would be improved through consistent access to healthy, high nutritional value foods. The funding requested would enable our two organizations to continue a program that began last year and has already delivered more than 26,000 pounds of fresh, healthy food to TrueCare San Marcos patients. +BOX's unique model is designed to increase household food security, fuel student achievement, and improve the long-term health and wellness of the families we serve by providing consistent weekly access to locally sourced fresh fruits and vegetables. With the funding requested, +BOX will continue to deliver 30 CSA-style produce boxes to the TrueCare San Marcos facility on a weekly basis for a six month period. The TrueCare San Marcos team will then distribute those boxes to patients who they determine would benefit the most from a more consistent, nutrient dense diet, but who are unable to access or afford an adequate quantity of fresh, healthy food.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	According to the San Diego Hunger Coalition, there are 23,800 food insecure individuals residing in San Marcos. After accounting for existing food assistance programs, including CalFresh, food banks, and school meals, more than 458,000 meals per month are needed to ensure every San Marcos resident has enough food to meet their basic nutritional needs. From a community health perspective, those conventional food assistance programs, while playing a critical role in acute hunger relief, may be sustaining health inequities by providing 70% of their support in the form of processed or ultra-processed foods. Nutrition inequity is so prevalent in San Diego County that Live Well San Diego, a San Diego County led coalition of community, government, and healthcare organizations, has identified poor diet as one of three key behaviors that leads to more than 50% of all deaths in San Diego County, including 44% in San Marcos. With the requested funding, in partnership with TrueCare, +BOX will add more than 8,750 healthy meals to the San Marcos community, supporting up to 30 households per week for six months. In total, +BOX will distribute more than 10,500 pounds of fresh, high nutritional value foods in San Marcos.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	For this project, we will partner directly with TrueCare San Marcos. +BOX collaborates with local farms, Feeding San Diego, ProduceGood, and other food rescue organizations.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	No.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	+BOX, founded in April 2020, is uprooting the conventional food assistance model and collaborating with local communities to create a next-generation food assistance program that fuels wellness, growth, and opportunities for a healthier life. +BOX is a nutrition-centered food security program that makes nutritious food, with a focus on locally sourced fresh fruits and vegetables, more accessible and available to children and families experiencing food insecurity. Rooted in collaborative partnerships with local farms and food rescue organizations, +BOX branches out to targeted communities to identify and partner with schools and community based organizations to deliver CSA-style produce boxes of fresh, healthy food on a weekly basis. +BOX ensures consistent access to high nutritional value foods that promote better health and wellbeing. Every +BOX that we deliver includes at least 8 varieties of produce and enough nutritious food for families to create at least 10 healthy meals. +BOX is committed to making healthy foods more accessible and available by meeting children and families where they already are, which is most often at school, but in some cases at their doctor’s office, church, or other community spaces they may already frequent. And we do so in communities that are most disproportionately impacted by health inequities, using the California Healthy Places Index as our guide. Our unique Local Greens initiative directly supports local, independent farms and agriculture businesses by purchasing high quality farm-fresh produce for our program, uplifting both food insecure families and local growers. The remaining food we distribute is provided by local food rescue and recovery organizations, enabling +BOX to redirect thousands of pounds of edible produce from the landfill to fill the plates of children and families every week. Since the start of 2021, +BOX has delivered more than one million pounds of life-changing nutrition. Currently, the program is providing healthy food to more than 700 households per week across 14 San Diego area neighborhoods. +BOX sources and distributes approximately 10,000 pounds of fruits and vegetables every week with the help of a dedicated volunteer corp that sorts, preps, and packs produce boxes on a near daily basis.

The +BOX approach to food assistance is intentionally different. We're developing a new model to address food insecurity in a nutrition-centric way that drives better long-term health and wellness while leveraging our abundant local food and agriculture resources in a sustainable way. While conventional food assistance is still largely focused on acute hunger relief, +BOX is leading the transition from a push-system of bulk, processed foods towards a pull-system of locally sourced, fresh, high nutritional value foods. Our award-winning model for food assistance values innovation, best-practices, and community collaboration to create opportunities for healthier lives. While conventional food banks and food pantries still play a critical role in addressing food insecurity, they tend to over-rely on non-perishable food that is shelf-stable, easier to store and requires less infrastructure, so they rarely prioritize nutrition. In fact, research shows that families who rely on food banks often lack adequate access to fresh fruits, vegetables, and other essential nutrients, which can inadvertently contribute to sustained health inequities among food insecure children and adults. +BOX is laser focused on fresh, high nutritional value foods, delivering nothing but locally sourced fresh fruits and vegetables to children and families who need it most.

In addition to weekly delivery of fresh, healthy food, +BOX offers our community partners nutrition education programs and resources to ensure children and families not only have consistent access to nutritious food, but also the tools, resources, and knowledge to maximize the benefits of the +BOX program. These optional offerings include an evidence-based nutrition education curriculum that can be provided as after-school programming for children and adults, or as online virtual courses. In partnership with San Diego County Health & Human Services Agency, we provide healthy cooking cookbooks and recipe cards, including child-centered options, at no cost to our partners or participating families. Introducing children to healthy and nutritious food early on, along with proper tools and education, establishes the foundation for enduring habits that promote life-long health and wellbeing.

The +BOX program is uniquely designed to increase household food security, fuel student achievement, and improve the long-term health and wellness of the families we serve. While there is plenty of research to show that consistent access to fresh, high quality, high nutritional value foods will do all of that, our most recent program evaluation results prove that +BOX is driving those outcomes among participating families. In fact, almost all (99%) families participating in the +BOX program are experiencing at least some improvements in health and wellness, including 82% of families who reported significant improvements in their household’s health and wellness. Ninety two (92%) percent of families shared that their children have experienced improvements in academic performance, including a majority (60%) who have had much more success in school since participating in the +BOX program. +BOX isn't just about giving food to kids and families who need it, it’s about creating opportunities for a healthier future.

In 2023, the +BOX board of directors adopted our five year strategic plan, including a strategic goal designed to guide our future growth: Become a replicable model for driving healthy change in the food assistance system.

Consequently, we have started exploring opportunities to open a second +BOX distribution hub (+ZONE 2), replicating our current program model in another part of San Diego County. This near-term expansion would almost immediately double our reach, as well as continue the work of uplifting communities in the lower half of California's Healthy Places Index. Although popular narratives tend to focus on traditional notions of centralized scalability, +BOX is focused on replicability. Seventy to eighty percent of the world's food is produced by small scale farmers, not large scale agribusiness, so the idea that small, replicable models can change the way we address nutrition and hunger is verifiable. This growth strategy allows us to achieve large scale impact without losing fundamental, relational, and communal aspects to food. Join us in adding to the world.

Please upload any community letters or media in support of this project.

LOS_-_San_Marcos_Community_Foundation.pdf

Please upload the annual operating budget for your organization.

ECPlusBox_2024_Operating_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

ECBOX_2023_PL.pdf

ECBOX_2023_Balance_Sheet.pdf

Please attach the first two pages of your Federal 990.

ECBOX_2023_990_Pg_1-2.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

SMCF_Letter_of_Authorization.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	9603.89
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	The cost per family per week is $12.81. For comparison, the fair market value of a +BOX is $28.50, while the retail value of a similar CSA would be $35. We will run the project with partial funding.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Program staff salaries & benefits	*5,133.81*	*3.5 staff, partial time to project*
Program logistics, including transportation (750 boxes at $1.70/box)	1,275.00	
Food acquisition expenses (750 boxes at $2/box)	1,500.00	
Volunteer program expenses (750 boxes at $~0.08/box)	57.55	
Facility management expenses (750 boxes at $~1.50/box)	1,122.42	
Overhead (750 boxes at $~0.69/box)	515.11	
Total budget for this PROJECT:	9,603.89	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	N/A	0	N/A
Additional Funding Source 2			
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Equation Collaborative

Budget Overview: PlusBox_2024_Combined_Adjusted Budget - FY24 P&L

January - December 2024

	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUN 2024	JUL 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	DEC 2024	TOTAL
Revenue													
Contributions													$0.00
+BOX Collaborative	80.00	120.00	160.00	200.00	200.00	240.00	280.00	320.00	360.00	400.00	400.00	400.00	$3,160.00
Corporate Sponsorship	0.00	0.00	5,000.00	0.00	0.00	5,000.00	0.00	0.00	5,000.00	0.00	0.00	5,000.00	$20,000.00
Direct Mail	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00	0.00	0.00	5,000.00	$7,500.00
Events	0.00	0.00	0.00	0.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00	15,000.00	$30,000.00
Individual Contributions	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	6,000.00	1,000.00	1,000.00	1,000.00	$17,000.00
Major Gifts (>$5,000)	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	$300,000.00
Program Services	2,100.00	2,100.00	3,100.00	6,300.00	6,300.00	6,300.00	6,300.00	6,300.00	6,300.00	4,200.00	4,200.00	4,200.00	$57,700.00
Total Contributions	**28,180.00**	**28,220.00**	**34,260.00**	**32,500.00**	**32,500.00**	**52,540.00**	**32,580.00**	**32,620.00**	**45,160.00**	**30,600.00**	**30,600.00**	**55,600.00**	**$435,360.00**
Grant Awards	**63,810.50**	**71,611.50**	**62,104.50**	**5,000.00**	**50,000.00**	**30,000.00**	**45,000.00**	**2,000.00**	**10,000.00**	**15,000.00**	**0.00**	**25,000.00**	**$379,526.50**
In Kind Contributions	**40,500.00**	**40,500.00**	**40,500.00**	**50,625.00**	**40,500.00**	**33,750.00**	**27,000.00**	**27,000.00**	**45,000.00**	**56,250.00**	**33,750.00**	**33,750.00**	**$469,125.00**
Total Revenue	**$132,490.50**	**$140,331.50**	**$136,864.50**	**$88,125.00**	**$123,000.00**	**$116,290.00**	**$104,580.00**	**$61,620.00**	**$100,160.00**	**$101,850.00**	**$64,350.00**	**$114,350.00**	**$1,284,011.50**
GROSS PROFIT	**$132,490.50**	**$140,331.50**	**$136,864.50**	**$88,125.00**	**$123,000.00**	**$116,290.00**	**$104,580.00**	**$61,620.00**	**$100,160.00**	**$101,850.00**	**$64,350.00**	**$114,350.00**	**$1,284,011.50**
Expenditures													
Car & Truck													$0.00
Gas And Fuel	270.00	270.00	270.00	337.50	270.00	225.00	180.00	180.00	300.00	375.00	225.00	225.00	$3,127.50
Truck Maintenance	405.00	405.00	405.00	506.25	405.00	337.50	270.00	270.00	450.00	562.50	337.50	337.50	$4,691.25
Total Car & Truck	**675.00**	**675.00**	**675.00**	**843.75**	**675.00**	**562.50**	**450.00**	**450.00**	**750.00**	**937.50**	**562.50**	**562.50**	**$7,818.75**
Contractors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	$0.00
Fundraising & Marketing	**900.00**	**900.00**	**900.00**	**900.00**	**900.00**	**5,900.00**	**900.00**	**3,375.00**	**900.00**	**900.00**	**3,375.00**	**5,900.00**	**$25,750.00**
In Kind Distributions	**40,500.00**	**40,500.00**	**40,500.00**	**50,625.00**	**40,500.00**	**33,750.00**	**27,000.00**	**27,000.00**	**45,000.00**	**56,250.00**	**33,750.00**	**33,750.00**	**$469,125.00**
Insurance	2,135.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	1,535.00	$19,020.00
Legal & Professional Services	**1,090.00**	**995.00**	**995.00**	**995.00**	**3,745.00**	**995.00**	**995.00**	**995.00**	**995.00**	**995.00**	**1,895.00**	**995.00**	**$15,685.00**
Meals & Entertainment	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	$600.00
Payroll Expenses	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**46,959.92**	**$563,519.04**
Program Expenses													$0.00
Boxes & Tape	2,970.00	2,970.00	2,970.00	3,712.50	2,970.00	2,475.00	1,980.00	1,980.00	3,300.00	4,125.00	2,475.00	2,475.00	$34,402.50
Facility Equipment & Supplies	540.00	540.00	540.00	675.00	540.00	450.00	360.00	360.00	600.00	750.00	450.00	450.00	$6,255.00
Purchased Food	5,400.00	5,400.00	5,400.00	6,750.00	5,400.00	4,500.00	3,600.00	3,600.00	6,000.00	7,500.00	4,500.00	4,500.00	$62,550.00
Volunteer Programs	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	$2,400.00
Total Program Expenses	**9,110.00**	**9,110.00**	**9,110.00**	**11,337.50**	**9,110.00**	**7,625.00**	**6,140.00**	**6,140.00**	**10,100.00**	**12,575.00**	**7,625.00**	**7,625.00**	**$105,607.50**
Reimbursable Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	$0.00
Rent & Lease	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	$42,000.00
Software Development													$0.00
Technical Infrastructure	840.00	840.00	840.00	840.00	840.00	840.00	840.00	840.00	840.00	840.00	840.00	840.00	$10,080.00
Total Software Development	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**840.00**	**$10,080.00**
Software Subscriptions	525.00	525.00	525.00	525.00	975.00	525.00	525.00	525.00	525.00	525.00	864.00	744.00	$7,308.00
Taxes & Licenses	72.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	72.00	$864.00
USDA Project Expenses	**2,500.00**	**0.00**	**3,500.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**$6,000.00**
Utilities	445.00	445.00	445.00	445.00	445.00	445.00	445.00	445.00	445.00	445.00	445.00	445.00	$5,340.00
Total Expenditures	**$109,301.92**	**$106,106.92**	**$109,606.92**	**$118,628.17**	**$109,306.92**	**$102,759.42**	**$89,411.92**	**$91,886.92**	**$111,671.92**	**$125,584.42**	**$101,473.42**	**$102,978.42**	**$1,278,717.29**
NET OPERATING REVENUE	**$23,188.58**	**$34,224.58**	**$27,257.58**	**$ -30,503.17**	**$13,693.08**	**$13,530.58**	**$15,168.08**	**$ -30,266.92**	**$ -11,511.92**	**$ -23,734.42**	**$ -37,123.42**	**$11,371.58**	**$5,294.21**
NET REVENUE	**$23,188.58**	**$34,224.58**	**$27,257.58**	**$ -30,503.17**	**$13,693.08**	**$13,530.58**	**$15,168.08**	**$ -30,266.92**	**$ -11,511.92**	**$ -23,734.42**	**$ -37,123.42**	**$11,371.58**	**$5,294.21**

Equation Collaborative

Statement of Financial Position

As of December 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	**$112,030.78**
Accounts Receivable	**$186,000.00**
Total Current Assets	**$298,030.78**
Fixed Assets	**$28,732.04**
TOTAL ASSETS	**$326,762.82**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	0.00
Total Accounts Payable	**$0.00**
Credit Cards	
CORP Account - Business Adv Customized Cash Rewards - 2574 - 1	1,851.50
Total Credit Cards	**$1,851.50**
Other Current Liabilities	
Direct Deposit Payable	0.00
Payroll Liabilities	**0.00**
Total Other Current Liabilities	**$0.00**
Total Current Liabilities	**$1,851.50**
Total Liabilities	**$1,851.50**
Equity	
Opening Balance Equity	49,853.66
Retained Earnings	110,137.03
Net Revenue	164,920.63
Total Equity	**$324,911.32**
TOTAL LIABILITIES AND EQUITY	**$326,762.82**

Equation Collaborative

Profit and Loss by Tag Group

January - December 2023

	TOTAL
Revenue	
Billable Expenditure Revenue	10,134.52
Contributions	764,768.47
Grant Awards	164,898.89
In Kind Contributions	**352,047.96**
Non-Profit Income	600.00
Uncategorized Income	600.00
Total Revenue	**$1,293,049.84**
GROSS PROFIT	**$1,293,049.84**
Expenditures	
Bank Charges & Fees	386.53
Car & Truck	2,411.06
Gas And Fuel	1,963.76
Total Car & Truck	**4,374.82**
Fundraising & Marketing	9,324.93
In Kind Distributions	**352,047.96**
Insurance	18,177.67
Legal & Professional Services	12,147.85
Meals & Entertainment	713.02
Other Business Expenses	170.80
Payroll Expenses	**401,045.96**
Program Expenses	
Boxes & Tape	27,601.79
Facility Equipment & Supplies	3,661.91
Purchased Food	48,600.83
Volunteer Programs	438.54
Total Program Expenses	**80,303.07**
Rent & Lease	39,644.10
Software Development	169,215.02
Technical Infrastructure	3,523.76
Total Software Development	**172,738.78**
Software Subscriptions	7,517.92
Taxes & Licenses	1,392.14
USDA Project Expenses	
USDA Indirect Cost Allocation	-410.70
USDA Sub-Award Fees	9,500.00
USDA Supplies/Materials	634.52
Total USDA Project Expenses	**9,723.82**
Utilities	4,983.13
Total Expenditures	**$1,114,692.50**
NET OPERATING REVENUE	**$178,357.34**
Other Expenditures	**$13,436.71**
NET OTHER REVENUE	**$ -13,436.71**

Equation Collaborative

Profit and Loss by Tag Group

January - December 2023

	TOTAL
NET REVENUE	**$164,920.63**

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

A For the 2023 calendar year, or tax year beginning **and ending**

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
EQUATION COLLABORATIVE CORP

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1633 LINDA SUE LANE

City or town, state or province, country, and ZIP or foreign postal code
ENCINITAS, CA 92024-2427

F Name and address of principal officer: WESLEY BURT
SAME AS C ABOVE

D Employer identification number
85-4081633

E Telephone number
213-952-2074

G Gross receipts $ 1,284,725.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(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.EQUATIONCOLLABORATIVE.ORG

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

L Year of formation: 2020 **M** State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: +BOX IS ON A MISSION TO DELIVER HEALTHY FOOD AND FRESH IDEAS TO THOSE WHO NEED IT MOST. THE CURRENT

2 Check this box ☐ 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	6
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	5
5	Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	5
6	Total number of volunteers (estimate if necessary)	6	600
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	577,952.	1,283,525.
9	Program service revenue (Part VIII, line 2g)	0.	0.
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)	0.	1,200.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	577,952.	1,284,725.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	301,858.	343,723.
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)	243,863.	401,046.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) 156,809.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	247,270.	375,035.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	792,991.	1,119,804.
19	Revenue less expenses. Subtract line 18 from line 12	-215,039.	164,921.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	168,247.	326,763.
21	Total liabilities (Part X, line 26)	6,520.	1,852.
22	Net assets or fund balances. Subtract line 21 from line 20	161,727.	324,911.

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

WESLEY BURT, PRESIDENT & EXECUTIVE DIRECTOR
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
TRITIA FOSTER			☐	P02164134

Firm's name DAVIS FARR LLP Firm's EIN 47-3535842

Firm's address 18201 VON KARMAN AVE, SUITE 1100
IRVINE, CA 92612 Phone no. 949-474-2020

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
+BOX IS ON A MISSION TO DELIVER HEALTHY FOOD AND FRESH IDEAS TO THOSE WHO NEED IT MOST. THE CURRENT FOOD ASSISTANCE SYSTEM WAS CREATED 60 YEARS AGO AND IS STILL BASED ON HUNGER-RELIEF WHEN IT SHOULD BE DELIVERING HEALTH AND WELLNESS. +BOX IS COLLABORATING WITH LOCAL

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 X 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 X 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 $ 750,253. including grants of $ 343,723.) (Revenue $)
EQUATION COLLABORATIVE, THROUGH OUR +BOX FOOD AND NUTRITION PROGRAM, DISTRIBUTED 24,630 BOXES WITH 275,667 POUNDS OF FRESH, HEALTHY FOOD, ENOUGH FOR APPROXIMATELY 655,149 MEALS, TO FOOD INSECURE FAMILIES WHO DON'T HAVE ENOUGH TO MEET THEIR BASIC NUTRITIONAL NEEDS. +BOX PROVIDED FOOD TO FOOD INSECURE FAMILIES IN 48 OF 52 WEEKS DURING 2023, SUPPORTING AN AVERAGE OF 513 FAMILIES PER WEEK.

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 750,253.

Health inside. Welcome in.
truecare™

September 25, 2024

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

Dear San Marcos Community Foundation Board:

On behalf of North County Health Project Inc dba TrueCare, a Federally Qualified Health Center with 17 state-of-the-art health centers serving approximately 64,500 patients, I am pleased to offer our support for the application submitted by +Box to the San Marcos Community Foundation and to further acknowledge our interest in participating in this project and carrying out the activities described below.

TrueCare's mission is "to improve the health status of our diverse communities by providing quality healthcare that is comprehensive, affordable, and culturally sensitive." At TrueCare, we deliver health and enabling services to all regardless of insurance status or ability to pay, with the goal of promoting the wellbeing of those most in need who are too often placed in the margins. We believe that everyone is entitled to quality healthcare and that prevention, including viewing food as medicine, is key to long-lasting health. In 2023, 94% of our clients were below the 200% federal poverty level, 16% were uninsured, 69% had Medi-Cal, 6% were migrant/seasonal farm workers; and 78% were a racial/ethnic minority.

TrueCare's food distribution goal is patient-centered, whole-person care that nurtures health, nutrition, and wellness with strategic and localized food distribution in disproportionately impacted and low-income North County communities. As a partner with +Box, TrueCare will identify San Marcos families in need and our outreach team will coordinate with +Box to distribute healthy food to those most in need. TrueCare has a history of working with +Box since 2023 and is excited to be able to continue the important work we started doing together.

Thank you in advance for strongly considering this funding request that will enable +Box and TrueCare to continue our partnership and serve those most in need in San Marcos.

Sincerely,

Michelle D. Gonzalez, MPA
President & CEO

RECOGNIZED NCQA PATIENT-CENTERED MEDICAL HOME

September 16, 2024

Re: Nonprofit Tax-Exempt Status

To the San Marcos Community Foundation,

This letter confirms the authorization for the submission of this grant in the support for Fresh Start Surgical Gift's Surgery Weekend Program If you have any further questions, please don't hesitate to contact me directly at (760) 448-2010 or email at Margaret@freshstart.org.

Regards,

Margaret Phelan
Chief Financial Officer
Fresh Start Surgical Gifts
(760) 448-2010

Title

Fresh Start Surgical Gifts - Surgery Weekend Program

09/16/2024

id. 47531934

by **Xavier Phelan** in **San Marcos Community Foundation**
on behalf of **Fresh Start Surgical Gifts**

2011 Palomar Airport Road, Suite 206
Carlsbad, California
92011
CA
United States
7609447774
xavier@freshstart.org

Original Submission

09/16/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Fresh Start Surgical Gifts - Surgery Weekend Program
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Surgery Weekend Program
Project Start Date	1/25/2025
Project End Date	11/2/2025
Date by Which Funds Will Be Expended:	11/2/2025
Total Number of People Served by this Project	350.0
Total Number of People Served by this Project in San Marcos Only	25.0

Grant Amount Requested	5000.0
	Organization Details
Organization Name	Fresh Start Surgical Gifts
Organization Street Address	2011 Palomar Airport Road, Suite 206
Organization City	Carlsbad
Organization State	CA
Organization Zip Code	92011
Organization Website	https://freshstart.org
Organization's EIN	33-0460177 200 Fresh Start Surgical Gifts 09ba3198-bc28-4bd5-a19b-071d99dfceac 2011 Palomar Airport Road Suite 206 Carlsbad CA 92011 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-08-14T00:00:00 2023-09-18T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-08-14T00:00:00 1996 02
	Contact Information
Contact First Name	Xavier
Contact Last Name	Phelan
Contact Title	National Grant Writer
Contact Phone	+17604482017
Contact Email	xavier@freshstart.org

	Project Details
Briefly describe your request for funds.	Fresh Start is respectfully requesting partial funding for one of our Surgery Weekend Programs, where we serve underserved children with physical deformities who have been rejected by traditional healthcare systems. Grant funds would only cover direct costs for the Surgery Weekend Program including medical and dental supplies, pharmaceuticals, overnight care, radiology, and other much-needed supplies and services. No amount of funds will ever be used for overhead costs. With your help, we can give these local children the chance they need to grow up happy and healthy. While we serve clientele from across the country, we can 100% guarantee that all funds donated will be restricted towards the betterment of San Marcos Children exclusively.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	As our program is located at Rady Children's Hospital in San Diego, a majority of our patients come from the San Diego County area, including residents of San Marcos. All transportation and lodging during the program is also paid for by the program. Our program is designed to help those in need by lifting the burden of difficult financial decisions off the shoulders of the parents while giving their children the hope of a brighter, healthier childhood. No parent should have to choose between expensive surgery or feeding their children, and Fresh Start eliminates that choice. If a San Marcos parent has a child in need with a physical deformity, they are eligible to apply for our Program. We receive, on average, over 200 applications annually for the program, most of which come from San Diego County. We have treated San Marcos residents in the past, and will continue to do so.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	Our collaboration with Rady Children's Hospital in San Diego allow us to have a dedicated operating space for our program. All transportation and lodging during the program is provided free of charge.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	We have received funding from the City of San Marcos in 2022, at $5,000 for the Surgery Weekend Program. That gift of $5,000 transformed into $43,345 with of transformative healthcare.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	The late Dr. Dennis Nigro, M.D., our founder, incorporated Fresh Start Surgical Gifts as a 501(c)3 in 1991. After his time providing special medical care to underserved populations abroad, Dr. Nigro took a look around his local community of San Diego and vowed to do the same for them. The suboptimal operating rooms, equipment, and conditions he worked in abroad made Dr. Nigro realize that all children deserved only the best high-quality care possible, especially for the kinds of delicate operations he specialized in, and wanted to provide that care to those who needed it most. Ultimately, his goal was to serve children with correctable physical deformities whose parents were unable to secure funds or access to care. And so, Fresh Start Surgical Gifts, and our mission to serve children in need, was founded. Fresh Start has expanded greatly beyond Dr. Nigro's initial vision. In 2001, we established the Fresh Start Surgical Gifts Foundation from a sizable endowment gifted to us. The Foundation is a separate foundation from Fresh Start that uses 4% of its invested funds every year to cover overhead and administrative costs. The Foundation was only made possible through this incredibly generous donation, **allowing 100% of all donated funds to go directly towards supporting the Medical Program.** Fresh Start provides medical care for approximately 75 children during each Surgery Weekend Cycle. We conduct twelve eight-week cycles every year, providing high quality care to children. Each eight-week Surgery Weekend Cycle includes an intensive two-day Surgery Weekend at Rady Children's Hospital, Comer Children's Hospital, or University Health Center, where qualified volunteer medical professionals provide extensive reconstructive and neuro-surgeries. In addition to these major surgeries, Fresh Start holds dental clinics, provides laser treatments, speech therapy services, ophthalmology, health education, and many other health care services to ensure all patients receive necessary medical care specialized to their specific needs. The influx of patients requiring specialized care demonstrates there is a dire need for long-term, comprehensive medical care for these patients with physical deformities, and we at Fresh Start are here to provide that care.

One Surgery Weekend Cycle includes:

· 11-16 Major Surgeries

· Consultations & Follow-Up Appointments

· Restorative & Orthodontic Dental Clinics

· Laser Hair Removal, Scar Revision, tattoo removal for human trafficking victims

· Speech Therapy Services

· Audiology, Ophthalmology, and Urology

· Other Exams, Appointments, and Specialized Care as Needed

Medical treatments are provided by an all-volunteer team of medical professionals, which have many years of experience serving our Program. In addition, housing, food, and transportation are provided at no cost to the family during the duration of their time in the Program. Fresh Start treats a wide variety of conditions that can require anywhere from just one surgery to multiple surgeries, coupled with neurosurgery, orthodontia, speech therapy, and many other specialty procedures. Fresh Start maintains long-term relationships with patients, with the majority receiving medical care for over seven years. We are committed to ensuring our patients stay healthy during their path into adulthood.

The Surgery Weekend Program provides over 800 reconstructive surgeries, dental procedures, laser treatments, speech therapy services, and various other procedures and consultations to approximately 350 children annually. As of March 2024, Fresh Start has given over 9,000 unique patients the chance for a new beginning, with over 23,000 medical procedures valued at $57,326,872. Our continued success in providing free surgeries and medical care is thanks to the generosity of both our medical team as well as the individuals and foundations who contribute to our cause.

Please upload any community letters or media in support of this project.

Please upload the annual operating budget for your organization.

FY_2024-25_San_Diego_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

Audited_Financials_23.pdf

Please attach the first two pages of your Federal 990.

990.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

CFO_Letter.docx

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	6563533.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Fresh Start continually seeks funding from mission-aligned foundations and charities to help fund our project. We will still host the Surgery Weekend Program regardless of the SMCF's decision.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Volunteer & Patient Outreach	*274,490.00*	
Hospitalization & Laboratory Fees	125,090.00	
Radiology	15,100.00	
Patient & Volunteer Food	29,700.00	
Medical & Dental Supplies & Equipment	58,300.00	
Medical Software & Communications	53,144.00	
Fresh Start Medical Staff	1,348,026.00	
Patient Assistance	10,800.00	
Facility Resource & Professional Services	149,650.00	
Rx & Pharmaceutical supplies	6,700.00	
Medical Education & Training	2,280.00	
Medical Office Expense & Secure Storage	24,595.00	
Patient Travel & Lodging	113,700.00	
Total budget for this PROJECT:	2,211,575.00	Total direct expenses. Number in Project Budget Total ($6,563,533) includes GIK donations.

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Louis & Harold Price Foundatio	10.00	C
Additional Funding Source 2	Wheeler Charitable Trust	5,000.00	C
Additional Funding Source 3	Bravo Foundation	15,000.00	C
Additional Funding Source 4	MGN Family Foundation	25,000.00	C
Additional Funding Source 5	Rest Haven	10,000.00	C
Additional Funding Source 6	Stryker	2,500.00	C
Additional Funding Source 7	HEDCO Foundation	41,600.00	C
Additional Funding Source 8	Simon-Strauss Foundation	7,000.00	C
Additional Funding Source 9	Kronkosky Foundation	50,000.00	C
Additional Funding Source 10	Goodwin Family Memorial Trust	5,000.00	C

Carlsbad Location
Budget FY 2024-25 (DRAFT)

	Jul '24 - Jun 25
Ordinary Income/Expense	
Income	
Net Special Events	
Annual gala event	
Gala Income	
Gala Event Ticket Sales	18,000
Gala Gen. Donation	2,000
Gala Live Auction	26,300
Gala Silent Auction	18,000
Gala SAP/Medical Program	130,000
Gala Sponsorships & Tables	65,550
Total Gala Income	259,850
Gala Expense	
Gala - Miscellaneous	-1,800
Gala Audio/Visual	-21,000
Gala auction exp.	-6,050
Gala Decor	-1,175
Gala Entertainment	-12,200
Gala Marketing/Communications	-750
Gala Gen -Food & Bev	-80,000
Total Gala Expense	-122,975
Total Annual gala event	136,875
Celebrity Golf Classic	
Celebrity Golf Income	
Golf General Donations	3,000
Sponsor Income	87,000
Foursome	25,000
Individual Golf tickets	7,000
Dinner Tickets	1,500
Live Auction	19,050
Silent Auction	10,600
TeeSigns/Hole Sponsorship	3,800
Sponsor A Patient	90,000
Raffles/Mulligans	6,000
Total Celebrity Golf Income	252,950
Celebrity Golf Classic Exp	
Awards/Gift exp.	-12,000
Auction Exp.	-4,600
Green Fees	-22,000
Miscellaneous exp.	-4,000
Post Event Dinner	-5,000
Pre Event Dinner	-22,000
Printing	0
Rentals	-2,000
Marketing/Communications	0
Committee/Volunteer exp.	0
Total Celebrity Golf Classic Exp	-71,600
Total Celebrity Golf Classic	181,350
Community Partnerships	
Sanford Health	75,000
Community Partnerships - Other	0
Total Community Partnerships	75,000
Total Net Special Events	393,225

Major Gifts/Branding	1,500,000
Revenue and Support	
Corporate Giving	12,000
General donations	13,000
Total Revenue and Support	25,000
Fresh Start Foundation Support	898,084
Foundation Support/Grants	
Expansion Grant	0
Unrestricted Revenue	475,000
Total Foundation Support/Grants	475,000
Total Income	3,291,309
Gross Profit	3,291,309
Expense	
Accounting	47,500
Automobile	18,800
Bank Charges	1,022
Board of Directors	1,000
Rent	
Carlsbad	64,560
Clinic	6,935
Total Rent	71,495
Computer/IT	53,900
Credit Card Charges	14,000
Depreciation	88,680
Equipment Lease	31,827
Donor Cultivation	16,000
Dues, Fees and Subscriptions	2,400
Employee Education & Training	2,000
Legal	1,800
Insurance	39,000
Marketing	
New Marketing Options 2	195,000
Website/Internet Expenses	500
Total Marketing	195,500
Meals, Mtg & Entertainment	4,000
Patient Outreach	
Patient Outreach Travel	0
Patient Outreach	196,000
Total Patient Outreach	196,000
Volunteer Outreach	
Outreach	30,000
Physician Credentialing	100
Volunteer Processing	1,090
Total Volunteer Outreach	31,190
Office Expense	10,800
Outside Services/Contract	0
Patient Care - Dental	
Dental Lab Fees	1,500
Dental Supplies	3,500
Food	3,000
Professional Services	4,550
Radiology	1,800
Travel	1,200
Total Patient Care - Dental	15,550

Patient Care - Medical	
Facility Resource Labor	58,100
Food	16,500
Hospitalization	98,070
Laboratory Fees	3,520
Lodging	55,000
Medical Supplies/Equipment	50,000
Patient Assistance	7,500
Pharmaceutical Supplies	5,800
Professional Services	6,000
Radiology	4,000
Interventional Radiology	7,500
Travel	38,000
Total Patient Care - Medical	349,990
Total Payroll	1,955,786
Postage	1,100
Professional Services	81,000
Self Storage	11,500
Taxes, Permits and Licenses	500
Telephone	18,170
Travel & Lodging	20,000
Utilities	5,200
Total Expense	3,285,710
Net Ordinary Income	5,599
Other Income/Expense	
Donated Services and Supplies	
Med.Program Gen.	
General GIK	265,000
Total Med.Program Gen.	265,000
Total Dental Clinic GIK	
Dental fees	85,000
Total Total Dental Clinic GIK	85,000
Total Specialty Clinics	
Laser Hair Removal	7,000
Speech Therapy	3,900
V-Beam	7,500
Total Total Specialty Clinics	18,400
Total Surgical Procedures	
Anesthesiology	140,000
Facility Fees	1,765,000
Hospital/Charity Care Services	600,000
Surgeon's Fees	530,000
Total Total Surgical Procedures	3,035,000
Total Donated Services and Supplies	3,403,400
Other Income	0
Total Other Income	3,403,400
Other Expense	
Donated Medical Program Costs	-3,403,400
Total Other Expense	-3,403,400
Net Other Income	0
Net Income	**5,599**

EXTENDED TO MAY 15, 2024

Form **990**

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

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023

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 $ 3,849,762.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(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 ☐ 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	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12
5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	13
6	Total number of volunteers (estimate if necessary)	6	180
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,331,905.	2,869,970.
9	Program service revenue (Part VIII, line 2g)	0.	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	40,467.	80,652.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	441,631.	728,574.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,814,003.	3,679,196.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	292,402.	175,000.
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)	1,533,039.	1,727,319.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) 693,347.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	855,175.	1,045,447.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,680,616.	2,947,766.
19	Revenue less expenses. Subtract line 18 from line 12	133,387.	731,430.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	4,142,027.	5,232,772.
21	Total liabilities (Part X, line 26)	242,019.	511,222.
22	Net assets or fund balances. Subtract line 21 from line 20	3,900,008.	4,721,550.

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, EXECUTIVE DIRECTOR/CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
LUKAS DAVIS		02/16/24	☐	P00668234

Firm's name CONSIDINE & CONSIDINE — Firm's EIN 95-2694444

Firm's address 8989 RIO SAN DIEGO DRIVE, SUITE 250
SAN DIEGO, CA 92108-1604 — Phone no. 619.231.1977

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
TO TRANSFORM THE LIVES OF DISADVANTAGED CHILDREN & YOUNG PEOPLE WITH PHYSICAL DEFORMITIES CAUSED BY BIRTH DEFECTS, ACCIDENTS, ABUSE, OR DISEASE THROUGH RECONSTRUCTIVE PLASTIC SURGERY AND RELATED MEDICAL SERVICES.

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 $ 1,867,969. including grants of $ 175,000.) (Revenue $)
TO PROVIDE RECONSTRUCTIVE SURGERY PRIMARILY TO CHILDREN WHO SUFFER FROM PHYSICAL DEFORMITIES CAUSED BY BIRTH DEFECTS, ACCIDENTS, ABUSE OR DISEASE.

THE ORGANIZATION HELD SIX SURGERY WEEKENDS AND RECEIVED DONATED PHYSICIAN SERVICES AND FACILITES TOTALING $3,677,861.

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 1,867,969.

FRESH START SURGICAL GIFTS
FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

FRESH START SURGICAL GIFTS

		Pages
I	Index	1
II	Independent auditor's report	2 - 3
III	Statements of financial position	4
IV	Statements of activities and changes in net assets	5 - 6
V	Statements of functional expenses	7 - 8
VI	Statements of cash flows	9
VII	Notes to the financial statements	10 - 24

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fresh Start Surgical Gifts

Opinion

We have audited the accompanying financial statements of Fresh Start Surgical Gifts, a nonprofit organization, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fresh Start Surgical Gifts as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fresh Start Surgical Gifts and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Fresh Start Surgical Gifts ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Fresh Start Surgical Gifts internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fresh Start Surgical Gifts ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Considine & Considine

CONSIDINE & CONSIDINE
An accountancy corporation

January 8, 2024

FRESH START SURGICAL GIFTS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	$ 2,678,254	$ 1,766,723
Grant receivable (note 12)	175,000	175,000
Prepaid expenses and other current assets	64,194	61,204
Related party receivable (note 12)	30,490	29,628
Contributions receivable	330	50,000
	2,948,268	2,082,555
Property and equipment (note 3)	170,217	174,000
OTHER ASSETS		
Investments (notes 5 and 7)	1,754,568	1,624,904
Operating lease right of use asset (note 14)	272,508	-
Beneficial interest in foundation (notes 6, 7 and 9)	77,985	76,263
Deposits	9,226	9,226
Grant receivable (note 12)	-	175,000
Fresh start clinic (notes 4 and 14)	-	79
	2,114,287	1,885,472
TOTAL ASSETS	5,232,772	4,142,027
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	229,626	231,019
Operating lease liability - current portion (note 14)	73,845	-
Deferred revenue	11,750	11,000
	315,221	242,019
LONG-TERM LIABILITIES		
Operating lease liability (note 14)	196,001	-
TOTAL LIABILITIES	511,222	242,019
NET ASSETS (note 8)		
Without donor restrictions	4,118,565	3,298,745
With donor restrictions	602,985	601,263
TOTAL NET ASSETS	4,721,550	3,900,008
TOTAL LIABILITIES AND NET ASSETS	$ 5,232,772	$ 4,142,027

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Donated medical services and supplies	$ 3,677,861	$ -	$ 3,677,861
Contributions - Public support	1,771,634	-	1,771,634
Contributions - Foundation (note 12)	908,086	-	908,086
Special events (net direct benefits to donors of $47,568 - note 10)	443,906	-	443,906
Management fee (note 12)	368,703	-	368,703
Investment return (note 5)	138,719	-	138,719
Change in beneficial interest in foundation	-	5,035	5,035
TOTAL SUPPORT AND REVENUE	7,308,909	5,035	7,313,944
NET ASSETS RELEASED FROM RESTRICTIONS (note 8)	3,313	(3,313)	-
	7,312,222	1,722	7,313,944
EXPENSES			
Medical program	5,370,828	-	5,370,828
Supporting services:			
General and administrative	378,056	-	378,056
Development	991,345	-	991,345
TOTAL EXPENSES	6,740,229	-	6,740,229
CHANGE IN NET ASSETS BEFORE OTHER INCOME	571,993	1,722	573,715
OTHER INCOME (note 13)			
Employee retention credit	229,213	-	229,213
Interest income	18,614	-	18,614
	247,827	-	247,827
CHANGE IN NET ASSETS	819,820	1,722	821,542
NET ASSETS, BEGINNING	3,298,745	601,263	3,900,008
NET ASSETS, ENDING	$ 4,118,565	$ 602,985	$ 4,721,550

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Donated medical services and supplies	$ 3,292,645	$ -	$ 3,292,645
Contributions - Public support	1,158,864	-	1,158,864
Contributions - Foundation (note 12)	821,466	-	821,466
Special events (net direct benefits to donors of $37,304 - note 10)	567,751	-	567,751
Management fee (note 12)	359,684	-	359,684
Investment return (note 5)	(187,443)	-	(187,443)
Change in beneficial interest in foundation	-	(3,167)	(3,167)
TOTAL SUPPORT AND REVENUE	6,012,967	(3,167)	6,009,800
NET ASSETS RELEASED FROM RESTRICTIONS (Note 8)	3,092	(3,092)	-
	6,016,059	(6,259)	6,009,800
EXPENSES			
Medical program	4,847,162	-	4,847,162
Supporting services:			
General and administrative	288,047	-	288,047
Development	962,630	-	962,630
TOTAL EXPENSES	6,097,839	-	6,097,839
OPERATING CHANGE IN NET ASSETS	(81,780)	(6,259)	(88,039)
NET ASSETS, BEGINNING	3,380,525	607,522	3,988,047
NET ASSETS, ENDING	$ 3,298,745	$ 601,263	$ 3,900,008

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

		Supporting Services		
	Medical Program	General and Administrative	Development	Total
Bank charges	$ -	$ 300	$ 15,272	$ 15,572
Computer services and expenses	22,258	3,318	10,140	35,716
Depreciation and amortization	49,518	1,131	3,082	53,731
Donated medical services and supplies	3,677,859	-	-	3,677,859
Donor cultivation	-	-	17,667	17,667
Dues and subscriptions	759	1,338	902	2,999
Event - Facilities	-	-	49,641	49,641
Event - Food and beverage	-	-	89,467	89,467
Event - Other	-	-	31,458	31,458
Grant (note 12)	-	-	175,000	175,000
Insurance	6,130	22,360	1,736	30,226
Leasing costs	42,979	7,961	17,797	68,737
Marketing and public relations	-	-	124,012	124,012
Patient assistance	212,317	-	-	212,317
Postage	640	91	792	1,523
Professional fees	25,358	100,113	310	125,781
Salaries and related costs	1,043,236	235,701	448,382	1,727,319
Supplies	70,864	1,360	26,031	98,255
Taxes and licenses	266	79	252	597
Telephone	13,291	1,811	3,417	18,519
Transportation, lodging and food	158,770	1,725	19,431	179,926
Utilities	2,435	388	706	3,529
Volunteer outreach	38,302	-	-	38,302
Other	5,846	380	3,418	9,644
	5,370,828	378,056	1,038,913	6,787,797
Less: Event direct benefit cost	-	-	(47,568)	(47,568)
	$ 5,370,828	$ 378,056	$ 991,345	$ 6,740,229

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

		Supporting Services		
	Medical Program	General and Administrative	Development	Total
Bank charges	$ 37	$ 759	$ 15,813	$ 16,609
Computer services and expenses	25,085	3,276	9,850	38,211
Depreciation and amortization	37,072	741	5,069	42,882
Donated medical services and supplies	3,292,645	-	-	3,292,645
Donor cultivation	-	-	14,372	14,372
Dues and subscriptions	734	483	555	1,772
Event - Facilities	-	-	60,457	60,457
Event - Food and beverage	-	-	86,580	86,580
Event - Other	-	-	24,496	24,496
Grant (note 12)	-	-	292,402	292,402
Insurance	5,447	21,747	1,549	28,743
Marketing and public relations	-	-	94,124	94,124
Patient assistance	181,236	-	-	181,236
Postage	1,058	124	969	2,151
Professional fees	61,490	45,547	3,373	110,410
Rent	62,952	7,869	17,843	88,664
Salaries and related costs	975,005	203,235	354,799	1,533,039
Supplies	68,017	257	1,955	70,229
Taxes and licenses	553	335	36	924
Telephone	11,216	1,386	2,444	15,046
Transportation, lodging and food	102,502	1,375	9,007	112,884
Utilities	3,555	557	1,041	5,153
Volunteer outreach	13,262	-	-	13,262
Other	5,296	356	3,200	8,852
	4,847,162	288,047	999,934	6,135,143
Less: Event direct benefit cost	-	-	(37,304)	(37,304)
	$ 4,847,162	$ 288,047	$ 962,630	$ 6,097,839

See accompanying notes

FRESH START SURGICAL GIFTS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS PROVIDED/(USED) BY OPERATING ACTIVITIES		
Change in net assets	$ 821,542	$ (88,039)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES		
Unrealized (Gain)/Loss on Investments	(89,992)	245,646
Change in beneficial interest in foundation	(5,035)	3,167
Depreciation and amortization	53,731	42,882
Changes in operating assets and liabilities:		
Custodial funds held	-	(277,952)
Pledges receivable	49,670	40,000
Grants receivable	175,000	175,000
Leasehold Deposit	-	(1,480)
Operating leases right-of-use assets	(2,662)	-
Prepaid expenses and other current assets	(2,990)	(5,377)
Related party receivable	(862)	81
Accounts payable and accrued liabilities	(1,393)	32,487
Deferred revenue	750	4,300
	176,217	258,754
NET CASH PROVIDED BY OPERATING ACTIVITIES	997,759	170,715
CASH FLOWS PROVIDED/(USED) BY INVESTING ACTIVITIES		
Purchase of property and equipment	(49,869)	(125,000)
Purchase of investments	(135,661)	(67,414)
Net proceeds from sale of investments	95,989	14,704
Distributions from beneficial interest in foundation	3,313	3,092
NET CASH USED BY INVESTING ACTIVITIES	(86,228)	(174,618)
NET INCREASE/(DECREASE) IN CASH	911,531	(3,903)
CASH AT BEGINNING OF YEAR	1,766,723	1,770,626
CASH AT END OF YEAR	$ 2,678,254	$ 1,766,723

SUPPLEMENTAL DISCLOSURES:

See note 14 for cash flow transactions related to operating leases

See accompanying notes

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 note 12).

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.

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.

Contributions receivable - Contributions receivable consist of unconditional promises to give and are recorded in the year the promise is made. Conditional promises are not recognized until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated cash flows. The Organization provides for probable losses on contributions receivable using the allowance method. The allowance is determined based on management's experience and collection efforts. 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, 2023 and 2022.

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.

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:

	2023	2022
Facilities and supplies	$ 2,948,653	$ 2,733,478
Professional medical services	729,208	559,167
	$ 3,677,861	$ 3,292,645

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 allocation of expenses - There are certain categories of expenses that are attributable to more than one program or supporting function and require allocation on a reasonable basis. Personnel expenses are allocated on the basis of estimated time spent. Other overhead expenses including leasing costs, supplies, professional fees, travel, depreciation, and insurance are allocated based on overall usage.

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 note 12).

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, 2023 and 2022, 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, 2023 and 2022, 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.

Recent Accounting Pronouncement

In February 2016, FASB issued ASU 2016-02 Leases (Topic 842). In July 2018, FASB issued two updates to ASU 2016-02, ASU 2018-10, Codification Improvements to Topic 842 Leases, and ASU 2018-11, Leases (Topic 842): Targeted Improvements. The new standard is effective for fiscal years beginning after December 15, 2021. The Organization adopted Topic 842 as of July 1, 2022 by recognizing and measuring leases at the adoption date with cumulative effect of initially applying the guidance recognized at the date of initial application and as a result did not restate the prior periods presented in the financial statements. The Organization elected certain practical expedients permitted under the transitional guidance, including retaining historical lease classification, evaluating whether any expired contracts are or contain leases, and not applying hindsight in determining the lease term. Lastly, the Organization elected the short-term lease exception for all classes of assets, and therefore does not apply the recognition requirements for leases of 12 months or less. Options to renew a lease are only included in the lease term to the extent those options are reasonably certain to be exercised.

The Organization categorizes long-term leases as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset of its estimated life. The Organization had one finance lease at June 30, 2023.

Leases with a term greater than one year are recognized on the balance sheet as right-of-use (ROU) assets and short-term and long-term lease liabilities, as applicable. Finance and operating lease liabilities and their corresponding ROU assets are initially recorded based on the present value of lease payments over the term of the lease. The rate implicit in finance lease contracts is typically determinable. For operating leases, the rate implicit is not readily determinable and, as a result, the Company utilizes the treasury yield rate to discount those lease payments.

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958). ASU 2020-07 improves transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit entities. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. This standard is applied on a retrospective basis. The adoption had no effect on the 2023 financial statements. The Organization adopted Topic 958 as of July 1, 2022.

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2023	2022
Furniture and equipment	$ 392,594	$ 342,725
Transportation equipment	81,682	81,682
Website Platform	25,000	25,000
Leasehold improvements	10,066	10,066
	509,342	459,473
Accumulated depreciation	(339,125)	(285,473)
	$ 170,217	$ 174,000

For the years ended June 30, 2023 and 2022, depreciation expense was $53,652 and $41,941, respectively.

NOTE 4 FRESH START CLINIC

Fresh Start Clinic consists of the following:

	2023	2022
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
	972,194	972,194
Accumulated amortization	(972,194)	(972,115)
	$ -	$ 79

Amortization expense for the years ended June 30, 2023 and 2022 was $79 and $941, respectively.

NOTE 5 INVESTMENTS

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

	2023	
	Cost	Fair Value
Stock funds:		
Large cap	$ 685,550	$ 750,175
Small cap	18,030	24,878
Mid cap	136,396	139,380
Bond Funds	807,799	742,481
Real estate securities:		
Mid cap	106,890	97,654
	$ 1,754,665	$ 1,754,568

	2022	
	Cost	Fair Value
Stock funds:		
Large cap	$ 1,473,225	$ 1,382,919
Small cap	136,396	124,098
Mid cap	18,030	22,257
Real estate securities:		
Mid cap	96,370	95,630
	$ 1,724,021	$ 1,624,904

The following schedule summarizes the investment return of the assets shown above and the Organization's interest-bearing bank accounts for the years ended June 30:

	2023	2022
Net realized and unrealized gain/(loss) on investments	105,626	$ (221,426)
Interest and dividend income	41,489	43,634
Investment fees	(8,396)	(9,651)
	$ 138,719	$ (187,443)

NOTE 6 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 $77,985 and $76,263 as of June 30, 2023 and 2022, 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 9).

NOTE 7 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.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.
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.

There were no changes in methods used to measure fair value during the years ended June 30, 2023 and 2022.

The Organization's policy is to recognize transfers of investments into or out of level 3 as of the date of the event or changes in circumstances that caused the transfer. For the years ended June 30, 2023 and 2022, there were no transfers of investments into or out of level 3.

Financial assets and liabilities carried at fair value measured on a recurring basis at June 30, 2023 are classified in one of the three categories previously described:

	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Stock funds				
Large cap	$ 750,175	$ -	$ -	$ 750,175
Small cap	24,878	-	-	24,878
Mid cap	139,380	-	-	139,380
Bond Funds	742,481	-	-	742,481
Real estate securities				
Mid cap	97,654	-	-	97,654
Beneficial interest in foundation	-	-	77,985	77,985
	$ 1,754,568	$ -	$ 77,985	$ 1,832,553

Changes in Level 3 financial instruments during the year ended June 30, 2023 were as follows:

Fair value, beginning	$ 76,263
Total gains or losses (realized/unrealized)	5,035
Net purchases, sales, issues, and settlements	(3,313)
Fair value, ending	$ 77,985

Financial assets and liabilities carried at fair value measured on a recurring basis at June 30, 2022 are classified in one of the three categories described above:

	Level 1	Level 2	Level 3	Total
Assets				
Investments				
Stock funds				
Large cap	$ 1,382,919	$ -	$ -	$ 1,382,919
Small cap	124,098	-	-	124,098
Mid cap	22,257	-	-	22,257
Real estate securities				
Mid cap	95,630	-	-	95,630
Beneficial interest in foundation	-	-	76,263	76,263
	$ 1,624,904	$ -	$ 76,263	$ 1,701,167

Changes in Level 3 financial instruments during the year ended June 30, 2022 were as follows:

Fair value, beginning	$ 82,522
Total gains or losses (realized/unrealized)	(3,167)
Net purchases, sales, issues, and settlements	(3,092)
Fair value, ending	$ 76,263

NOTE 8 NET ASSETS

Net assets consist of the following at June 30:

	2023	2022
Without donor restrictions:		
Undesignated	$ 4,118,565	$ 3,298,745
With donor restrictions:		
Perpetual in nature	55,656	55,656
Purpose restricted for program services	22,329	20,607
Purpose restricted for expansion project	525,000	525,000
	602,985	601,263
Total net assets	$ 4,721,550	$ 3,900,008

Net assets released from donor restrictions by satisfying the restricted purposes by the donors during the years ended June 30, 2023 and 2022 was $3,313 and $3,092, respectively.

NOTE 9 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 6). 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.

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, 2023 and 2022 and are held entirely by San Diego Foundation.

Composition of and changes in endowment net assets for the years ended June 30, 2023 and 2022, are as follows:

	Without donor restrictions	With donor restrictions	Total endowment net assets
Endowment net assets,			
Beginning of year	$ -	$ 76,263	$ 76,263
Earnings on investment	-	5,421	5,421
Investment fees	-	(386)	(386)
Distribution	-	(3,313)	(3,313)
Endowment net assets,			
End of year	$ -	$ 77,985	$ 77,985

Composition of and changes in endowment net assets for the year ended June 30, 2022 are as follows:

	Without donor restrictions	With donor restrictions	Total endowment net assets
Endowment net assets,			
Beginning of year	$ -	$ 82,522	$ 82,522
Earnings on investment	-	(2,799)	(2,799)
Investment fees	-	(368)	(368)
Distribution	-	(3,092)	(3,092)
Endowment net assets,			
End of year	$ -	$ 76,263	$ 76,263

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, 2023 and 2022, the Organization did not have a deficiency associated with the donor-restricted endowment funds.

NOTE 10 SPECIAL EVENTS

Special event revenues and expenses directly related to the golf and gala event for the year ended June 30, 2023 and June 30, 2022, are as follows:

	2023	2022
Revenue:		
Sponsorship	$ 178,000	$ 344,525
Donations	181,460	140,150
Auction proceeds	76,059	70,770
Ticket sales	44,675	40,700
Miscellaneous	11,280	8,910
	491,474	605,055
Expenses:		
Facility rental	49,641	60,457
Food and beverage	89,467	86,580
Other expenses	31,458	24,496
	170,566	171,533
Special events income	$ 320,908	$ 433,522

NOTE 11 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, 2023 and 2022 was $50,888 and $46,383, respectively, and is included with salaries and related costs on the statements of functional expenses.

NOTE 12 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, 2023 and 2022, the Organization received $908,086 and $821,466, 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.

During 2021, the Organization received a multiple year grant with three annual payment amounts of $175,000 from Fresh Start Foundation. The grant was made to assist in the Organization’s goal of expanding programs outside of San Diego, California. As of June 30, 2023 and 2022, the outstanding grant receivable was $175,000 and $350,000, respectively.

In 2020, the Organization received a conditional grant of $1,625,000 from Fresh Start Foundation to assist with the goal of expansion into three cities. As a conditional grant, the Organization has not recorded a grant receivable. The grant income will be recorded and received as conditions are met and amounts are approved by the Foundation. The grant funds are intended to become available as expansion cities are identified and come on line. The access to grant funds is set to expire after 5 years. At the conclusion of the grant, any unpaid grant funds will be considered unavailable to the Organization. As of June 2023 and 2022, the Organization has not requested or received any of the conditional grant funds.

During the years ended June 30, 2023 and 2022, the Organization contributed $175,000 and $292,402, respectively, to Caring for Kids.

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, 2023, the Organization received management fees of $368,703, consisting of $276,915 of payroll expense reimbursements and $91,788 of monthly management fees. During the year ended June 30, 2022, the Organization received management fees of $359,684, consisting of $267,896 of payroll expense reimbursements and $91,788 of monthly management fees. As of June 30, 2023 and 2022, the Organization had amounts due from Caring for Kids related to the management fees of $30,490 and $29,628, respectively.

NOTE 13 EMPLOYEE RETENTION CREDIT

The Organization has filed for the Employee Retention Credit (ERC) with the credits totaling $229,213. Laws and regulations concerning government programs, including the ERC established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Organization. As of June 30, 2023, the Organization has received a total refund of $229,213 and $18,614 of interest income related to the claim. These have been included in other income on the statement of activities for the year ended June 30, 2023.

NOTE 14 LEASES

Operating Leases

The Organization entered into two operating leases for office space and clinic use as well as a vehicle lease. The leases include renewal options which can extend the lease terms up to 5 - 10 years. The exercise of the renewal option is at the sole discretion of the Organization, and only lease options that the Organization believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities.

The components of total lease cost for the year ended June 30, 2023 consisted of the following:

Operating lease cost	$	55,453
Short-term lease cost		13,284
Variable lease cost		-
Total lease cost	$	68,737

Rent expense for the year ended June 30, 2021, was $88,664.

Supplemental cash flow information related to the operating lease for the year ended June 30, 2023 is as follows:

Right-of-use assets obtained in exchange for new operating lease liabilities	$	339,925
Cash paid for amounts included in the measurement of operating lease liabilities:		
Operating cash flows for operating leases	$	74,456

Weighted average lease term and discount rate as of June 30, 2023 were as follows:

Weighted average remaining lease term	4.09 yrs.
Weighted average discount rate	1.30%

Future minimum undiscounted lease payments related to the operating lease liability for the years ended December 31 is as follows:

2024	$	77,344
2025		79,172
2026		78,683
2027		17,762
2028		6,938
Thereafter		19,075
Total undiscounted lease payments		278,974
Less: present value discount		(9,128)
Total lease liability	$	269,846

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, 2023, 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	$ 2,678,254
Contributions receivable	330
Grant receivable	175,000
Related party receivable	30,490
Investments	1,754,568
Beneficial interest in foundation	77,985
Total financial assets	4,716,627
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Perpetual in nature	(55,656)
Restricted by purpose	(547,329)
Total amounts unavailable to be used within one year	(602,985)
Financial assets available to meet cash needs for general expenditures within one year	$ 4,113,642

NOTE 16 SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 8, 2024, 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.

On October 31, 2023, Fresh Start Caring for Kids Foundation (Merging Organization) merged with Fresh Start Surgical Gifts (Surviving Organization), a related entity through a common board member. On the date of the merger all remaining assets and liabilities of Fresh Start Caring for Kids Foundation were transferred to Fresh Start Surgical Gifts at their fair values.

HGH
Home of Guiding Hands

September 17, 2024

San Marcos Community Foundation
Attn: Grant Review Committee
1 Civic Center Drive
San Marcos, CA 92069

Dear Grant Review Committee,

On behalf of Home of Guiding Hands, I am writing to express our full support for the submission of this grant application to the San Marcos Community Foundation. Home of Guiding Hands has been serving individuals with developmental and intellectual disabilities in the San Diego and Imperial County regions for 57 years, and this grant will greatly assist in furthering our mission to improve the lives of those we serve.

The funding requested through this application will enable us to continue providing essential services and programs that enhance the health and well-being of San Marcos residents. We are committed to creating lasting, positive change and are grateful for the opportunity to partner with the San Marcos Community Foundation in achieving these shared goals.

Thank you for your consideration of our application. We look forward to the possibility of working together to enrich the quality of life for the residents of San Marcos.

Sincerely,

Frances Burnett

Frances Burnett
VP of Development
Home of Guiding Hands

Title

Home of Guiding Hands - Respite Care Expansion for Individuals with Disabilities

09/19/2024

id. 47552177

by **Jill Thomas** in **San Marcos Community Foundation**
on behalf of **Home of Guiding Hands Corporation**
development@guidinghands.org

Original Submission

09/19/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Home of Guiding Hands - Respite Care Expansion for Individuals with Disabilities
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Respite Care Expansion for Individuals with Disabilities
Project Start Date	11/1/2024
Project End Date	11/1/2025
Date by Which Funds Will Be Expended:	10/31/2025
Total Number of People Served by this Project	25.0
Total Number of People Served by this Project in San Marcos Only	25.0
Grant Amount Requested	5000.0
	Organization Details

Organization Name	Home of Guiding Hands
Organization Street Address	1908 Friendship Drive
Organization City	El Cajon
Organization State	California
Organization Zip Code	92020
Organization Website	guidinghands.org
Organization's EIN	95-6058273 200 Home of Guiding Hands Corporation 42ef4415-c606-4b15-8e90-8e6e8c2fa84f 1908 Friendship Drive El Cajon CA 92020 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-03-13T00:00:00 2023-04-10T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-03-13T00:00:00 1961 12
	Contact Information
Contact First Name	Frances
Contact Last Name	Burnett
Contact Title	VP of Development
Contact Phone	+16199382856
Contact Email	fburnett@guidinghands.org
	Project Details

Briefly describe your request for funds.	Home of Guiding Hands (HGH) respectfully requests $5,000 from the San Marcos Community Foundation to support our staffing efforts for the respite care program in San Marcos. The funds will be used to offer 25 hiring bonuses of $200 each, aimed at attracting new respite care workers to meet the growing demand for services. By focusing our recruitment outreach efforts towards Cal State San Marcos students, we will recruit qualified candidates, increasing the number of respite hours available to families in need. Currently, HGH serves five individuals with developmental disabilities in San Marcos, and this funding will allow us to expand our services to more individuals and their families. With additional respite workers, we can reduce the stress and burden on families, ensuring that they receive much-needed breaks while their loved ones receive quality care. The project not only strengthens our program but also supports the overall well-being of the San Marcos community by providing vital resources for families caring for individuals with disabilities.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	This request addresses the critical need for more respite care workers in San Marcos, supporting families caring for individuals with developmental disabilities. With $5,000, we will offer 25 hiring bonuses of $200 each, reaching out to Cal State San Marcos students to recruit new workers. This will not only help expand the number of care hours available but also introduce students and community members to potential careers in caregiving for individuals with disabilities, creating long-term impact for both families and workers. Currently, Home of Guiding Hands serves five individuals in San Marcos, but with additional respite workers, we can expand services to more families in need. The impact of this project reaches far beyond the 25 new hires, benefiting all the individuals they will care for and providing much-needed relief to their families. In addition to enhancing the quality of life for individuals with disabilities, this initiative fosters professional growth for new workers, potentially leading them into meaningful careers. This project strengthens the community by addressing both immediate caregiving needs and long-term workforce development.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We partner with the San Diego Regional Center to provide essential respite care and support services to individuals with disabilities in San Marcos, ensuring individualized and comprehensive care.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	N/A
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	**Mission and Impact** For over 57 years, Home of Guiding Hands (HGH) has been dedicated to improving the lives of individuals with developmental and intellectual disabilities. Our mission is to empower those we serve to live fulfilling, independent lives by providing personalized support, housing, life skills training, and a continuum of care that spans from childhood through the end stages of life. We believe that with the right guidance, every individual has the potential to thrive, and we strive to foster independence, self-sufficiency, and community integration. **Strategic Objectives** HGH operates on a set of strategic objectives that guide our work and drive our impact: 1. **Enhancing Quality of Life:** We work to improve the physical, emotional, and social well-being of individuals with disabilities through customized programs that focus on each person's unique needs. 2. **Promoting Independence and Community Integration:** We provide the tools, resources, and opportunities for individuals to integrate into their communities, encouraging independence and active participation. 3. **Expanding Access to Services:** We continuously seek ways to expand our programs and services to reach more individuals in need, ensuring that underserved populations receive the care and support they deserve. 4. **Building Collaborative Partnerships:** We aim to strengthen partnerships with local organizations, healthcare providers, and government agencies to leverage resources and expand our reach. 5. **Ensuring Sustainability:** By securing diverse funding sources and investing in staff development, we ensure the long-term sustainability of our programs and services. **Programs and Services** HGH offers a comprehensive range of services that cater to the diverse needs of individuals with developmental disabilities:

- **Residential Services:** We provide safe and supportive living environments where individuals can develop life skills and work toward greater independence.
- **Respite Services:** Our respite care program supports families and caregivers by offering short-term relief while ensuring high-quality care for their loved ones.
- **Community Living Programs:** These programs are designed to help individuals live independently within the community, providing ongoing support with daily living activities, employment, and socialization.
- **Tailored Day Programs:** These programs empower individuals to create a personalized schedule of activities that align with their interests and life goals, fostering personal growth and independence.
- **Early Childhood Development:** We work with young children and their families to provide early intervention services that promote developmental progress and lay the foundation for future success.

Milestone Achievements

Throughout our history, HGH has celebrated many significant milestones that underscore our impact on the community. Some of our recent achievements include:

- **Expanding Residential Services:** Over the past decade, HGH has increased its residential capacity, allowing us to provide housing and support for over 150 individuals with disabilities, ensuring they have safe and nurturing environments to live in.
- **Growth of Respite Care Programs:** Our respite services have grown significantly, now serving over 1,000 families across San Diego and Imperial Counties. This program has been a lifeline for families in need of temporary relief from caregiving.
- **Successful Community Integration:** Through our Community Living Program, over 500 individuals have successfully transitioned to independent living, participating actively in their communities through employment, volunteering, and social activities.
- **Recognition of Excellence:** HGH has received numerous accolades for its commitment to excellence in service delivery, including accreditation from the State of California and positive evaluations from external auditors.
- **Partnership Expansion:** We have deepened our partnership with the San Diego Regional Center (SDRC), enabling us to broaden our services and ensure a seamless continuum of care for individuals and families.

Impact on the Community

HGH’s impact is felt throughout the community as we continually strive to improve the quality of life for individuals with disabilities while easing the burden on families and caregivers. Our programs address both the immediate needs of our clients and the long-term goal of creating an inclusive, supportive community where all individuals can thrive.

For example, through our **Respite Care Program**, families are provided with much-needed relief, allowing them to recharge and return to their caregiving roles with renewed energy. One parent recently shared, "HGH's

respite services have been a godsend. They give us the peace of mind that our daughter is in safe hands, and we get the chance to take care of ourselves too."

In our **Residential Services Program**, residents receive individualized care and support, which enables them to pursue their personal goals, whether it's learning new life skills, gaining employment, or participating in community events. A long-term resident shared, "Living with HGH has changed my life. I've made friends, learned new things, and feel more independent than ever before."

The **Community Living Program** has been instrumental in promoting community integration. One of our participants, who recently transitioned to independent living, shared, "HGH helped me find my own place and get a job I love. I finally feel like I'm part of the community, and I'm so proud of what I've achieved."

Our impact also extends beyond the individuals we serve. By providing comprehensive care, we ease the burden on families, allowing them to focus on their well-being and other responsibilities, knowing their loved ones are well cared for.

Testimonials

- *"Home of Guiding Hands has been a beacon of hope for our family. Their services have provided stability and growth opportunities for my brother, and we are forever grateful."*
- *"The staff at HGH go above and beyond. They truly care about the individuals they serve and have made an incredible difference in my son's life."*
- *"With HGH's support, I've been able to gain my independence and live the life I've always wanted. They've given me the confidence to take control of my future."*

Conclusion

Home of Guiding Hands remains steadfast in our mission to improve the lives of individuals with developmental and intellectual disabilities. Our comprehensive programs, strategic partnerships, and dedication to the community have allowed us to make a significant impact over the past 57 years. Moving forward, we remain committed to expanding access to services, enhancing the quality of care, and fostering greater community inclusion for all individuals we serve. Together, with the support of our partners and community, we will continue to empower individuals to live independent, fulfilling lives.

Please upload any community letters or media in support of this project.

Were_Hiring_Respite_Flyer.pdf

Please upload the annual operating budget for your organization.

Approved_2023-2024_Budget_06262023.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

Audited_Financials_2022_2023.pdf

Please attach the first two pages of your Federal 990.

990_HGH.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

San_Marcos_Community_Foundation_letter_Sept_2024.pdf

	Funding

Budget Worksheet

San Marcos Community Foundation - Budget Worksheet.xlsx

Project Budget Total	5000.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No

Additional Funding

SMCF Budget Worksheet 2.xlsx

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	The request will fund 25 hiring bonuses for new respite care workers. Without full funding, we will offer as many bonuses as possible, though this will limit our ability to recruit sufficient staff.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
25 hiring bonuses for new respite care workers.	*$5,000*	*$200 each*
Total budget for this PROJECT:	$5,000	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	N/A		
Additional Funding Source 2			
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

HOME OF GUIDING HANDS
Proposed 2023-2024 Budget
Presented to the HGH Business Management Committee June 26, 2023

	2023-2024 Budget	Annualized YTD 2022-2023 FYTD Actuals	Annualized YTD 2022-2023 Annualized	Annualized YTD Budget - Actuals	Annualized YTD % Change	Annualized QTD Current 3 Months	Annualized QTD Current QTD Annualized	Annualized QTD Budget - Actuals	Annualized QTD % Change	Annualized Current Period Current Period	Annualized Current Period Current Period Annualized	Annualized Current Period Budget - Actuals	Annualized Current Period % Change
Operating Income													
Total ICF/DDH Residential Income	*14,268,485*	*11,336,593*	*13,603,912*	*664,573*	4.89%	*3,282,188*	*13,128,752*	*1,139,733*		*1,082,867*	*12,994,404*	*1,274,081*	
Total CCL Residential Income	*4,412,969*	*3,392,962*	*4,071,554*	*341,415*	8.39%	*1,044,818*	*4,179,272*	*233,697*		*355,208*	*4,262,496*	*150,473*	
Total Residential Income	*18,681,454*	*14,729,555*	*17,675,466*	*1,005,988*	5.69%	*4,327,006*	*17,308,024*	*1,373,430*	7.94%	*1,438,075*	*17,256,900*	*1,424,554*	8.25%
Total Community Services Revenue	*9,833,841*	*7,257,702*	*8,709,242*	*1,124,599*	12.91%	*2,235,502*	*8,942,008*	*891,833*	9.97%	*725,893*	*8,710,716*	*1,123,125*	12.89%
Total Other Program Revenue	*1,396,620*	*1,395,356*	*1,674,427*	*(277,807)*	(16.59%)	*339,429*	*1,357,716*	*38,904*	2.87%	*108,569*	*1,302,828*	*93,792*	7.20%
Total Development Income	*2,745,416*	*764,272*	*917,126*	*1,828,290*	199.35%	*403,489*	*1,613,956*	*1,131,460*	70.10%	*51,562*	*618,744*	*2,126,672*	343.71%
Total SPA Program Activity, net	*45,000*	*19,619*	*23,543*	*21,457*	91.14%	*4,566*	*18,264*	*26,736*	146.39%	*2,855*	*34,260*	*10,740*	31.35%
Total Other Income	*273,500*	*124,729*	*149,675*	*123,825*	82.73%	*43,289*	*123,149*	*150,351*	122.09%	*17,184*	*206,208*	*67,292*	32.63%
Total Operating Income	**32,975,832**	**24,291,233**	**29,149,480**	**3,826,352**	13.13%	**7,353,281**	**29,363,117**	**3,612,715**	12.30%	**2,344,138**	**28,129,656**	**4,846,176**	17.23%
Operating Expense													
Total Compensation	*21,384,409*	*15,817,463*	*18,980,955*	*2,403,454*	12.66%	*4,605,864*	*18,423,454*	*2,960,955*	16.07%	*1,538,811*	*18,465,738*	*2,918,671*	15.81%
Total Fringes	*4,180,261*	*2,885,556*	*3,462,667*	*649,695*	18.76%	*832,681*	*3,330,716*	*713,743*	21.43%	*288,696*	*3,464,368*	*589,849*	17.03%
Total Supplies	*1,060,000*	*753,679*	*904,417*	*155,583*	17.20%	*219,503*	*878,013*	*181,987*	20.73%	*67,815*	*813,782*	*246,218*	30.26%
Total Purchased Services	*1,250,000*	*932,686*	*1,119,223*	*132,325*	11.82%	*254,887*	*1,019,549*	*235,611*	23.11%	*81,584*	*979,011*	*286,469*	29.26%
Total Business Travel	*2,283,800*	*906,544*	*1,087,853*	*211,147*	19.41%	*257,433*	*1,029,729*	*269,271*	26.15%	*86,471*	*1,037,648*	*261,352*	25.19%
Total Facilities	*2,186,000*	*1,643,842*	*1,972,610*	*213,390*	10.82%	*407,230*	*1,628,921*	*557,079*	*(100.00%)*	*124,837*	*1,498,033*	*687,967*	45.92%
Total Office & Miscellaneous	*991,500*	*555,689*	*666,829*	*324,674*	48.69%	*220,445*	*881,778*	*108,222*	12.27%	*77,916*	*935,001*	*54,999*	5.88%
Total Operating Expense	**33,335,970**	**23,495,459**	**28,194,554**	**4,090,268**	14.51%	**6,798,043**	**27,192,160**	**5,026,868**	18.49%	**2,266,130**	**27,193,581**	**5,045,525**	18.55%
Net Operating Income (Loss)	**(360,138)**	**795,774**	**954,926**	**(263,916)**	(27.64%)	**555,238**	**2,170,957**	**(1,414,153)**	(65.14%)	**78,008**	**936,075**	**(199,349)**	(21.30%)
Total Other Income & Expense	*556,500*	*(505,365)*	*(606,436)*	*1,162,936*	(191.77%)	*173,722*	*694,890*	*(138,390)*	(19.92%)	*230,808*	*2,769,704*	*(2,213,204)*	(79.91%)
Net Income (Loss)	**(916,638)**	**1,301,139**	**1,561,362**	**(1,426,852)**	(91.39%)	**381,516**	**1,476,067**	**(1,275,763)**	(86.43%)	**(152,800)**	**(1,833,629)**	**2,013,855**	(109.83%)

** PUBLIC DISCLOSURE COPY **

Form 990 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

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023

B Check if applicable: Address change; Name change; Initial return; Final return/ terminated; Amended return; Application pending

C Name of organization
HOME OF GUIDING HANDS CORPORATION

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) 1908 FRIENDSHIP DRIVE

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
EL CAJON, CA 92020

F Name and address of principal officer: EDWARD HERSHEY
SAME AS C ABOVE

D Employer identification number
95-6058273

E Telephone number
619-938-2864

G Gross receipts $ 32,486,787.

H(a) Is this a group return for subordinates? Yes [X] No

H(b) Are all subordinates included? Yes No
If "No," attach a list. See instructions

H(c) Group exemption number

I Tax-exempt status: [X] 501(c)(3) 501(c) ( ) (insert no.) 4947(a)(1) or 527

J Website: HTTP://WWW.GUIDINGHANDS.ORG

K Form of organization: [X] Corporation Trust Association Other

L Year of formation: 1961 **M** State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO IMPROVE THE LIVES OF THOSE WE SERVE BY PROVIDING THE HIGHEST QUALITY PERSON CENTERED SERVICES.

2 Check this box 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	11
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 2022 (Part V, line 2a)	5	980
6	Total number of volunteers (estimate if necessary)	6	94
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.

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	1,190,516.	2,490,470.
9	Program service revenue (Part VIII, line 2g)	28,485,729.	28,369,269.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	292,643.	972,318.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<194,316.>	<214,197.>
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	29,774,572.	31,617,860.
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	94,000.	100,000.
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)	21,701,584.	22,269,149.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) 573,306.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	6,134,361.	6,588,842.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	27,929,945.	28,957,991.
19	Revenue less expenses. Subtract line 18 from line 12	1,844,627.	2,659,869.

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	31,185,720.	35,946,937.
21	Total liabilities (Part X, line 26)	6,983,446.	8,327,848.
22	Net assets or fund balances. Subtract line 21 from line 20	24,202,274.	27,619,089.

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

EDWARD HERSHEY, PRESIDENT/CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
		02/16/24		

Firm's name ALDRICH CPAS AND ADVISORS, LLP — Firm's EIN

Firm's address 1903 WRIGHT PLACE, #180
CARLSBAD, CA 92008 — Phone no. (760) 431-8440

May the IRS discuss this return with the preparer shown above? See instructions [X] Yes No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
TO IMPROVE THE LIVES OF THOSE WE SERVE BY PROVIDING THE HIGHEST QUALITY PERSON CENTERED SERVICES.

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 X 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 X 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 $ 14,952,438. including grants of $ 100,000.) (Revenue $ 18,073,423.)
RESIDENTIAL: HOME OF GUIDING HANDS OFFERS MORE THAN JUST A PLACE TO LIVE FOR 135 INDIVIDUALS IN A COMFORTABLE, FRIENDLY LIVING ENVIRONMENT WITH VARYING LEVELS OF INDIVIDUAL SUPPORT & TRAINING THROUGH 24-HOUR CARE AND SUPERVISION. RESIDENTS LIVE, WORK, ATTEND SCHOOL, AND ENJOY THEIR COMMUNITY IN ONE OF 30 HOMES ACCOMMODATING 4-6 PEOPLE RANGING IN AGES FROM 8 TO 80. HOMES ARE OPERATED UNDER THE REGULATIONS OF THE STATE OF CALIFORNIA DEPARTMENT OF PUBLIC HEALTH OR THE DEPARTMENT OF SOCIAL SERVICES.

4b (Code:) (Expenses $ 4,944,032. including grants of $) (Revenue $ 5,451,254.)
RESPITE: FAMILIES CARING FOR THEIR FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY OR OTHER CHALLENGE IN THEIR OWN HOME OFTEN HAVE A NEED FOR A FEW HOURS AWAY TO REVITALIZE THEMSELVES IN ORDER TO MEET THE ONGOING NEEDS OF THEIR FAMILY. HOME OF GUIDING HANDS "IN HOME RESPITE PROGRAM" PROVIDES 816 INDIVIDUALS TIME TO ENJOY OUTSIDE ACTIVITIES WITH THE KNOWLEDGE THAT THEIR FAMILY MEMBER IS SAFE AND WELL CARED FOR BY TRAINED STAFF WHO ARE FAMILIAR WITH THEIR LOVED ONE'S PARTICULAR NEEDS. (SAN DIEGO AND IMPERIAL VALLEY).

4c (Code:) (Expenses $ 1,755,916. including grants of $) (Revenue $ 1,632,417.)
TRANSPORTATION: HOME OF GUIDING HANDS PROVIDES SPECIALIZED TRANSPORTATION SERVICES FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES WHO ALSO EXPERIENCE SIGNIFICANT PHYSICAL AND/OR MEDICAL CHALLENGES & OTHER FROM THE SENIOR COMMUNITY. THE FLEET OF 16 ADAPTED BUSES, PRIMARILY MADE AVAILABLE THROUGH DEPT. OF TRANSPORTATION 5310 GRANT PROGRAM, TRANSPORTS APPROXIMATELY 182 ADULTS TO VARIOUS WORK AND "DAY PROGRAMS" IN SAN DIEGO COUNTY DAILY, DEPENDING ON COVID RESTRICTIONS. CERTIFIED DRIVERS AND TRAINED AIDES ENABLE ADULTS WITH PROFOUND MEDICAL AND OTHER NEEDS TO CONNECT WITH OTHERS IN THEIR COMMUNITY IN A SAFE AND EFFECTIVE MANNER. DURING THE PANDEMIC, ALTERNATIVE TRASNPORTATION SERVICES WERE ALSO PROVIDED.

4d Other program services (Describe on Schedule O.)
(Expenses $ 2,763,168. including grants of $) (Revenue $ 3,361,901.)

4e Total program service expenses 24,415,554.

HGH
Home of Guiding Hands

WE'RE HIRING!

DIRECT SUPPORT PROFESSIONALS
RESPITE WORKERS
COUNSELORS
& MORE!

- **Flexible Schedules**
- **Build Your Resume**
- **Positively Impact Others**

Apply Now

SCAN ME

Our Mission

TO IMPROVE THE LIVES OF THOSE WE SERVE.

We are one of the largest providers of disability services in San Diego and Imperial Counties, reaching more than 4,500 infants, children, adolescents, and adults with special needs each year.

GIVE. LEARN. GROW.

Apply Now

SCAN ME

331

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

09/27/2024

To Whom It May Concern,

Subject: Grant Request Authorization - Luminary Arts Corporation

On behalf of Luminary Arts Corporation, I am authorizing and supporting the grant application to the San Marcos Community Foundation.

Luminary Arts Corporation is dedicated to enriching our community through various artistic endeavors and cultural initiatives. With our commitment to fostering creativity and promoting
inclusivity, we are seeking financial assistance to support students of financial need. This project aligns with our mission to ensure that no child is turned away from our Summer programs for lack of funds.

Please find attached the necessary documents outlining the details of the grant request. We are grateful for the opportunity to apply for funding through the San Marcos Community Foundation and are available to provide any additional information or answer any questions you may have.

Thank you for considering our request. We look forward to the possibility of collaborating with the San Marcos Community Foundation to bring this project to fruition and further strengthen our community's cultural landscape.

Sincerely,

Bruce Blackwell
Board President
Luminary Arts Corporation

Title

Luminary Arts "A Boy and a Girl" Free Teen Workshop

09/28/2024

id. 47629169

by **Rick Hernandez** in **San Marcos Community Foundation**
on behalf of **Luminary Arts Corporation**
rhernandez@luminaryarts.org

Original Submission

09/28/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Luminary Arts "A Boy and a Girl" Free Teen Workshop
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Luminary Arts "A Boy and a Girl" Free Teen Workshop
Project Start Date	9/1/2024
Project End Date	11/30/2024
Date by Which Funds Will Be Expended:	12/31/2024
Total Number of People Served by this Project	1000.0
Total Number of People Served by this Project in San Marcos Only	1000.0
Grant Amount Requested	5000.0
	Organization Details
Organization Name	Luminary Arts

Organization Street Address	1124 Harwich Drive
Organization City	San Marcos
Organization State	CA
Organization Zip Code	92069
Organization Website	Luminaryarts.org
Organization's EIN	47-3301377 200 Luminary Arts Corporation aae6673d-073c-4246-a391-2c8cac9f4476 1124 Harwich Drive San Marcos CA 92069 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-09-23T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(2) organization 2024-09-09T00:00:00 2015 11
	Contact Information
Contact First Name	Dr. Rick
Contact Last Name	Hernandez
Contact Title	Managing Director
Contact Phone	+17606899452
Contact Email	rhernandez@luminaryarts.org
	Project Details

Briefly describe your request for funds.	Luminary Arts, San Diego's North County premier innovative theater company, is proud to announce "A Boy and A Girl," a free teen workshop. Greg Evans is the award-winning creator of the popular Luann comic strip, and a local North County San Marcos luminary. He has transformed his massively popular comic strip material into a musical -- A Boy and A Girl. Although we will use adults in the supporting roles of the parents in the show, the leading roles will be played by teens. In addition, we will be utilizing teens on the creative team and the run crew. Our adult teaching artists will be available as mentors and guides, but the teens will be running the show! Funds received from the San Marcos Community Foundation will be be utilized to offset production costs of this free teen workshop, including staff time for the Luminary Arts teaching artists and technicians, who will serve as the mentors and guides for the workshop. Other costs include, costumes, props, and set pieces, and marketing and publicity materials. Financial support from the San Marcos Community Foundation would be much appreciated, and would help us to accomplish this important work.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	This is a world-premier event. It is a great honor for Luminary Arts to be working with Greg Evans, the award-winning creator of the internationally popular Luann comic strip. Greg is a San Marcos native, who has not forgotten his roots. He has returned to San Marcos to work with Luminary Arts and local performers to bring "A Boy and A Girl" to life as a musical theater production. This could be the first step for this show on the road to becoming a Broadway production. It could follow in the footsteps of the many comic strips and cartoons, that have made a successful journey to Broadway, including, Spongebob SquarePants, You're a Good Man Charlie Brown, The Addams Family, Spiderman, Lil' Abner, and Annie. We expect about 100 participants and audience members at the event. However countless thousand could be affected by this project long-term.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	Luminary Arts provides performing arts opportunities both in-school and after-school for multiple school districts: SMUSD, VUSD, FUESD, PUSD and FUHSD.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	Earlier this year, we received a Grant of $1,000 in support of the Luminary Arts 2024 Summer Season. The funds were used for need-based scholarships, to help cover tuition costs for needy students.

Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.

The Mission of Luminary Arts is building community by educating, supporting, and creating performing artists.

Originally founded in 2015, Luminary Arts is a 501c(3) nonprofit educational theater company, based in San Marcos, California. We

currently serve as a subcontractor for multiple school districts in North County San Diego.

We provide both in-school and after-school performing arts programming including Music, Dance, and Theater classes, productions, and presentations. We work in collaboration with teachers and school administrators, to present our programming to the students, live and onsite, at the participating schools.

We also produce community-based private lessons, small group classes, and productions. We hold the classes, auditions, and rehearsals for these community activities at our studio space, conveniently located in the furniture row area of San Marcos. Our community-based shows are produced in various rental venues throughout North County San Diego.

As a testament to our success, we serve over 6,000 students each year through our programs. Luminary Arts is very strong on earned income revenue. Our annual operating income is over $500,000 per year. Most of these funds are derived from our earned income sources from serving as a subcontractor for multiple school districts and PTA's in North County San Diego.

Another achievement that we are very proud of is our service to the hundreds of happy youth, teen, and adult actors, and technicians, who participate in our community shows every season. They not only get the opportunity to hone their craft, but they also get to participate in community theatrical activities and productions, and they get to meet new friends and associates. Many of our students and community actors eagerly return to us season after season.

We give back to the community through our free or low-cost community based summer camps, youth productions, and inter-generational shows. All of our shows and activities are appropriate and fun for the whole family.

Please upload any community letters or media in support of this project.

Willy_Wonka_Ad.jpg

Shrek-PERFORMANCE-Poster.jpg

Elf_Jr_Flyer.jpg

DSCN1306.JPG

DSCN1266.JPG

HR2A5383_lores.jpg

HR2A5079.jpg

Luminary_Arts_Social_Media_Links.pdf

Please upload the annual operating budget for your organization.

2024_Proposed_Organizational_Budget.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

Luminary_Arts_Year_End_Financials_12-31-23.pdf

Please attach the first two pages of your Federal 990.

Rev1_2023-luminary-990-for-board-APPROVED.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

SMCF_Foundation_Letter.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	5000.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Funding for Luminary Arts "A Boy and A Girl" Free Teen Workshop, will be derived from earned income reserved for this purpose. If need be, the project can move forward without the full grant request.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Creative Team	*1,000.00*	*Teaching Artists, Mentors*
Musicians	250.00	Accompanist, Band, Tracks
Lighting and Sound Technicians	250.00	For Technical rehearsals and performances
Designers	500.00	For creation of props, sets, and costumes.
Venue Staff	250.00	Box Office, ushers, concessions
Administration	250.00	Administrative Staff time before, during and after production.
Props, Sets, and Costumes	1,000.00	The creation, purchase or rentals of props, sets and costumes as required.
Venue Overhead	500.00	The percentage of company overhead required for this production, including rent, utilities, and insurance.
Scripts, Programs, Printed Materials	500.00	All printing and copying costs associated with the production.
Marketing and Publicity	500.00	Staff time for the creation and distribution of press releases and social media.
Total budget for this PROJECT:	$5,000	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Corporate Contribution	500.00	C
Additional Funding Source 2	Foundations and Trustees	18,500.00	C
Additional Funding Source 3	Individual Contributions	2,500.00	C
Additional Funding Source 4	Contract Revenue	72,780.00	C
Additional Funding Source 5	Concessions	2,500.00	CD
Additional Funding Source 6	Ticket Sales	28,000.00	CD
Additional Funding Source 7	Tuition and Fees	63,000.00	C
Additional Funding Source 8	Studio Use	1,500.00	CD
Additional Funding Source 9	Other Program Revenue	20,000.00	CD
Additional Funding Source 10			

Revenue			
	Public Support		
		Corportate Contribution	$500.00
		Foundations & trustees	$18,500.00
		Individual Contributions	$2,500.00
		Total Direct Support	**$21,500.00**
	Program Support		
		Contract Revenue	$603,000.00
		Concessions	$2,500.00
		Ticket Sales	$28,000.00
		Tuition & Fees	$63,000.00
		Sutdio Use	$1,500.00
		Other Program Revenue	$20,000.00
		Total Program Support	**$718,000.00**
	Studio Services		
		Services	$8,000.00
		Total Revenue	**$747,500.00**
Expenses			
	Management & General Expenses		
		Compliance & Licensing	$350.00
		Dues & Subsciprtions	$1,650.00
		Equipment Rental	$100.00
		General Liability Insurance	$850.00
		Workers Comp Insurance	$15,444.00
		Legal & Professional Fees	$900.00
		Rent	$41,060.22
		Untilities	$3,800.00
		PayPal Fees	$50.00
		Payroll Expenses	$300.00
		Postage & Mailing	$550.00
		Repairs & Maintenance	$250.00
		Supplies	$2,500.00
		Telephone & Web	$1,500.00
		Travel & Meetings	$11,800.00
		Managing Director	$50,000.00
		Artistic Director	$65,000.00
		Payroll taxes	$11,500.00
		Total General Expenses	**$207,604.22**

	Program Services Expenses		
		Advertising	$2,500.00
		Arist Fee	$8,000.00
		Classroom Supplies	$4,000.00
		Costumes	$6,000.00
		Other Program Costs	$5,000.00
		Printing	$500.00
		Royalites	$18,000.00
		Scripts	$1,500.00
		Set Expenses	$10,500.00
		Stipends	$5,000.00
		T-shirts	$3,000.00
		Venue Rental	$25,000.00
		Matchings Funds	$15,000.00
		Total Program Expenses	**$89,000.00**
	Hourly Payroll Expenses		
		Wages	$340,000.00
		Payroll Taxes	$29,856.04
		QuickBook Fees	$50.00
		Total Payroll Expenses	**$369,906.04**
		Total Expenses	**$666,510.26**
		Total Ending Balance	**$80,989.74**

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public Inspection

A For the 2023 calendar year, or tax year beginning , 2023, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C
LUMINARY ARTS CORPORATION
1124 HARWICH DRIVE
SAN MARCOS, CA 92069

D Employer identification number
47-3301377

E Telephone number
(858) 735-1781

G Gross receipts $ 629,744.

F Name and address of principal officer: BRUCE BLACKWELL
SAME AS C ABOVE

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? If "No," attach a list. See instructions. ☐ Yes ☐ No

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

J Website: N/A

H(c) Group exemption number

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

L Year of formation:

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: BUILDING COMMUNITY BY EDUCATING, SUPPORTING & CREATING PERFORMING ARTISTS.

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	5
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	1
5	Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	25
6	Total number of volunteers (estimate if necessary)	6	8
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	8,053.	12,016.
9	Program service revenue (Part VIII, line 2g)	433,985.	617,728.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	442,038.	629,744.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	224,214.	301,000.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25)		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	106,376.	129,553.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	330,590.	430,553.
19	Revenue less expenses. Subtract line 18 from line 12	111,448.	199,191.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	235,206.	435,303.
21	Total liabilities (Part X, line 26)	2,483.	3,389.
22	Net assets or fund balances. Subtract line 21 from line 20	232,723.	431,914.

FOR BOARD APPROVAL

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

JENNIFER CRUMRINE — TREASURER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
MICHELLE HUXHOLD	MICHELLE HUXHOLD			P00290272

Firm's name: HUXHOLD & ASSOCIATES
Firm's address: 250 W CREST ST, SUITE A
ESCONDIDO, CA 92025
Firm's EIN: 33-0659157
Phone no. (760) 741-8802

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

BUILDING COMMUNITY BY EDUCATING, SUPPORTING & CREATING PERFORMING ARTISTS.

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 $ 383,757. including grants of $) (Revenue $ 617,729.)

SEE SCHEDULE O

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 383,757.

FOR BOARD APPROVAL

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*? See instructions	2		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments – other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments – program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*. See instructions	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X

FOR BOARD APPROVAL

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions).			
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of any individual described in line 28a? *If "Yes," complete Schedule L, Part IV*	28b		X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in noncash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? **Note:** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a	0		
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	

FOR BOARD APPROVAL

Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return **2a** 25			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	**2b**	X	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	**3a**		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation on Schedule O.*	**3b**		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	**4a**		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	**5a**		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	**5b**		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	**6a**		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	**7a**		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	**7c**		X
d	If "Yes," indicate the number of Forms 8282 filed during the year **7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	**7e**		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**7f**		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	**7h**		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	**8**		
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the sponsoring organization make any taxable distributions under section 4966?	**9a**		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	**9b**		
10	**Section 501(c)(7) organizations.** Enter:			
a	Initiation fees and capital contributions included on Part VIII, line 12 **10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities **10b**			
11	**Section 501(c)(12) organizations.** Enter:			
a	Gross income from members or shareholders **11a**			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) **11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year **12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state? **Note:** See the instructions for additional information the organization must report on Schedule O.	**13a**		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans **13b**			
c	Enter the amount of reserves on hand **13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	**14a**		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation on Schedule O.*	**14b**		
15	Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	**15**		X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	**16**		X
17	**Section 501(c)(21) organizations.** Did the trust, or any disqualified or other person, engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.	**17**		

FOR BOARD APPROVAL

Part VI **Governance, Management, and Disclosure.** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.*

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

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

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records.

BRUCE BLACKWELL 1124 HARWICH DRIVE SAN MARCOS CA 92069 (858) 735-1781

FOR BOARD APPROVAL

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRUCE BLACKWELL	20									
CEO/CFO	0	X		X				37,420.	0.	0.
(2) AMY THROCKMORTON	16									
VICE PRESIDENT	0	X		X				11,165.	0.	0.
(3) JILL BLACKWELL	6									
SECRETARY	0	X		X				1,000.	0.	0.
(4) REBECCA NOLAND	10									
DIRECTOR	0	X						400.	0.	0.
(5) JENNIFER CRUMRINE	1									
TREASURER	0	X		X				0.	0.	0.
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

FOR BOARD APPROVAL

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b **Subtotal**								49,985.	0.	0.
c **Total from continuation sheets to Part VII, Section A**								0.	0.	0.
d **Total (add lines 1b and 1c)**								49,985.	0.	0.

FOR BOARD APPROVAL

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

		Yes	No
3 Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants, and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	5,000.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	7,016.			
	g Noncash contributions included in lines 1a-1f	1g				
	h **Total.** Add lines 1a-1f		12,016.			
Program Service Revenue		Business Code				
	2a CONTRACT REVENUE		505,865.	505,865.		
	b TUITION & FEES		62,897.	62,897.		
	c TICKET SALES		27,581.	27,581.		
	d SERVICES		7,845.	7,845.		
	e OTHER PROGRAM REVENUE		6,580.	6,580.		
	f All other program service revenue		6,960.	6,960.		
	g **Total.** Add lines 2a-2f		617,728.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)					
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents 6a					
	b Less: rental expenses 6b					
	c Rental income or (loss) 6c					
	d Net rental income or (loss)					
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory 7a					
	b Less: cost or other basis and sales expenses 7b					
	c Gain or (loss) 7c					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18 8a					
	b Less: direct expenses 8b					
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19 9a					
	b Less: direct expenses 9b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances 10a					
	b Less: cost of goods sold 10b					
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d					
	12 **Total revenue.** See instructions		629,744.	617,728.	0.	0.

FOR BOARD APPROVAL

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	49,985.	18,415.	31,570.	0.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	224,953.	224,953.		
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	26,062.	23,069.	2,993.	
11 Fees for services (nonemployees):				
a Management				
b Legal	99.		99.	
c Accounting	1,100.		1,100.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)				
12 Advertising and promotion	2,009.	358.	1,651.	
13 Office expenses	2,530.	1,153.	1,377.	
14 Information technology	1,025.	953.	72.	
15 Royalties	16,025.	16,025.		
16 Occupancy	44,110.	40,501.	3,609.	
17 Travel	1,252.	292.	960.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	763.	763.		
23 Insurance	4,781.	4,232.	549.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a VENUE RENTAL	20,558.	20,558.		
b SET EXPENSES	7,543.	7,543.		
c OTHER PROGRAM COSTS	6,972.	6,267.	705.	
d COSTUME	5,628.	5,628.		
e All other expenses	15,158.	13,047.	2,111.	
25 **Total functional expenses.** Add lines 1 through 24e	430,553.	383,757.	46,796.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

FOR BOARD APPROVAL

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash — non-interest-bearing		200,017.	1	386,133.
	2	Savings and temporary cash investments		52.	2	52.
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		23,085.	4	37,505.
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges			9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 14,488.			
	b	Less: accumulated depreciation	10b 6,199.	9,052.	10c	8,289.
	11	Investments — publicly traded securities			11	
	12	Investments — other securities. See Part IV, line 11			12	
	13	Investments — program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		3,000.	15	3,324.
	16	**Total assets.** Add lines 1 through 15 (must equal line 33)		235,206.	16	435,303.
Liabilities	17	Accounts payable and accrued expenses			17	
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		2,483.	25	3,389.
	26	**Total liabilities.** Add lines 17 through 25		2,483.	26	3,389.
Net Assets or Fund Balances		**Organizations that follow FASB ASC 958, check here and complete lines 27, 28, 32, and 33.**	X			
	27	Net assets without donor restrictions		232,723.	27	431,914.
	28	Net assets with donor restrictions			28	
		Organizations that do not follow FASB ASC 958, check here and complete lines 29 through 33.	☐			
	29	Capital stock or trust principal, or current funds			29	
	30	Paid-in or capital surplus, or land, building, or equipment fund			30	
	31	Retained earnings, endowment, accumulated income, or other funds			31	
	32	Total net assets or fund balances		232,723.	32	431,914.
	33	Total liabilities and net assets/fund balances		235,206.	33	435,303.

FOR BOARD APPROVAL

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	629,744.
2	Total expenses (must equal Part IX, column (A), line 25)	2	430,553.
3	Revenue less expenses. Subtract line 2 from line 1	3	199,191.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	232,723.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	431,914.

Part XII Financial Statements and Reporting

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

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____			
	If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both. ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b		X
	If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both. ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
	If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	3b		

FOR BOARD APPROVAL

3/13/2024

The Luminary Arts Corporation Board of Directors approves the 2023 tax filing provided by Huxhold and Associates.

Bruce Blackwell - CEO/CFO

Amy Throckmorton - Vice President

Jill Blackwell - Secretary

Rebecca Noland - Director

Jennifer Crumrine - Treasurer

NATIONAL CONFLICT RESOLUTION CENTER

27 September, 2024

San Marcos Community Foundation
1 Civic Center Dr.,
San Marcos, CA 92069
(760) 410-2963

Re: NCRC's Culture, Communication, and Conflict Certificate Program for Community Leaders

Dear Members of the San Marcos Community Foundation,

I am writing to you as the President of the National Conflict Resolution Center (NCRC) because I believe in the importance of the work we do and the impact it has on the lives of Southern California residents.

I am excited to share NCRC's Culture, Communication, and Conflict (C3) Certificate Program, designed to equip local nonprofit and community leaders with essential skills to resolve conflicts, foster inclusivity, and strengthen collaboration. By supporting this program, you'll help create a more resilient, united San Marcos.

Thank you for considering our proposal. We are eager to partner with you to bring a lasting positive impact to the community.

Best regards,

Steven P. Dinkin
President, National Conflict Resolution Center

Title

National Conflict Resolution Center: Certificate in Culture, Communication and Conflict for San Marcos Community Leaders

09/27/2024

id. 47628493

by **Melanie Harris** in **San Marcos Community Foundation**
on behalf of **National Conflict Resolution Center**
mharris@ncrconline.com

Original Submission

09/27/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	National Conflict Resolution Center: Certificate in Culture, Communication and Conflict for San Marcos Community Leaders
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Certificate in Culture, Communication and Conflict for San Marcos Community Leaders
Project Start Date	1/1/2025
Project End Date	12/31/2025
Date by Which Funds Will Be Expended:	12/31/2025
Total Number of People Served by this Project	20.0
Total Number of People Served by this Project in San Marcos Only	20.0
Grant Amount Requested	10000.0

	Organization Details
Organization Name	National Conflict Resolution Center
Organization Street Address	530 B St. suite 1700 San Diego, CA 92101
Organization City	San Diego
Organization State	CA
Organization Zip Code	92101
Organization Website	ncrconline.com
Organization's EIN	33-0433314 200 National Conflict Resolution Center 1c357ab9-d6c2-4486-a2f8-96e4094e3254 530 B Street Suite 1700 San Diego CA 92101 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-09-23T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-09-09T00:00:00 1995 12
	Contact Information
Contact First Name	Melanie
Contact Last Name	Harris
Contact Title	Grant and Donor Communications Manager
Contact Phone	+16193007104
Contact Email	mharris@ncrconline.com
	Project Details

Briefly describe your request for funds.	Conflict is a natural part of life. When mismanaged, it causes division and intolerance, blocking solutions to important problems. But when managed well, conflict can be productive and transformative, fostering respect and unity - even as we continue to disagree. For over 40 years, NCRC has shown that working through differences builds tolerance and strengthens communities. Our Culture, Communication, and Conflict Certificate (C3 Certificate) program equips leaders with skills to manage conflict constructively and create a more positive culture. The curricula at the heart of the C3 Certificate program gives leaders the skills and tools to create a positive culture with greater impact. Through four two-hour sessions, cohorts of approximately 20 leaders from across sectors in San Marcos will work together in highly interactive sessions to learn: *The ARTful Conversation - Teaches non-confrontational communication for resolving conflict.* *The Art of Inclusive Communication – Embraces diversity and working together across identities.* *The Bystander Challenge - Empowers people to be thoughtful upstanders with the skills to have challenging conversations in ways that demonstrate respect, inclusiveness, and dignity for everyone involved.* *The Exchange - Creates a structured process for problem-solving that values every individual.*
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	We propose bringing together one cohort of 20 diverse non-profit and community leaders from San Marcos to participate in our C3 Certificate program. This training will enhance participants' ability to address conflicts constructively, promote inclusivity, and strengthen collaboration. By partnering with the San Marcos Community Foundation, we aim to foster relationships among leaders who might not typically work together, creating a unified language and cooperative spirit across the city. These leaders will be empowered to address social and economic challenges, ensuring long-term positive impact in San Marcos and beyond.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We collaborate with local schools, government agencies, and nonprofits to deliver conflict resolution training. We will also work with San Marcos-based organizations to expand our community impact.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	We have not previously received funding from the San Marcos Community Foundation.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	**Empower People, Transform Cultures** At NCRC, we are dedicated to empowering individuals, organizations, and communities with the skills to resolve conflicts, foster inclusivity, and build bridges across differences. Founded over 40 years ago, we operate on the principle that every dispute has a solution, and that civility and respect are the cornerstones of addressing even the most difficult conflicts. Our mission is to build resilient communities by equipping people with the tools they need to resolve conflicts productively, transform challenges into opportunities, and strengthen relationships. **Strategic Objectives** Our primary goals focus on expanding **conflict resolution training**, promoting **restorative practices** in our youth through schools and community interventions, and **developing community leaders** who can drive positive change. We teach essential life skills such as flexibility, teamwork, and problem-solving, helping to foster inclusivity and collaboration across sectors. Annually, our trainings positively impact over 10,000 San Diegans, ranging from middle school students to senior citizens. This impact-driven, solution-focused approach keeps advancing our mission to transform cultures and empower communities across San Diego and beyond. **Community Impact** NCRC has developed specialized programs for low- and moderate-income (LMI) communities, with a focus on inclusivity and economic equity. We offer workshops and facilitated dialogues to strengthen participants sense of community and improve conflict resolution skills. Our staff and volunteer **Community Mediators** resolve over 1,500 conflicts annually, diverting cases from the judicial system and reducing governmental intervention. One of our standout programs, the **Work Readiness Exchange (WRE)**, serves refugee populations and those facing housing instability, providing communications and conflict management training. In 2023 alone, our **Live Well San Diego** partnership facilitated over 250 workshops, impacting

3,352 unique participants.

Our efforts in San Diego's diverse communities also target restorative justice and work to disrupt the school-to-prison pipeline. By offering skills training, mediation, and restorative practices as alternatives to punitive measures, we empower youth and strengthen public safety. Engaging community members in restitution planning ensures successful outcomes, strengthens community bonds, promotes workplace readiness, and supports economic equity, thereby driving significant social and economic transformation throughout San Diego.

Milestone Achievements

NCRC has achieved several key milestones over the past four decades, proving the effectiveness and impact of our work:

1. **Restorative Justice in Schools**: For over a decade, NCRC has led restorative justice efforts in San Diego schools, significantly reducing suspensions and keeping students engaged.
2. **Culture, Communication, and Conflict Certificate**: This signature program equips leaders across sectors with conflict management and inclusive communication skills. Graduates report increased confidence in resolving conflicts and improved team collaboration.
3. **Collaboration with Local Governments**: We work with local governments to mediate conflicts related to land use, housing, and public services, while training officials to manage these challenges inclusively.

Testimonials

Our impact is best demonstrated through participant experiences:

- A teacher from our restorative practices program said, "NCRC's training gave me the tools to resolve conflicts while keeping students part of the community. Our school feels safer and more inclusive because of it."
- Another participant from the **Culture, Communication, and Conflict Certificate** program shared, "The training transformed how I approach disagreements, improving both my professional and personal relationships. It has significantly improved team morale and collaboration."

Looking Forward

NCRC stands at the forefront of creating lasting social impact by transforming how communities address conflict. Our programs are not only scalable and adaptable but are proven across a diverse range of sectors and geographic areas. We relentlessly refine our curriculum, driven by real-world feedback and a focus on measurable results that foster civility and collaboration.

As we move forward, we are committed to expanding our reach, strengthening partnerships, and deepening our impact. We believe that conflict, when handled effectively, can be the key to unlocking stronger bonds, greater understanding, and meaningful collaboration. Our focus on

leadership development and conflict resolution will continue driving positive social and economic transformation across San Diego and beyond.

The next phase of NCRC's journey is about ensuring that every individual and community has the tools to navigate conflict constructively. Whether through training, mediation, or restorative justice programs, we are building a more inclusive and civil society. Our 40-year track record speaks to the profound effectiveness of our approach, but we are not stopping here. We are eager to broaden our influence, determined to empower even more individuals and communities to turn conflict into opportunity and create a more civil society for all.

Please upload any community letters or media in support of this project.

C3_Certificate_Comments_1.pdf

NCRC-CERTIFICATE-BROCHURE-6.15.2022web.pdf

ADVANCING-HEALTHY-COMMUNITIES_-RESTORING-CIVILITY-IN-LEMON-GROVE.pdf

The-Executive-CSES-Spring-2024-1.pdf

Please upload the annual operating budget for your organization.

NCRC_FY25_BUDGET.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

NCRC_2023_Audited_Financial_Statements.pdf

Please attach the first two pages of your Federal 990.

990_intro_NCRC.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

NCRC_Authorization_2024.pdf

Funding

Budget Worksheet

San Marcos Community Foundation - Budget Worksheet.xlsx

Project Budget Total	10000.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	No

Additional Funding

SMCF Budget Worksheet 2.xlsx

Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Budget detail can be provided as needed. We will continue offering the program across San Diego but won’t be able to bring it specifically to San Marcos without the necessary financial support.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Project Management (DB)		*60 hrs*
Program Design and Development (MM)		10 hrs
Curriculum Customization (LM)		10 hrs
Lead Trainer, Assistant Trainer, Training Support Staff		16 hrs each
Subtotal	5,849.00	
Benefits @25%	1,462.00	
Subtotal Personnel	7,311.00	
Non-Personnel		
Materials/Videos/Portal Access	550.00	20 X $27.50
Mileage @ 0.665	96.00	145 X 0.665
Space and Refreshments	240.00	20 X 12
Subtotal Non-personnel	886.00	
Overhead @22%	1,803.00	
Total budget for this PROJECT:	10,000.00	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	San Diego County	100,000.00	c
Additional Funding Source 2	Burnham Foundation	300,000.00	c
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

National Conflict Resolution Center

Budget FY25

FY 2024/2025

Description	FY 25
INCOME:	
COMMUNITY	
County ADR	550,000
SD Unified School District	170,000
County School Districts	1,475,500
Juvenile Diversion Initiative	2,500,000
Sub-Total	4,695,500
BUSINESS CENTER	
West Coast Resolution Group	1,500,000
Sub-Total	1,500,000
TRAINING	
Mediation Training	96,000
Exchange Training	2,008,000
Sub-Total	2,104,000
OTHER INCOME SOURCES	
Fund Development	1,860,000
Foundations	1,485,000
In-Kind Contributions	25,000
Other Income	2,000
Sub-Total	3,372,000
Total Income	**11,671,500**
EXPENSES:	
Personnel Expenses:	
Salaries	5,987,505
Salaries -Vacation Accrual	40,000
Taxes & Worker's Comp	560,185
SIMPLE IRA	54,496
Health Insurance	235,860
Total Personnel	**6,878,046**

National Conflict Resolution Center

Budget FY25

FY 2024/2025

Description	FY 25
EXPENSES (CONTINUED):	
Non Personnel Expenses:	
Accounting/Auditing	94,000
Advertising/Marketing	385,000
Bank Fees	61,500
Board Expenses	5,000
Catering	217,500
Client/Donor Development	1,000
Consultants	426,600
Copying/Printing	53,000
Depreciation	80,000
Dues & Memberships	3,600
Equipment Lease/Repair	50,000
In-Kind Expense	25,000
Insurance	89,000
Legal Fees	5,000
Licenses & Taxes	500
Maintenance	30,000
Mediators	975,000
Mileage	67,500
Miscellaneous Expenses	305,000
Office Supplies	90,000
Parking	55,000
Postage	7,500
Rent & Storage	504,000
Space Rental	5,000
Staff Development	68,000
Subcontractors	530,000
Subscriptions	2,500
Technology	350,000
Telephone	41,000
Temporary Help	50,000
Travel	100,000
Utilities/Common Area Maintenance	96,000
Total Non-Personnel	**4,773,200**
TOTAL EXPENSES	**11,651,246**
INCOME/(DEFICIT)	**20,254**

PUBLIC DISCLOSURE COPY - STATE REGISTRATION NO. 1669325

Form **990**

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

2022

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
NATIONAL CONFLICT RESOLUTION CENTER

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) 530 B STREET, SUITE 1700 Room/suite

City or town, state or province, country, and ZIP or foreign postal code SAN DIEGO, CA 92101

F Name and address of principal officer: STEVEN DINKIN
SAME AS C ABOVE

D Employer identification number
33-0433314

E Telephone number
619-238-2400

G Gross receipts $ 8,777,738.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(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.NCRCONLINE.COM

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

L Year of formation: 1982 **M** State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: DISPUTE MEDIATION & CONFLICT RESOLUTION

2 Check this box ☐ 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	25
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	24
5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	109
6	Total number of volunteers (estimate if necessary)	6	36
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,090,424.	1,449,344.
9	Program service revenue (Part VIII, line 2g)	5,233,690.	6,520,378.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,749.	8,549.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	317,294.	455,708.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,652,157.	8,433,979.

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)	3,739,640.	4,637,827.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) 483,436.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,839,731.	3,397,727.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	6,579,371.	8,035,554.
19	Revenue less expenses. Subtract line 18 from line 12	1,072,786.	398,425.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	4,355,827.	8,672,809.
21	Total liabilities (Part X, line 26)	774,463.	4,620,447.
22	Net assets or fund balances. Subtract line 21 from line 20	3,581,364.	4,052,362.

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

STEVEN DINKIN, PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
LUKAS DAVIS		05/09/24	☐	P00668234

Firm's name CONSIDINE & CONSIDINE Firm's EIN 95-2694444

Firm's address 8989 RIO SAN DIEGO DRIVE, SUITE 250
SAN DIEGO, CA 92108-1604 Phone no. 619.231.1977

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
DISPUTE MEDIATION & CONFLICT RESOLUTION

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 X 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 X 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 $ 6,264,200. including grants of $) (Revenue $ 6,520,378.)
DURING FY2022-2023 NATIONAL CONFLICT RESOLUTION PROVIDED AND WAS INVOLVED IN THE FOLLOWING:
MEDIATIONS; CONCILIATIONS; RESTORATIVE JUSTICE COMMUNITY CONFERENCES; ADMINISTRATIVE HEARINGS; INTAKE; INFORMATION & REFERRALS; FOLLOW-UP; OUTREACH; MEDIATOR CREDENTIALING & PROGRAM EVALUATION FACILITATING LARGE GROUP MEDIATIONS & CONSENSUS PLANNING, TRAINING THE PUBLIC IN THE SKILLS & TECHNIQUES OF ADR; TRAINING CORPORATE MANAGERS, SUPERVISORS AND STAFF IN COMMUNICATION AND CONFLICT RESOLUTION SKILLS; TEACHING COLLEGE LAW SCHOOL & GRADUATE SCHOOL COURSES IN THE THEORIES & PRACTICE OF ADR; PROVIDE ONGOING INFORMATION & EDUCATION TO THE JUSTICE SYSTEM OFFICIALS, MEMBERS OF THE LEGAL COMMUNITY & POLICY MAKING LEADERS ABOUT THE BENEFITS OF ADR; DEVELOPING NEW APPLICATIONS FOR ADR

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 6,264,200.

NATIONAL CONFLICT RESOLUTION CENTER
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023

NATIONAL CONFLICT RESOLUTION CENTER

		Pages
I	Index	1
II	Independent auditor's report	2 – 3
III	Consolidated statement of financial position	4
IV	Consolidated statement of activities and changes in net assets	5
V	Consolidated statement of functional expenses	6
VI	Consolidated statement of cash flows	7
VII	Notes to the consolidated financial statements	8 – 19

CONSIDINE CONSIDINE
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
National Conflict Resolution Center

Opinion

We have audited the accompanying consolidated financial statements of National Conflict Resolution Center, a nonprofit organization, which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements. In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of National Conflict Resolution Center as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Conflict Resolution Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Conflict Resolution Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

8989 RIO SAN DIEGO DRIVE, SUITE 250 • SAN DIEGO, CA 92108
TEL 619-231-1977 • FAX 619-231-8244 • www.cccpa.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 National Conflict Resolution Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate that raise substantial doubt about National Conflict Resolution Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CONSIDINE & CONSIDINE
An accountancy corporation

March 8, 2024

NATIONAL CONFLICT RESOLUTION CENTER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

ASSETS	
CURRENT ASSETS	
Cash (note 3)	$ 1,286,338
Receivables (note 4)	2,390,299
Prepaid expenses	77,133
	3,753,770
PROPERTY AND EQUIPMENT (note 5)	223,352
OTHER ASSETS	
Pledges receivable - long-term (note 4)	435,318
Investments (note 7)	390,665
457(b) deferred compensation plan assets (note 8)	184,488
Right-of-use assets (note 9)	3,606,725
Deposits	78,491
	4,695,687
TOTAL ASSETS	8,672,809
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	167,370
Accrued liabilities	199,777
Deferred revenue	420,816
Lease liabilities - current (note 9)	390,057
	1,178,020
LONG-TERM LIABILITIES	
Lease liabilities - non-current (note 9)	3,257,939
457(b) deferred compensation plan liability (note 8)	184,488
	3,442,427
TOTAL LIABILITIES	4,620,447
NET ASSETS (note 10)	
Without donor restrictions	2,605,562
With donor restrictions	1,446,800
	4,052,362
TOTAL LIABILITIES AND NET ASSETS	$ 8,672,809

See accompanying notes

NATIONAL CONFLICT RESOLUTION CENTER
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTALS
REVENUE			
Contract revenue	$ 3,159,059	$ -	$ 3,159,059
Client service fees	2,447,009	-	2,447,009
Contributions	164,496	1,282,859	1,447,355
Training fees	914,310	-	914,310
Investment income, net (note 7)	79,629	-	79,629
In-kind contributions	73,048	-	73,048
Other income	209	-	209
Interest income	111	-	111
	6,837,871	1,282,859	8,120,730
Special events and activities			
Special events and activities revenue	816,429	-	816,429
Direct benefits to donors	(129,258)	-	(129,258)
	687,171	-	687,171
Net assets released from restriction (note 10)	1,072,118	(1,072,118)	-
TOTAL REVENUE AND SUPPORT	8,597,160	210,741	8,807,901
EXPENSES			
Program services	6,264,201	-	6,264,201
Management and general	1,286,535	-	1,286,535
Development	786,167	-	786,167
	8,336,903	-	8,336,903
CHANGE IN NET ASSETS	260,257	210,741	470,998
NET ASSETS, BEGINNING	2,345,305	1,236,059	3,581,364
NET ASSETS, ENDING	$ 2,605,562	$ 1,446,800	$ 4,052,362

See accompanying notes

NATIONAL CONFLICT RESOLUTION CENTER
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	PROGRAM SERVICES	MANAGEMENT AND GENERAL	DEVELOPMENT	TOTAL
EXPENSES				
Accounting	$ -	$ 23,237	$ -	$ 23,237
Advertising and marketing	45,514	199,542	7,653	252,708
Bank fees	1,505	42,512	4,745	48,763
Board expenses	-	11,982	-	11,982
Catering	20,158	4,113	134,112	158,383
Client/donor development	89	43	808	940
Dues and memberships	1,338	543	125	2,005
Equipment rental (note 9)	4,174	36,194	-	40,368
In-kind expense	18,271	-	71,948	90,219
Insurance	32,692	20,767	4,060	57,520
Legal fees	-	6,300	-	6,300
License and taxes	-	711	-	711
Maintenance	15,274	4,111	-	19,385
Mediators	978,842	-	-	978,842
Mileage and parking	50,988	40,578	1,708	93,274
Miscellaneous	102,242	4,802	65,676	172,719
Office supplies	5,926	34,846	304	41,076
Outside services	152,190	7,379	187,150	346,719
Personnel	4,045,440	326,927	355,301	4,727,669
Photocopying and printing	16,438	6,608	20,575	43,621
Postage and shipping	1,271	1,456	1,721	4,448
Rent	315,528	210,887	26,378	552,793
Space rental (note 9)	2,610	-	4,245	6,855
Staff development	7,546	19,980	277	27,803
Subcontractors	252,478	-	-	252,478
Subscriptions	96	1,852	-	1,948
Technology	81,320	175,739	18,230	275,290
Telephone	-	32,804	-	32,804
Temporary personnel	5,117	51,794	-	56,911
Travel	12,467	2,098	4,117	18,682
Utilities	37,852	8,644	-	46,496
TOTAL EXPENSES BEFORE DEPRECIATION	6,207,367	1,276,447	909,134	8,392,948
Depreciation	56,834	10,087	6,291	73,213
TOTAL EXPENSES	6,264,201	1,286,535	915,425	8,466,161
Less: Direct benefits to donors at special events included in revenue	-	-	(129,258)	(129,258)
TOTAL EXPENSES INCLUDED IN THE EXPENSE SECTION OF THE CONSOLIDATED STATEMENT OF ACTIVITIES	$ 6,264,201	$ 1,286,535	$ 786,167	$ 8,336,903

See accompanying notes

NATIONAL CONFLICT RESOLUTION CENTER
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	
Change in net assets	$ 470,998
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO	
NET CASH PROVIDED /(USED) BY OPERATING ACTIVITIES	
Depreciation	73,213
Realized and unrealized gain on investments	(72,875)
Donated investments	(156,060)
Operating lease amortization	41,271
Change in operating assets and liabilities:	
Receivables	(300,517)
Prepaid expenses	(23,707)
Pledges receivable - long-term	(182,028)
Accounts payable	72,181
Accrued liabilities	34,240
Deferred revenue	56,654
	(457,628)
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,370
NET CASH PROVIDED BY INVESTING ACTIVITIES	
Acquisitions of property and equipment	(33,295)
Redemption of certificate of deposit	199,223
	165,928
NET INCREASE IN CASH	179,298
CASH, BEGINNING OF YEAR	1,107,040
CASH, END OF YEAR	$ 1,286,338

See accompanying notes

NOTE 1 THE ORGANIZATION

National Conflict Resolution Center (NCRC) and National Conflict Resolution Corporation ("Corporation") are both nonprofit organizations that seek to provide dispute resolution services to the residents of San Diego City and County in order to provide an alternative to traditional systems. NCRC also provides training on a local, national, and international scale. The following is a brief description of the Organization's programs:

Mediation Services
NCRC and the Corporation provide the following services:

Mediation — Provides services where disputants meet with neutral person(s) who facilitate communication and negotiation between them in an effort to assist in reaching a mutually acceptable written or verbal agreement.

Conciliation — Provides services where a neutral person facilitates resolution of disputes through several independent communications with disputants in an effort to reach a written or verbal agreement.

Mitigation — Provides services where a neutral person assists one or more parties to a dispute to identify the issues and interests involved and assists in determining a course of action, likely to avoid the need for litigation or violence.

Mediator panels are selected, trained, and maintained by NCRC's Training Institute.

Restorative Services
NCRC works in partnership with community, law enforcement, and school districts to provide diversion services and restorative practices in response to the school to prison pipeline.

Training
Since 1983, NCRC's Training Institute has combined theoretical and experiential techniques to provide quality learning. NCRC also designs customized courses, workshops, and on-site conflict coaching for the specific needs of their clients.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting — The consolidated financial statements include the accounts of NCRC and the Corporation, which are collectively referred to as the "Organization". Three of the five members of the Corporation's Board of Directors are also members or affiliated with NCRC's Board. The accompanying consolidated financial statements are prepared using the accrual method of accounting in conformity with generally accepted accounting principles (GAAP) in the United States. In the preparation of these consolidated financial statements, all intercompany accounts have been eliminated.

Basis of presentation — The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. The Organization follows standards regarding classification of Endowment Funds of

nonprofits subject to an enacted version of the Uniform Prudent Management of Institutional Funds Acts (UPMIFA) and enhanced disclosures in the endowment.

Estimates — Management of the Organization has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period to prepare these consolidated financial statements in conformity with GAAP. Actual results could differ from those estimates.

Financial statement presentation — The Organization follows the Financial Accounting Standards Board's (FASB) Financial Statements of Not-for-Profit Organizations for presentation of its consolidated financial statements which require that net assets, support, revenue and gains, expenses and losses be classified as with donor restrictions and without donor restrictions.

Net assets without donor restrictions — Consists of assets which are fully available, at the discretion of management and the Board of Directors, for the Organization to utilize in any of its programs 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 — These net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds. These net assets also include amounts that are restricted by donors that neither expire by the passage of time nor can be fulfilled or removed by actions of the Organization.

Cash and cash equivalents — The Organization considers financial instruments with a fixed maturity date of less than three months to be cash equivalents.

Pledges receivable — The pledges receivable consist of donor promises to give and reimbursement grants. It is the Organization's policy to charge off uncollectible pledges receivable when management determines the pledge will not be collected. As of June 30, 2023, all pledges are considered collectible.

Property and equipment — Property and equipment are stated at cost or fair market value at the date of donation, if donated. Depreciation is calculated on a straight line basis over the estimated useful lives of the depreciable assets of 5 to 7 years. Repairs and maintenance are charged to expense as incurred. It is the Organization's policy to capitalize all property and equipment greater than or equal to a cost or fair value of $1,000. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is recognized in the consolidated financial statements.

Fair value measurements — The Organization follows accounting standards consistent with the 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.

Investments — The Organization carries investments in marketable securities with readily determinable values at fair value in the consolidated statement of financial position. Realized and unrealized gains and

losses are included in the accompanying consolidated statement of activities and changes in net assets. Investment income is recognized as revenue in the period it is earned.

Revenue recognition — The consolidated financial statements of the Organization are presented on the accrual method of accounting. Under this method of accounting, revenues are recognized when earned or a donor makes a promise to give that is, in substance, unconditional. Revenue from cost reimbursement of grants is generally recorded when the costs are billed to the granting agency.

Contract revenue is recognized in the period in which the related work is performed in accordance with the terms of the contract. Contracts receivable are recorded when revenue earned under a contract exceeds the cash received. Deferred revenue is recorded when cash received under a contract exceeds the revenue earned.

Client service fees are recognized when the promised services are provided in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those services.

Revenues from trainings and credentials received in advance are deferred until the period in which the event occurs. Deferred revenue from trainings and credentialing totaled $300,816 at June 30, 2023.

Conditional promises to give — In May 2020, the Organization received a grant of $300,000 that contained donor conditions. The grant was to support yearly rent on one lease. Per the terms of the agreement, if the Organization elects to not renew the lease at any time during the 5 year term, it must return the remaining portion of the grant. Since this grant represents conditional promises to give, it is not recorded as contribution revenue until donor conditions are met. During the year ended June 30, 2023, the Organization recorded $60,000 as revenue once the conditions were met. The balance of deferred revenue for conditional promises to give as of June 30, 2023 is $120,000.

The Organization follows the FASB Accounting Standards Codification (“ASC”) Topic 606 (“ASC 606”) Revenue from Contracts with Customers, which 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 and 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 Organization follows 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 which provides 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.

Donor-imposed restrictions — All contributions received are considered to be without donor restrictions and available for general use unless designated by the donor for a specific purpose. Amounts received designated for future periods or restricted by the donor for specific purpose are reported as an increase in net assets with donor restrictions. A time restriction is implied on a promise to give that is due in future periods unless the donor intended the contribution to be used to support activities of the current

period, and thus is reported as restricted support unless explicit donor stipulations or circumstances surrounding the receipt of a promise make clear that the donor intended it to be used to support activities of the current period. When a restriction expires, (that is, when a stipulated time restriction ends, payment becomes due, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions, and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions. The implied time restriction on an uncollected contribution receivable expires on its due date, even if that receivable is not yet collected. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as net assets with donor restrictions and then released from restriction in the same period.

Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets with donor restrictions until the restriction is fulfilled.

In-kind goods — The Organization recognizes the value of donated goods by recording the donations at fair value. The fair value of donated goods has been measured on a nonrecurring basis using quoted prices for similar financial statement elements in inactive markets (Level 2 inputs). In-kind goods received totaled $1,989 are included in special events and activities revenue on the statement of activities and changes in net assets for the year ended June 30, 2023.

In-kind services — The Organization follows standards relating to contributions received and contributions made as consistent with FASB codification. These standards require recording the value of donated services that create or enhance non-financial assets or require specialized skills. The Organization has received donations of printing and advertising, consulting, and equipment rental services. Although many individuals donated significant time to the Organization, these services did not meet the above criteria for recognition for the year ended June 30, 2023. The fair value of donated services has been measured on a nonrecurring basis using quoted prices for similar financial statement elements in inactive markets (Level 2 inputs). The donations are recorded at fair value and totaled $88,230 for the year ended June 30, 2023. $15,182 of in-kind services received are included in special events and activities revenue on the statement of activities and changes in net assets for the year ended June 30, 2023.

Advertising and marketing — Advertising and marketing expenses are charged to expense as incurred.

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

Income taxes — The Organization and the Corporation are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under Section 23701(d) of the California Franchise Tax Code.

The Organization follows accounting standards which provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax position and believes that all of the positions taken in its exempt organization tax returns are more likely than not to be sustained upon examination. As of June 30, 2023, the Organization has no accrued

interest or penalties related to uncertain tax positions. The Organization files tax returns in the U.S. Federal jurisdiction and the State of California.

Reclassification — Net assets without donor restrictions of $10,000 have been reclassified to net assets with donor restrictions in the June 30, 2022 financial statements. There is no effect on the total of net assets or total change in net assets.

Recent accounting pronouncements

In February 2016, FASB issued ASU 2016-02 Leases (Topic 842). In July 2018, FASB issued two updates to ASU 2016-02, ASU 2018-10, Codification Improvements to Topic 842 Leases, and ASU 2018-11, Leases (Topic 812): Targeted Improvements. The new standard is effective for fiscal years beginning after December 15, 2021. The Organization adopted Topic 842 as of July 1, 2022 by recognizing and measuring leases at the adoption date with cumulative effect of initially applying the guidance recognized at the date of initial application and as a result did not restate the prior periods presented in the consolidated financial statements. The Organization elected certain practical expedients permitted under the transitional guidance, including retaining historical lease classification, evaluating whether any expired contracts are or contain leases, and not applying hindsight in determining the lease term. The Organization also elected the practical expedient not to separate lease and non-lease components within the lessee lease transaction for all classes of assets. Lastly, the Organization elected the short-term lease exception for all classes of assets, and therefore does not apply the recognition requirements for leases of 12 months or less. Options to renew a lease are only included in the lease term to the extent those options are reasonably certain to be exercised.

The Organization categorizes leases as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset of its estimated life. The Organization had no finance leases at June 30, 2023.

Leases with a term greater than one year are recognized on the consolidated balance sheet as right-of-use (ROU) assets and short-term and long-term lease liabilities, as applicable. Operating lease liabilities and their corresponding ROU assets are initially recorded based on the present value of lease payments over the term of the lease. The rate implicit in lease contracts is typically not readily determinable and, as a result, the Organization utilizes the Treasury bill rate to discount lease payments for all classes of assets.

As of July 1, 2021, the Organization adopted ASU No. 2020-07, "*Presentation and Disclosures by Not-for Profit Entities for Contributed Nonfinancial Assets (Topic 958).*" ASU 2020-07 improves transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit entities. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. This standard is applied on a retrospective basis. The adoption had no effect on the consolidated financial statements as of June 30, 2023.

NOTE 3 CASH

The Organization maintains its cash balances in one national bank, one regional bank located in California, and one financial operations platform. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Organization has not experienced any loss in such accounts. As of June 30, 2023, the uninsured balance was approximately $482,000. The Organization believes it is not exposed to any significant credit risks on its cash balances.

The Organization maintains a cash balance account with its investment broker. The accounts are insured by the Securities Investor Protection Corporation (SIPC) up to $250,000. The Organization has not experienced any loss in such accounts. As of June 30, 2023, there was no uninsured balance. The Organization believes it is not exposed to any significant credit risks on its cash balance.

NOTE 4 RECEIVABLES

Accounts Receivable:
Accounts receivable consist of the following at June 30, 2023:

Client service fees	$ 433,550
Training services	178,150
Mediation services	8,254
Special events	5,518
	$ 625,472

Pledges Receivable:
Pledges receivable consist of the following at June 30, 2023:

Current:	
Due in less than one year	$ 891,750
Noncurrent:	
Due in one to two years	478,750
Less: Discount to present value	(43,432)
Total noncurrent, net	435,318
Total pledges receivable, net	$ 1,327,068

Pledges receivable have been discounted to their present value using a discount rate of 4.87% for the year ended June 30, 2023.

Contracts Receivable:
Contracts receivable are due from the County of San Diego and Regional Task Force Homelessness and total $857,251 and $15,826, respectively, at June 30, 2023. NCRC earned contract revenues from the County of San Diego and Regional Task Force Homeless totaling $2,932,163 and $226,896, respectively, for the year ended June 30, 2023.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2023:

Computer equipment	$ 260,622
Leasehold improvements	312,880
Furniture and fixtures	144,264
	717,766
Accumulated depreciation	(494,414)
	$ 223,352

Depreciation expense was $73,213 for the year ended June 30, 2023.

NOTE 6 FAIR VALUE MEASUREMENT

The Organization follows the method of fair value measurements 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 date is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Financial assets carried at fair value and measured on a recurring basis at June 30, 2023 are classified below in one of the three levels described above:

Investments in common stocks and equities and exchange traded funds are valued at market prices in active markets and are classified as Level 1 assets.

Rabbi Trust is considered a Level 2 asset and is reported at the fair value of the underlying assets as reported by DaVinci Fund, L.P. and is included in the 457(b) deferred compensation plan assets.

Investments held at Jewish Community Foundation and Rancho Santa Fe Foundation are considered Level 2 assets and are reported at the fair values as determined.

	Level 1	Level 2	Level 3	Total
Assets				
Common stocks and equities	$ 196,487	$ -	$ -	$ 196,487
457(b) deferred compensation plan assets	-	184,488	-	184,488
Rancho Santa Fe Foundation	-	91,623	-	91,623
Jewish Community Foundation	-	77,699	-	77,699
Exchange traded funds	24,856	-	-	24,856
	$ 221,343	$ 353,810	$ -	$ 575,153

NOTE 7 INVESTMENTS

Investments are held at fair market value and consist of the following at June 30, 2023:

Common stocks and equities	$ 196,487
Rancho Santa Fe Foundation	91,623
Jewish Community Foundation	77,699
Exchange traded funds	24,856
	$ 390,665

The following schedule summarizes the Organization's return on investment and its classification in the consolidated statement of activities and changes in net assets for the year ended June 30, 2023:

	Without donor restrictions	With donor restrictions	Total
Realized and unrealized gain, net	$ 72,875	$ -	$ 72,875
Interest and dividends	8,136	-	8,136
Investment fees	(1,382)	-	(1,382)
	$ 79,629	$ -	$ 79,629

The Organization's common stocks and equities and exchange traded funds are insured by the SIPC up to $500,000, including up to $250,000 of cash.

NOTE 8 RETIREMENT PLAN

NCRC has formed a savings incentive match plan for employees (SIMPLE). SIMPLE salary reduction contributions may be made by employees who reasonably expect to make at least $5,000 in compensation in a calendar year. Eligible employees may make a salary reduction election to have their compensation for each pay period reduced by a fixed percentage. For each calendar year, the employer will contribute a matching contribution to each eligible employee's SIMPLE equal to the employee's salary reduction contribution up to 3% of the employee's compensation for the calendar year. In addition, the President has been approved to participate in a 457(b) deferred compensation plan effective July 1, 2016 by the Board. Retirement plan expense totaled $67,211 for the year ended June 30, 2023.

The 457(b) deferred compensation plan liability totaled $184,488 at June 30, 2023 and is fully funded in a Rabbi Trust held at DaVinci Fund L.P. The 457(b) deferred compensation plan assets are reported at fair value and totaled $184,488 at June 30, 2023.

NOTE 9 LEASES

The Organization has five operating lease agreements for the use of office space. The leases have initial terms ranging from 12 to 66 months. Three of the leases include renewal options which can extend the lease terms for an additional five years. The exercise of the renewal option is at the sole discretion of NCRC, and only lease options that NCRC believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. Lease expiration dates range from February 2024 to June 2031. The Company is obligated for utilities, insurance, taxes, and repairs. Only one of the leases required fixed CAM charges, which are included in the calculation of lease liabilities.

NCRC also has two operating leases on office equipment. One of the agreements is noncancelable through January 2025. The other lease term ends in July 2025.

As the leases do not provide an implicit rate, NCRC uses a risk-free discount rate. For new leases, NCRC elected to use the original lease term Treasury bill rate as of the commencement date as the risk-free discount rate. For existing leases, NCRC elected to use the remaining lease term Treasury bill rate as of the transition date as the risk-free discount rate, which range from 2.84% - 2.92%.

The following summarizes the cash flow information related to operating leases for the year ended June 30, 2023:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases	$ 532,883
Right-of-use assets obtained in exchange for lease liabilities, due to adoption of ASU 842	$ 4,054,897

Future minimum lease payments related to operating lease liabilities are as follows:

2024	$ 496,000
2025	519,984
2026	532,165
2027	548,839
2028	566,216
Thereafter	1,463,587
Total undiscounted lease payments	4,126,791
Less: present value discount	(478,795)
Total lease liability	$ 3,647,996

Operating lease costs included in rent and in equipment rental were $550,604 and $34,230, respectively, on the consolidated statement of functional expenses for the year ended June 30, 2023.

NOTE 10 NET ASSETS

Net assets were available for the following purposes as of June 30, 2023:

With donor restrictions:		
Subject to expenditure for specific purpose:		
Avoiding the Pipeline to Prison	$	300,995
Center for Applied Research		158,893
Paul Palmer Memorial Fund		121,964
Campus Civility Program		64,948
		646,800
Subject to the passage of time:		
Center for Applied Research		500,000
National Training Sales & Marketing		175,000
Campus Civility Program		75,000
Avoiding the Pipeline to Prison		50,000
		800,000
		1,446,800
Without donor restrictions:		
Board designated		169,323
Unrestricted and undesignated		2,436,239
		2,605,562
Total net assets	$	4,052,362

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by donors during the year ended June 30, 2023:

Purpose restrictions accomplished:	
Center for Applied Research	$ 395,000
Avoiding the Pipeline to Prison	379,299
National Training Sales & Marketing	125,000
Campus Civility Program	88,266
Diamond Neighborhood	67,887
Empowerment	16,666
Total net assets released from restrictions	$ 1,072,118

NOTE 11 LIQUIDITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. The Organization considers contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing programs as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. The Organization's governing board has designated a portion of funds without donor restrictions as reserve funds. These funds are subject to a spending policy and are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board of Directors.

The following table reflects the Organization's financial assets as of June 30, 2023 reduced by amounts that are not available to meet general expenditures within one year of the consolidated statement of financial position date because of donor imposed restrictions.

The table below presents financial assets available for general expenditures within one year at June 30, 2023:

Financial assets at year end:	
Cash	$ 1,286,338
Receivables	2,390,299
Investments	390,665
	4,067,302
Less those unavailable for general expenditures within one year due to:	
Contractual or donor imposed restrictions:	
Board-designated	(169,323)
Restricted by purpose restrictions	(646,800)
Restricted by time restrictions	(800,000)
	(1,616,123)
Financial assets available to meet general expenditures within one year:	$ 2,451,179

NOTE 12 SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 8, 2024, the date which the consolidated financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the consolidated financial statements.

Appendix B: Course Evaluations 09/01/2024

At the end of the training, participants were asked for their general comments. Highlights are presented below:

"Absolutely one of the best training series I have attended. It definitely puts a lot of situations into perspective and how one can learn to approach certain situations for ongoing growth for all parties. This training should be offered yearly as this is an ongoing effort with so many evolving parts. Thank you so much for the great training. Amazing facilitators that allowed great discussions as well!"

"Amazing training! This came at a time when I had been facing conflict at work and there is no structure in place to resolve conflicts. I needed this training for myself as I move forward into the leader that I am. Thank you for providing a space to share, grow, and learn in this area! It was everything!"

"I appreciated my cohort's vulnerability and sharing their experiences in our chats. I learned as much from the curriculum as I did from their shared experiences. The group exercises were informative and supported putting the theory into practice."

"I really appreciated the entire training! It was helpful to be able to self-reflect and see a different approach that is person-centered to resolve conflict. It provided guidelines to create and adapt to my own style of communicating. All the tidbits of tips like WAIT and replacing but with and. This is something I know I do so I am excited to practice removing but from my vocabulary."

"Really impressive. Great resource materials. The videos were top-notch and realistic. Nice to have the cohort consistently coming back every week. We had a good rapport, and all seemed engaged."

"These trainings got me to do a lot of self-reflection, and they presented a wide range of situations and approaches to those situations. I really enjoyed listening to the other members of the group during discussions and breakout rooms and found it very educational."

Appendix B: Course Evaluations 05/01/2024

At the end of the training, participants were asked for their general comments. Highlights are presented below:

"Thank you for a great training. I have an understanding of what my communication method is and how I can significantly improve those skills. In HR, my communication style is direct and policy-based. The training was a great learning tool for how to soften some of the "policy" conversations."

"A difference that I noticed for me immediately after the first session, was an awareness of my responses and taking a step back to actively and humbly listen."

"I really enjoyed all of the trainings, videos, and break-out sessions. I found this last series to be so helpful and something we can use on a daily basis. It had so much good information about how we make people feel and understand conflict."

"The facilitators have been wonderful. They did a beautiful job of bringing us all together virtually and encouraging engagement within the learning process overall, not just in the small groups. I very much appreciated the opportunity to grow and learn with such a great group."

"This training has broadened my knowledge of the variety of ways to communicate effectively, and the method used to communicate. I will be mindful of those who may have different perspectives and cultural backgrounds."

"This training was super helpful, I am going to replicate the skills, experiences, and knowledge gained to my Team and the community as a whole."

"Amazing training and I am so thankful to have these skills developed with so many community leaders. This will definitely impact interactions and culture positively."

"This was such a great training! The content was extremely helpful, the supplemental material really helped with my learning style, and I enjoyed how the training was structured with the balance of breakout sessions and facilitation."

Published on *East County Magazine* (http://www.eastcountymagazine.org)

ADVANCING HEALTHY COMMUNITIES: RESTORING CIVILITY IN LEMON GROVE

Share / Save

July 2023 Articles

Lemon Grove Advancing Healthy Communities

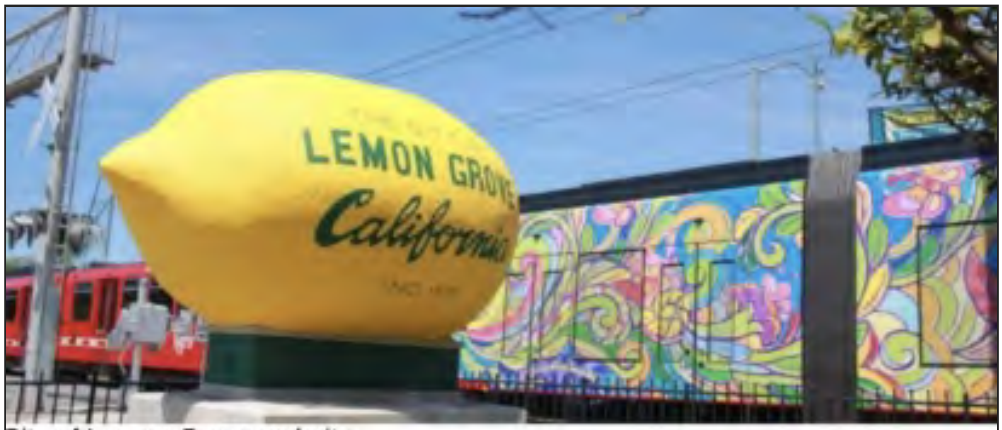
IPS sponsors communication training for community members starting Aug. 5

By David R. Shorey, East County Program Manager, Institute for Public Strategies

July 14, 2023 (Lemon Grove) -- The late Supreme Court Justice Ruth Bader Ginsberg once said, “You can disagree without being disagreeable.” For many, conversations around drugs and alcohol, homelessness, community redevelopment, law enforcement, and how tax dollars are spent, all elicit strong passions. Passions that sometimes take hold and overcome our ability to engage with each other in a cordial, respectful, and civil manner.

I remember an incident that occurred to me when I was attending a City Council meeting regarding a request to sell alcohol at a market. During my presentation I was jeered and afterward, I was

confronted by a member of the audience about how I didn't know what I was talking about. I was able to disengage from the conversation. Still, my facts about alcohol outlet overconcentration, marketing, and the negative impact of some types of alcohol products seemed to be overcome by emotions. At one point a member of the audience had to be confronted by the Sheriff's lieutenant for not complying with the rules for speaking. It was a mess and an embarrassment to the city as a whole.



City of Lemon Grove website

Lemon Grove residents now have an opportunity to receive training in communicating with each other and working through conflict. IPS East County is sponsoring this training to provide a framework for community members with divergent perspectives to engage with each other in a civil, respectful and polite manner. The Culture Communication and Conflict Certificate Program for Community Leaders is offered by the National Conflict Resolution Center on four consecutive Saturdays in August at the Community Center. The eight-hour training is sponsored by the San Diego County Health and Human Services Agency's Live Well Exchange Program. Lemon Grove residents will be given priority at registration. Participants must commit to attending each two-hour class on August 5, 12, 19 and 26 from 10 a.m. to noon. The training is open to the first 40 registrants.

LIVE WELL SAN DIEGO

This training is awesome. I know firsthand. It helps focus on the conversation and not the personalities or the emotion of the issues. Participants will receive companion learning guides prior to each session with additional information, resources, and links to "burst learning videos. To receive the certificate, participants attend all four sessions. The four sessions are broken down into four topic areas.

The ARTful Conversation: Enhance skills in communicating in difficult situations - in ways that help to improve the relationship. Explore how others perceive and process conflict, and how to adapt your style to fit the situation.

The ART of Inclusive Communication: Explore your personal and cultural identities and how these relate to communication styles. Different styles can be at the root of communication breakdowns. By understanding types, you can recognize when a communication breakdown is happening.

The Bystander Challenge: What is a bystander's role when inappropriate behavior occurs? Empower yourself and others to have challenging conversations that demonstrate respect, inclusiveness, and dignity for everyone involved.

The Exchange: The Exchange is a structured process for resolving conflicts that empower participants to be fully engaged in problem-solving while valuing all interests.

It's becoming increasingly clear over the past few years that the country is becoming more divided. Community leaders are facing increasing challenges. This training will empower leaders with tools and techniques grounded in mediation theory and methodology. Community leaders will learn to revolutionize conflict management strategies, stand up to perceived microaggressions, and manage conversations in polarized environments.

You are urged to sign up and attend. I'll be there. We can learn how to engage in difficult topics related to alcohol and other drugs, substance use disorders, and public health. The link to these aligns with our efforts at IPS East County. We will help prepare Lemon Grove residents to address quality of life issues to improve public health and safety as the residents address our community challenges before elected leaders like the City Council. The training will also help with community-based groups and organizations that have a stake in the well-being of all residents in Lemon Grove. In today's polarized environment, this training is especially needed because it helps tamp down the hurtfulness that division causes and focuses on healthy communication and respectful conversation. I hope to see you there. When you register, tell us why you want to attend.

David R. Shorey is East County Program Manager for IPS. Courtesy photo.

IPS works alongside communities to build power, challenge systems of inequity, protect health and improve quality of life. IPS has a vision for safe, secure, vibrant and healthy communities where everyone can thrive. To learn more about IPS East County, follow us on our social media platforms: IPS East County Facebook, IPS East County Twitter, and East County Youth Coalition Instagram. Our website is at IPSEast.org. Resources and services are available to assist with screening, treatment, and recovery for individuals with a substance use disorder. The Access & Crisis line is open year-round, 24/7 at (888) 724-7240.

Support community news in the public interest! As nonprofit news, we rely on donations from the public to fund our reporting -- not special interests. Please donate to sustain East County Magazine's local reporting and/or wildfire alerts at https://www.eastcountymedia.org/donate to help us keep people safe and informed across our region.

Source URL (modified on 07/14/2023 - 14:10):http://www.eastcountymagazine.org/advancing-healthy-communities-restoring-civility-lemon-grove

NATIONAL CONFLICT RESOLUTION CENTER

CERTIFICATE

CULTURE, COMMUNICATION AND CONFLICT:

A Certificate Program for Leaders Navigating Today's Workplace

“Culture eats strategy for breakfast.”

— Peter Drucker
Leading Management Consultant and Author

The #MeToo Movement. Racial Injustice. Polarization. Hybrid Work Policies.

There are so many issues that create conflict in the workplace—issues that leaders like you grapple with daily.

The National Conflict Resolution Center's “Culture, Communication and Conflict" certificate program provides you with a roadmap to create a positive culture with greater productivity.

This certificate program provides you with the skills to:

- **revolutionize your conflict management strategy;**
- **stand up to perceived micro-aggressions; and**
- **manage conversations in a polarized work environment.**

To achieve the certificate, participants will go through four two-hour skill-building workshops, as well as view burst learning videos in between sessions.

THE ARTFUL CONVERSATION

Discover how to communicate needs in difficult situations—in ways that help build the relationship rather than hurt it. Explore how others perceive and process conflict, and recognize how you can adapt your style to work with others.

You will learn to:

- communicate to reduce tension;
- use collaborative, nonconfrontational communication; and
- resolve differences during confrontational dialogue.

THE ART OF INCLUSIVE COMMUNICATION

Explore your own personal and cultural identities, and learn how these relate to communication styles. Different styles can be the root of communication breakdown; by understanding styles, you can recognize when communication breakdown is happening.

You will learn to:

- confidently handle disagreements;
- integrate a lens of inclusivity; and
- work effectively with different identities.

THE BYSTANDER CHALLENGE

What is a bystander's role when inappropriate behavior occurs? Empower yourself to have challenging conversations in ways that demonstrate respect, inclusiveness and dignity for everyone involved.

You will learn to:

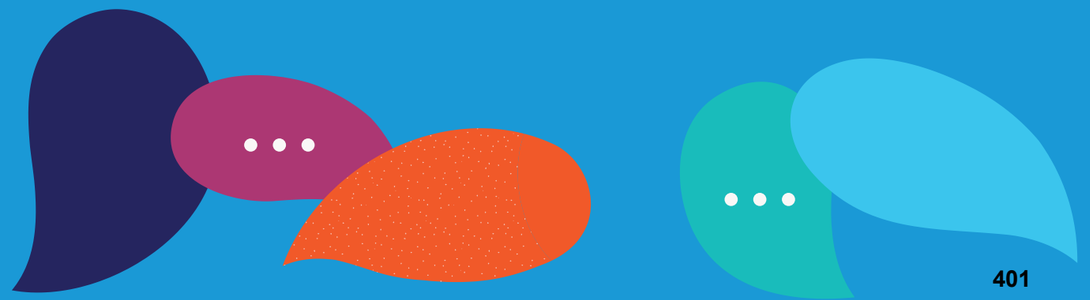
- identify the reasons for bystander inaction;
- evaluate situations and decide the best course of action; and
- speak up effectively when you encounter red-flag behavior.

THE EXCHANGE

The Exchange is a structured process for resolving conflicts that empowers participants to be fully engaged in problem-solving while also valuing all interests (interests of the organization, leader and each participant).

You will learn to:

- intervene in conflict situations before they escalate;
- encourage accountability for both the issue and its solution; and
- create strong internal models of healthy behavior.



NCRC's Training Clients Include:

Stanford University

TOYOTA

The San Diego Union-Tribune

TESLA

UC San Diego

PAC 12

Qualcomm

Sempra Energy®

U.S. Department of Homeland Security

NYU

Los Angeles Times

Department of Defense

BANK OF AMERICA

SANFORD HEALTH

"We engaged NCRC to host multiple workshop sessions with all of our managers and have been delighted with the outcome."

— Nicola Franklin, Sr. Director of Talent Management & Organizational Development

Los Angeles Times

NCRC's Trainings Have Been Featured On:

USA TODAY

MSNBC

Forbes

yahoo!

Bustle

The Washington Post

atd Association for Talent Development

POPSUGAR.

CLO Chief Learning Officer

FAST COMPANY

HR.com

npr

HUFFPOST

BUSINESS INSIDER

CNNMoney

and many more.

Enroll in the "Culture, Communication and Conflict" Certificate Program today!

Individuals can register for open enrollment trainings here:
NCRConline.com/Certificate

To bring this training to employees at your workplace, contact Ashley Virtue at avirtue@ncrconline.com or 619-238-2400, ext. 221.

NCRC NATIONAL CONFLICT RESOLUTION CENTER™

Finding Solutions Since 1983.

Built on the principle that every dispute has a solution, the National Conflict Resolution Center serves a variety of workplaces in both the public and private sectors—regionally, nationally and internationally. Our mission is to resolve issues with the highest possible degree of civility and equitability to all parties involved.

the executive

A Publication of the California Society of Association Executives

Spring 2024

Engaging & Growing Our Future Leaders

Page 10

Navigating Leadership Recruiting for Associations
Page 14

Managing Conflict Through the Artful Conversation
Page 20

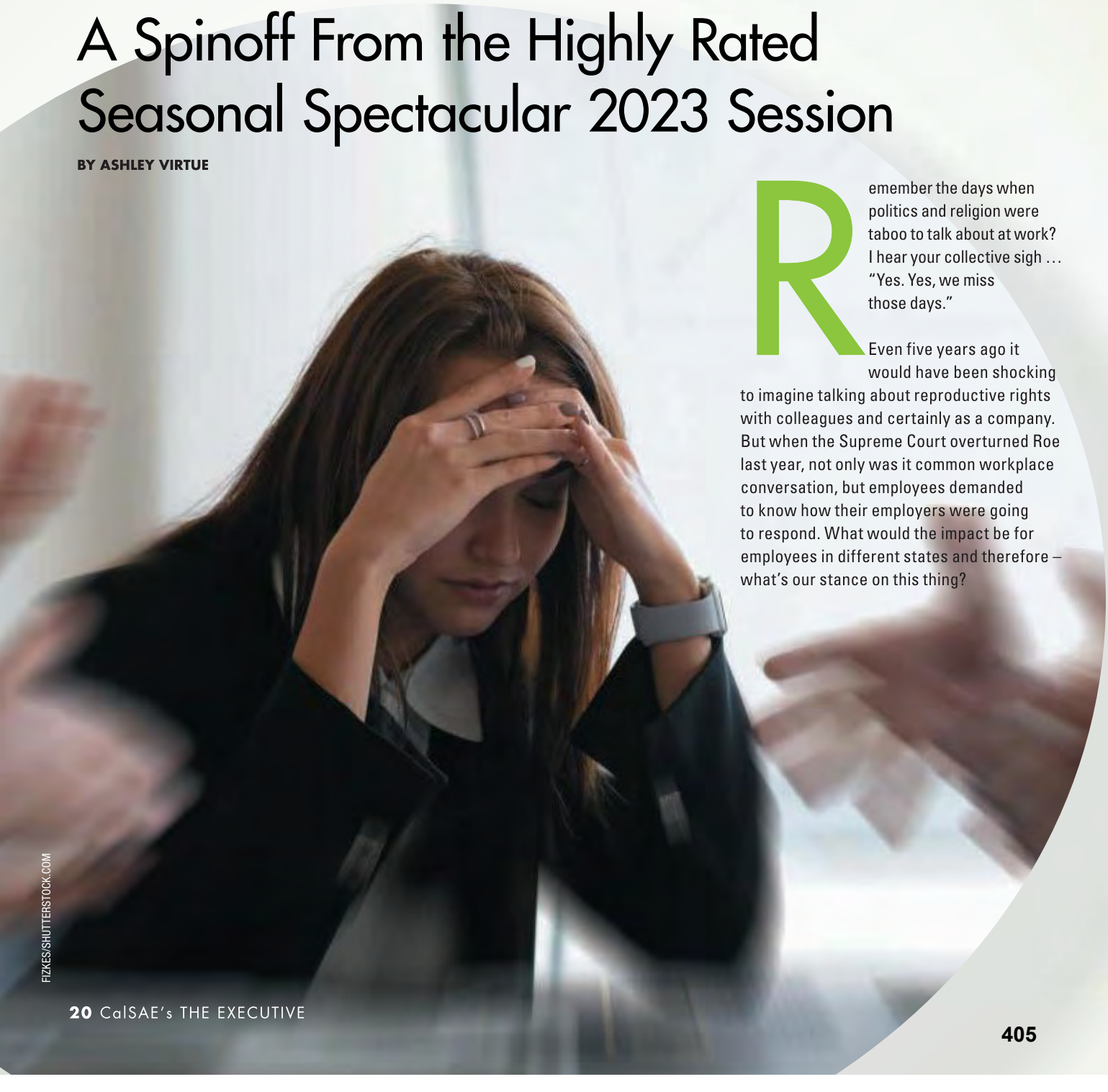
Empowering Volunteer Leaders
Page 25

CalSAE
ADVANCING TOGETHER

Managing Conflict Through THE ARTFUL CONVERSATION

A Spinoff From the Highly Rated Seasonal Spectacular 2023 Session

BY ASHLEY VIRTUE



FIZKES/SHUTTERSTOCK.COM

Remember the days when politics and religion were taboo to talk about at work? I hear your collective sigh … "Yes. Yes, we miss those days."

Even five years ago it would have been shocking to imagine talking about reproductive rights with colleagues and certainly as a company. But when the Supreme Court overturned Roe last year, not only was it common workplace conversation, but employees demanded to know how their employers were going to respond. What would the impact be for employees in different states and therefore – what's our stance on this thing?

It's new and uncharted territory for workplace leaders, who face a mighty task: creating an environment where these conversations can be constructive and even welcome, rather than disruptive and dreaded. And this year will be especially challenging because it's a divisive political year as well.

At the National Conflict Resolution Center, we are working with companies and leaders who recognize that polarization can't be ignored when it comes to workplace culture. I talked about this in my session at CalSAE's Seasonal Spectacular when I presented to a thoughtful, engaged audience on how to manage conflict through the *ARTful Conversation.*

In the *Artful Conversation*, we share practical ways to have respectful dialogue even when we disagree. And while I can't give the entire workshop in less than 1,000 words, here are three takeaways that are important to understand.

The first three letters in *ARTf*ul stand for something:

A – Active Awareness

R – Respond Respectfully

T – Troubleshoot Together

ACTIVE AWARENESS. It's important for us all to recognize that when we enter into disagreement with someone, we have natural instincts that kick in. And those instincts aren't always helpful when resolving conflict. These primal reflexes – fight, flight and freeze – are effective at helping you survive in the wilderness but not when collaborating with your politically opposite colleague. We must, instead, be aware of our bias and our ego when engaged in these conversations. Taking that first step of simply recognizing that your defense mechanisms are up and that you may need to process your perceptions of the situation, can go a long way in setting a foundation for success.

> IF WE CAN TRAIN OUR BRAINS TO THINK ABOUT THESE THINGS AHEAD OF TIME, WE'RE MUCH LESS LIKELY TO FALL BACK ON SURVIVAL INSTINCT AND MORE LIKELY TO UTILIZE *ARTFUL* TECHNIQUES.

RESPOND RESPECTFULLY. You hear the term "active listening" a lot but the meaning of it is often lost on people. Frequently, we associate active listening with "not interrupting." But while we politely wait for the other person to finish, what we're usually doing is loading up our counterarguments silently in our heads. One way to stop yourself from doing that is to see if you can restate what you heard the other person say. And to take it one step further, we encourage you to repeat it out loud to them.

This shockingly simple step is transformative in conflict. Not only do you show respect to the other person by showing curiosity about an opinion you don't hold, but you set a tone of civil dialogue for the rest of the conversation.

An important note here: you are *not* saying you agree with the other person. You are simply showing them the respect of being heard.

TROUBLESHOOT TOGETHER. Now that you've helped set a tone of *listening to understand* (as we like to phrase it) it's your turn to tell your perspective in a non-confrontational way. I always like to say, *you may have the most important message in the world, but if you can't say it in a way where it can be received by the other person, there's no poin*t. So, think about how you are communicating when you share your point of view. Are you using neutral language, or does it sound like an attack? Are you focusing on the issue at hand or getting personal? How's your tone and body language?

These strategies are pivotal to encouraging respectful disagreement. We know that between culture wars and politics, opportunities for conflict are only going to grow. So, we must equip ourselves with the tools necessary to navigate these conversations. It's foundational to a human-centered workplace, where employees feel a sense of belonging and safety – able to openly discuss difficult topics and disagree in healthy ways. Creating this type of culture takes time, and it's something workplace leaders should be doing now; after all, it's hard to build relationships in the midst of a crisis.

When we teach the ART methodology in workshops, we always include a lot of practice and discussion. The reason for this is, we know that conflict resolution sounds good in theory but is really hard to apply when emotions are triggered. So, I encourage you to think about this in the "off hours" when you are not in a heightened emotional state or responding to a disagreement. "How would I phrase that to XX if I brought this up to them?" "How might they respond?" "What bias am I walking into the situation with?" If we can train our brains to think about these things ahead of time, we're much less likely to fall back on survival instinct and more likely to utilize *ARTful* techniques.

After all, we know we can't see eye-to-eye with everyone. And in a truly diverse workforce, where we are asking for innovation and creativity, we shouldn't. Let's embrace the conflict as an opportunity to tal☒k – and to find a path forward. ▶▶▶

Ashley Virtue *has been with the National Conflict Resolution Center (NCRC) since 2005 and is Director of External Relations. She has been instrumental in the development and promotion of multiple mainstay programs at NCRC and has focused much of her career expanding NCRC's work nationally and internationally. She has been featured in media outlets such as Forbes, The Washington Post, C-SPAN, NPR, PopSugar and many others.*

Title

Ride Above Disability Therapeutic Riding Center, ADA communication board

09/24/2024

id. 47590141

by **Allie Sarnataro** in **San Marcos Community Foundation**
on behalf of **RIDE ABOVE DISABILITY THERAPEUTIC RIDING CENTER**

14781 Pomerado Road
216
Poway, California
92064
CA
United States
8582095662
allie@radtrc.org

Original Submission

09/24/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Ride Above Disability Therapeutic Riding Center, ADA communication board
Are you applying for the Mini Grant or the Regular Grant?	Mini Grant (up to $1,500)
Project Name	Communication board
Project Start Date	11/1/2024
Project End Date	11/1/2025
Date by Which Funds Will Be Expended:	6/1/2024
Total Number of People Served by this Project	100.0

Total Number of People Served by this Project in San Marcos Only	25.0
Grant Amount Requested	780.0
	Organization Details
Organization Name	Ride Above Disability Therapeutic Riding Center
Organization Street Address	15529 Sycamore Canyon Road
Organization City	Poway
Organization State	CA
Organization Zip Code	92064
Organization Website	radtrc.org
Organization's EIN	46-4773955 200 RIDE ABOVE DISABILITY THERAPEUTIC RIDING CENTER cb2efe3b-320f-4409-98b9-1a2a44fbb000 14781 Pomerado Rd #216 Poway CA 92064 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2023-11-13T00:00:00 2023-12-04T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2023-11-13T00:00:00 2014 07
	Contact Information
Contact First Name	Allie
Contact Last Name	Sarnataro
Contact Title	co-founder

Contact Phone	+18582095662
Contact Email	allie@radtrc.org
	Project Details
Briefly describe your request for funds.	This grant would provide us with a giant outdoor communication board for students who may not speak. We would get a communication board tailored to therapeutic riding so the students would be able to communicate their needs. Communication boards are indispensable tools for individuals facing speech or communication challenges. They come in various forms, from basic picture boards to advanced electronic devices. By incorporating communication boards, we can foster an environment where individuals of diverse abilities can interact effectively.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Currently we serve 80 students a week and are projected to serve up to 100 by the end of the year. We also have community days for children who are not in our riding program but would still like to come out and enjoy the ranch and horses. This communication tool can benefit them and more. This tool will allow us to serve even more riders and communicate how other people do. It will also have us be more ADA compliant and allow us to collaborate with parents, riders and therapists.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We have many clients and volunteers who come from the San Marcos area! We have a partnership with CSSM for internships in nonprofit training, career training, disability training, volunteering.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	

Please upload the annual operating budget for your organization.

RAD_2024_Approved_Budget.pdf

Estimate_062244.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.	
	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	780.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	At the current moment we have not applied to other grants for this project. If we were to receive partial funds we would fundraise or write a grant for the remainder.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Giant outdoor ada communication board	*$780.00*	
Total budget for this PROJECT:	780.00	

	Source Name	Amount	C / CD / P
Additional Funding Source 1	NA	NA	NA
Additional Funding Source 2			
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Ride Above Disability Therapeutic Riding Center

2024 Budget: Ride Above Disability TRC Budget FY 2024 - FY24 P&L

January - December 2024

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
Revenue													
43400 Direct Public Support													0.00
43410 Corporate Contributions	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	25,200.00
43420 Grants	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	133,200.00
43460 Individual Contributions	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	54,000.00
43470 Ranch Store Revenue	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	4,500.00
43480 Horse Sponsorship	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	69,840.00
Total 43400 Direct Public Support	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 286,740.00**
47200 Program Income													0.00
47240 Program Service Fees	12,937.00	10,781.00	14,375.00	11,516.00	15,355.00	15,355.00	13,819.00	15,355.00	11,516.00	15,355.00	11,516.00	11,516.00	159,396.00
47250 Horse Show/Gymkhana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 47200 Program Income	**$ 12,937.00**	**$ 10,781.00**	**$ 14,375.00**	**$ 11,516.00**	**$ 15,355.00**	**$ 15,355.00**	**$ 13,819.00**	**$ 15,355.00**	**$ 11,516.00**	**$ 15,355.00**	**$ 11,516.00**	**$ 11,516.00**	**$ 159,396.00**
49000 Special Events Income													0.00
49010 Fundraiser/special Events income	0.00	0.00	30,000.00	6,000.00	28,000.00	0.00	0.00	0.00	5,000.00	0.00	0.00	0.00	69,000.00
49020 Tack Sale	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Total 49000 Special Events Income	**$ 400.00**	**$ 400.00**	**$ 30,400.00**	**$ 6,400.00**	**$ 28,400.00**	**$ 400.00**	**$ 400.00**	**$ 400.00**	**$ 5,400.00**	**$ 400.00**	**$ 400.00**	**$ 400.00**	**$ 73,800.00**
Total Revenue	**$ 37,232.00**	**$ 35,076.00**	**$ 68,670.00**	**$ 41,811.00**	**$ 67,650.00**	**$ 39,650.00**	**$ 38,114.00**	**$ 39,650.00**	**$ 40,811.00**	**$ 39,650.00**	**$ 35,811.00**	**$ 35,811.00**	**$ 519,936.00**
Gross Profit	**$ 37,232.00**	**$ 35,076.00**	**$ 68,670.00**	**$ 41,811.00**	**$ 67,650.00**	**$ 39,650.00**	**$ 38,114.00**	**$ 39,650.00**	**$ 40,811.00**	**$ 39,650.00**	**$ 35,811.00**	**$ 35,811.00**	**$ 519,936.00**

Expenditures													
60900 Business Expenses													0.00
60920 Business Registration Fees	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	150.00
60930 Bank Fees	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	24.00
60940 QuickBooks Merchant Fees	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
60950 Square Merchant Fees	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
60960 PayPal Mechant Charges	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	420.00
60980 State and Federal fees	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
Total 60900 Business Expenses	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 144.50**	**$ 1,734.00**
62100 Contract Services													0.00
62110 Accounting Fees	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
62130 Fundraising Exp / Special Events Fees	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	22,800.00
62150 Outside Contractor Services	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
62160 Contractor Bonus	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00	5,000.00
Total 62100 Contract Services	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 4,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 2,000.00**	**$ 5,000.00**	**$ 29,000.00**
62300 Payroll Expenses													0.00
623100 Worker's Comp	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	39,000.00
623200 Federal FUTA and FIT	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	8,472.00
623201 FED SOCSEC-ER	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	21,180.00
623202 FED Medicare-ER	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	4,944.00
623203 CA State Taxes	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	7,212.00
623204 Emp pd taxes and ADP fee	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	8,100.00
62330 Employee pay	14,800.00	14,800.00	14,800.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	184,260.00
Total 62300 Payroll Expenses	**$ 21,959.00**	**$ 21,959.00**	**$ 21,959.00**	**$ 22,699.00**	**$ 22,699.00**	**$ 22,699.00**	**$ 23,199.00**	**$ 23,199.00**	**$ 23,199.00**	**$ 23,199.00**	**$ 23,199.00**	**$ 23,199.00**	**$ 273,168.00**
62800 Facilities and Equipment													0.00
62820 Trailer Expenses / Truck purchase	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	4,000.00
62840 Facility Maintenance	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
Total 62800 Facilities and Equipment	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 5,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 1,500.00**	**$ 22,000.00**
63000 Horse Related Expense													0.00
63100 Boarding	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	76,020.00
63200 Horse Aquisition	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	8,000.00
63300 Farrier	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	29,196.00
63400 Veterinary/medications	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
63500 Transportation and Fuel	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
63600 Medications and Supplements	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	20,199.96
63650 feed and grain	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
63700 Tack and Equipment	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	500.00	0.00	1,000.00
63775 Bedding	400.00	400.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200.00
63800 barn supplies	375.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	1,500.00
Total 63000 Horse Related Expense	**$ 13,876.33**	**$ 13,501.33**	**$ 13,501.33**	**$ 13,476.33**	**$ 13,101.33**	**$ 13,601.33**	**$ 21,476.33**	**$ 13,101.33**	**$ 13,101.33**	**$ 13,476.33**	**$ 13,601.33**	**$ 13,101.33**	**$ 168,915.96**

65000 Operations													0.00
65020 Postage & Mailing Services	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
65030 Printing & Copying	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
65040 Supplies	300.00	0.00	0.00	300.00	0.00	0.00	300.00	0.00	0.00	300.00	0.00	0.00	1,200.00
65050 Telephone, Telecommunications	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
65060 Ranch Store	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	2,460.00
Total 65000 Operations	**$ 780.00**	**$ 480.00**	**$ 480.00**	**$ 780.00**	**$ 480.00**	**$ 480.00**	**$ 780.00**	**$ 480.00**	**$ 480.00**	**$ 780.00**	**$ 480.00**	**$ 480.00**	**$ 6,960.00**
65100 Other Types of Expenses													0.00
65110 Advertising Expenses and website	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
65120 Insurance - Liability, D & O	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	5,496.00
65150 Memberships and Dues	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	1,092.00
65170 Staff Development	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
65XXX Volunteers								2,000.00					2,000.00
Total 65100 Other Types of Expenses	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 2,924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 924.00**	**$ 13,088.00**
68300 Travel and Meetings					300.00								300.00
68310 Conference, Convention, Meeting	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
Total 68300 Travel and Meetings	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 425.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 125.00**	**$ 1,800.00**
Total Expenditures	**$ 41,308.83**	**$ 40,633.83**	**$ 40,633.83**	**$ 41,648.83**	**$ 41,273.83**	**$ 43,473.83**	**$ 54,148.83**	**$ 43,473.83**	**$ 41,473.83**	**$ 42,148.83**	**$ 41,973.83**	**$ 44,473.83**	**$ 516,665.96**
Net Operating Revenue	**-$ 4,076.83**	**-$ 5,557.83**	**$ 28,036.17**	**$ 162.17**	**$ 26,376.17**	**-$ 3,823.83**	**-$ 16,034.83**	**-$ 3,823.83**	**-$ 662.83**	**-$ 2,498.83**	**-$ 6,162.83**	**-$ 8,662.83**	**$ 3,270.04**
Net Revenue	**-$ 4,076.83**	**-$ 5,557.83**	**$ 28,036.17**	**$ 162.17**	**$ 26,376.17**	**-$ 3,823.83**	**-$ 16,034.83**	**-$ 3,823.83**	**-$ 662.83**	**-$ 2,498.83**	**-$ 6,162.83**	**-$ 8,662.83**	**$ 3,270.04**

Ride Above Disability Therapeutic Riding Center

2024 Budget: Ride Above Disability TRC Budget FY 2024 - FY24 P&L

January - December 2024

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
Revenue													
43400 Direct Public Support													0.00
43410 Corporate Contributions	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	25,200.00
43420 Grants	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	11,100.00	133,200.00
43460 Individual Contributions	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	54,000.00
43470 Ranch Store Revenue	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	375.00	4,500.00
43480 Horse Sponsorship	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	5,820.00	69,840.00
Total 43400 Direct Public Support	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 23,895.00**	**$ 286,740.00**
47200 Program Income													0.00
47240 Program Service Fees	12,937.00	10,781.00	14,375.00	11,516.00	15,355.00	15,355.00	13,819.00	15,355.00	11,516.00	15,355.00	11,516.00	11,516.00	159,396.00
47250 Horse Show/Gymkhana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 47200 Program Income	**$ 12,937.00**	**$ 10,781.00**	**$ 14,375.00**	**$ 11,516.00**	**$ 15,355.00**	**$ 15,355.00**	**$ 13,819.00**	**$ 15,355.00**	**$ 11,516.00**	**$ 15,355.00**	**$ 11,516.00**	**$ 11,516.00**	**$ 159,396.00**
49000 Special Events Income													0.00
49010 Fundraiser/special Events income	0.00	0.00	30,000.00	6,000.00	28,000.00	0.00	0.00	0.00	5,000.00	0.00	0.00	0.00	69,000.00
49020 Tack Sale	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Total 49000 Special Events Income	**$ 400.00**	**$ 400.00**	**$ 30,400.00**	**$ 6,400.00**	**$ 28,400.00**	**$ 400.00**	**$ 400.00**	**$ 400.00**	**$ 5,400.00**	**$ 400.00**	**$ 400.00**	**$ 400.00**	**$ 73,800.00**
Total Revenue	**$ 37,232.00**	**$ 35,076.00**	**$ 68,670.00**	**$ 41,811.00**	**$ 67,650.00**	**$ 39,650.00**	**$ 38,114.00**	**$ 39,650.00**	**$ 40,811.00**	**$ 39,650.00**	**$ 35,811.00**	**$ 35,811.00**	**$ 519,936.00**
Gross Profit	**$ 37,232.00**	**$ 35,076.00**	**$ 68,670.00**	**$ 41,811.00**	**$ 67,650.00**	**$ 39,650.00**	**$ 38,114.00**	**$ 39,650.00**	**$ 40,811.00**	**$ 39,650.00**	**$ 35,811.00**	**$ 35,811.00**	**$ 519,936.00**

Non Program Expenditures													
60900 Business Expenses													0.00
60920 Business Registration Fees	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	150.00
60930 Bank Fees	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	24.00
60940 QuickBooks Merchant Fees	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
60950 Square Merchant Fees	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
60960 PayPal Mechant Charges	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	420.00
60980 State and Federal fees	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	120.00
65000 Operations													
65020 Postage & Mailing Services	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
65030 Printing & Copying	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
65040 Supplies	300.00	0.00	0.00	300.00	0.00	0.00	300.00	0.00	0.00	300.00	0.00	0.00	1,200.00
65050 Telephone, Telecommunications	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
65060 Ranch Store	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	205.00	2,460.00
65100 Other Types of Expenses													0.00
65110 Advertising Expenses and website	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
65120 Insurance - Liability, D & O	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	458.00	5,496.00
65150 Memberships and Dues	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	91.00	1,092.00
62100 Contract Services													
62110 Accounting Fees	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
62130 Fundraising Exp / Special Events Fees	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	1,900.00	22,800.00
62150 Outside Contractor Services	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
62160 Contractor Bonus	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00	5,000.00
65170 Staff Development	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
65XXX Volunteers								2,000.00					2,000.00
68300 Travel and Meetings					300.00								300.00
68310 Conference, Convention, Meeting	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
Total Non Program Expenditures	**$ 3,973.50**	**$ 3,673.50**	**$ 3,673.50**	**$ 3,973.50**	**$ 3,973.50**	**$ 5,673.50**	**$ 3,973.50**	**$ 5,673.50**	**$ 3,673.50**	**$ 3,973.50**	**$ 3,673.50**	**$ 6,673.50**	**$ 52,582.00**

Program Expenditures													
62300 Payroll Expenses													0.00
623100 Worker's Comp	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	39,000.00
623200 Federal FUTA and FIT	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	706.00	8,472.00
623201 FED SOCSEC-ER	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	1,765.00	21,180.00
623202 FED Medicare-ER	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	412.00	4,944.00
623203 CA State Taxes	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	601.00	7,212.00
623204 Emp pd taxes and ADP fee	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	8,100.00
62330 Employee pay	14,800.00	14,800.00	14,800.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	15,540.00	184,260.00
62800 Facilities and Equipment													0.00
62820 Trailer Expenses / Truck purchase	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	4,000.00
62840 Facility Maintenance	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
63000 Horse Related Expense													0.00
63100 Boarding	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	6,335.00	76,020.00
63200 Horse Aquisition	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	8,000.00
63300 Farrier	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	2,433.00	29,196.00
63400 Veterinary/medications	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
63500 Transportation and Fuel	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
63600 Medications and Supplements	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	1,683.33	20,199.96
63650 feed and grain	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
63700 Tack and Equipment	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	500.00	0.00	1,000.00
63775 Bedding	400.00	400.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200.00
63800 barn supplies	375.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	375.00	0.00	0.00	1,500.00
Total Program Expenditures	**$ 37,335.33**	**$ 36,960.33**	**$ 36,960.33**	**$ 37,675.33**	**$ 37,300.33**	**$ 37,800.33**	**$ 50,175.33**	**$ 37,800.33**	**$ 37,800.33**	**$ 38,175.33**	**$ 38,300.33**	**$ 37,800.33**	**$ 464,083.96**
Total Expenditures	**$ 41,308.83**	**$ 40,633.83**	**$ 40,633.83**	**$ 41,648.83**	**$ 41,273.83**	**$ 43,473.83**	**$ 54,148.83**	**$ 43,473.83**	**$ 41,473.83**	**$ 42,148.83**	**$ 41,973.83**	**$ 44,473.83**	**$ 516,665.96**
Net Operating Revenue	**-$ 4,076.83**	**-$ 5,557.83**	**$ 28,036.17**	**$ 162.17**	**$ 26,376.17**	**-$ 3,823.83**	**-$ 16,034.83**	**-$ 3,823.83**	**-$ 662.83**	**-$ 2,498.83**	**-$ 6,162.83**	**-$ 8,662.83**	**$ 3,270.04**
Net Revenue	**-$ 4,076.83**	**-$ 5,557.83**	**$ 28,036.17**	**$ 162.17**	**$ 26,376.17**	**-$ 3,823.83**	**-$ 16,034.83**	**-$ 3,823.83**	**-$ 662.83**	**-$ 2,498.83**	**-$ 6,162.83**	**-$ 8,662.83**	**$ 3,270.04**

ESTIMATE

Resources at Lakeshore Speech, LLC
815 Crocker Rd Suite #B3
Westlake, OH 44145-1071

rlsinfo@lakeshorespeech.com
(440) 471-7190
https://www.lakeshorespeech.com

Ride Above Disability Therapeutic Riding Center

Bill to
Sheri Hughes
12616 Spindletop Rd
San Diego, CA 92129 US

Ship to
Sheri Hughes
12616 Spindletop Rd
San Diego, CA 92129 US

Estimate details

Estimate no.: 062244
Estimate date: 09/23/2024
Expiration date: 10/23/2024

#	Product or service	Description	Qty	Rate	Amount
1.	**4'x2' STANDARD PRT SIGN**	4'x2' - STANDARD PRINT communication sign laminate adhered to aluminum alloy TYPE: Therapeutic Riding Center SYMBOL SYSTEM: SymbolStix LANGUAGE: English	1	$455.00	$455.00
2.	**ANTI-GRAFFITI PROTECTION - Standard Print**	1 board - $50/board 2+ boards - $25/board	1	$50.00	$50.00
3.	**Colored Background to cells**	TYPE: MODIFIED FITZ GERALD	1	$175.00	$175.00
4.	**Custom Sign Set-up - 01-05 cells customized**	- Up to 5 cells customized *Discount of $250 provided on customization of 6 cells. (Charge for 5 cells only).	1	$50.00	$50.00
5.	**Agency/School/Company Name or Logo**	School, district or agency name or logo can be placed at the bottom of the sign(s) at no additional cost.	1	$0.00	$0.00
6.	**Shipping and Handling**	$50 for the first sign $10/sign for subsequent signs ordered and delivered to SAME address FREE shipping for 6+ signs ordered	1	$50.00	$50.00

Total **$780.00**

Expiry date 10/23/2024

Note to customer

Price for communication board based on direct sale price versus MSRP.

Form of payment (credit card, check or PO) and a copy of tax exempt paperwork (if applicable) must accompany accepted quote to begin processing the order.

A copy of draft layout of any custom requests will be provided to the customer for approval prior to production after form of payment has been received.

Accepted date **Accepted by**

SAN DIEGO-IMPERIAL COUNCIL
BOY SCOUTS OF AMERICA®

San Marcos Community Foundation,

1 Civic Center Drive,

San Marcos, CA 92069

To whom it may concern:

Scouting America, San Diego – Imperial Council is pleased to submit this grant application to the San Marcos Community Foundation. Our project, entitled *Scouting for a Better Community*, proposes to operate a day camp for all boys and girls ages 5-10 years old in the San Marcos community. Our council has a long history of operating very successful day camps for elementary school children during the summer break. We know from years of experience that our day camps provide fun activities under qualified leadership, teach new skills and knowledge, build strong friendships, and reinforce good citizenship. It has been many years since we have been able to offer a day camp program in San Marcos, and we feel that it is now the right time to start one. Our day camp in San Marcos will be open to all youth, not just Scouts, which will maximize the benefits to the community.

Although our council oversees programs throughout San Diego and Imperial Counties, we are organized into districts, which serve San Diego's many different neighborhoods. San Marcos is part of our Palomar District, and there are many adult volunteers and staff who are dedicated to work with San Marcos' Scouting units which, in turn, support the community's schools, churches, parks, and civic organizations. Thus, we are able to provide a day camp focused on San Marcos, despite our county-wide reach.

We are committed to serving San Marcos' youth via this day camp, and the council is committing a portion of the funds needed to operate this program. A grant of $4,500 from the San Marcos Community Foundation will make up the difference and will enable the day camp to go forward successfully.

1207 Upas Street
San Diego, CA 92103
Phone (619) 298-6121
www.sdicbsa.org

Our camps are operated in accordance with the strict standards of Scouting America and the American Camping Association. Day camp leaders are required to complete a certification course, and all volunteers, staff, activities, and safety policies are reviewed for compliance with these standards.

We look forward to expanding our support of the San Marcos community through this day camp and other programs. If you need any further information, please reach out to Joshua Riesland at 619-403-6974 or Joshua.Riesland@scouting.org or me at 619-980-0923 or Sean.Roy@Scouting.org.

Sincerely,

Sean Roy

Scout Executive/CEO

San Diego – Imperial Council

Scouting America

Title

San DIego-Imperial Council Boy Scouts of America

09/27/2024

id. 47625730

by **Joshua Riesland** in **San Marcos Community Foundation**
on behalf of **Boy Scouts of America, San Diego - Imperial Council**

1207 upas st
San Diego, California
92103
United States
619-298-6121
joshua.riesland@scouting.org

Original Submission

09/27/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	San DIego-Imperial Council Boy Scouts of America
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Scouting for a Better Community
Project Start Date	1/1/2025
Project End Date	12/31/2025
Date by Which Funds Will Be Expended:	9/30/2025
Total Number of People Served by this Project	50.0
Total Number of People Served by this Project in San Marcos Only	100.0

Grant Amount Requested	4500.0
	Organization Details
Organization Name	San Diego-Imperial Council Boy Scouts of America
Organization Street Address	1207 upas st
Organization City	San Diego
Organization State	CA
Organization Zip Code	92103
Organization Website	www.sdicbsa.org
Organization's EIN	95-1643983 200 Boy Scouts of America, San Diego - Imperial Council 9acd4152-2584-43ad-b0aa-d41c63d49bc7 1207 Upas St San Diego CA 92103 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2024-09-09T00:00:00 2024-09-23T00:00:00 501(c)(3) Public Charity Generally, a central organization holding a group exemption letter, whose subordinate units covered by the group exemption are also eligible to receive tax-deductible contributions, even though they are not separately listed (deductibility limitation dependent on various factors). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2024-09-09T00:00:00 1965 11
	Contact Information
Contact First Name	Joshua
Contact Last Name	Riesland
Contact Title	Grant Writer
Contact Phone	+16192986121

Contact Email	joshua.riesland@scouting.org
	Project Details
Briefly describe your request for funds.	The purpose of the project is to provide San Marcos with a program that fosters growth in a safe and nurturing environment. The program will serve boys and girls ages 5-10 and their parents by providing them a program in their own community. Between now and when the event takes place, the San Diego-Imperial Council Scouting America (SDIC) will advertise the day camp to be held in 2025. We will open and track registration starting 2 months before the event. Staff will take the required trainings to safely provide the day camp to its participants. The planning and gathering of supplies will take place throughout the year to provide the best possible program to the youth. A typical day would start with check-in and a flag ceremony. The groups would then do a group building activity or game. The youth would make rotations to the different stations for 45 minutes each. Stations would include outdoor skills, a nature station/hike, cafts, archery, a physical activity station, and citizenship station. There will also be guest speakers that cover important topics (Police, Fire, and other professionals). We are requesting $4,500 from the San Marcos Community Foundation, with additional funding coming from other sources.
Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Providing the youth and their parents with a day camp in the summer of 2025 will have a long-lasting positive effect on the community of San Marcos. It promotes spending time in green spaces, which has been shown to have positive effects on health. The day camp encourages the youth and their parents to have positive interactions through day camp activities. This helps to support healthy families. The youth who participate in our camps are taught valuable life skills and how to be better citizens. We promote responsible citizenship, strong character, and personal fitness. The youth will grow up to be better citizens in their communities. And best of all, these goals are met through a series of fun activities that boost self-confidence. We believe that our program will greatly benefit the community of San Marcos and its youth. We plan on serving up to 100 youth who live in and around San Marcos. Our program will provide positive benefits that will last a lifetime and make San Marcos a wonderful and thriving community into the future.

Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	We partner with many civic organizations and youth groups to provide programs for our camps. We work with police, fire, and professional organizations to provide speakers and education in our camps.
Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	The mission of the Scouting America is to prepare young people to make ethical choices over their lifetime by instilling in them the values of the Scout Oath and Law. Scouting has long been integral to our region, partnering with churches, schools, businesses, and civic organizations to promote responsible citizenship, strong character, and personal fitness to meet future challenges. Our council's vision is to be recognized as the premier youth organization within our communities. We will make outstanding, exciting, and innovative programs available to all youth in San Diego and Imperial Counties. Program results will have dramatic, positive effects on the youth, adult leaders, and families we serve, building strong communities with more caring citizens. Over the past year, we have served over 6,000 youth, and over 4,000 adult volunteers participated in Scouting. The council produced 275 Eagle Scouts in 2023, and the council provided more than 37,000 hours of community service.

Please upload any community letters or media in support of this project.

Media_of_Community_Impact_in_San_Marcos.pdf

Please upload the annual operating budget for your organization.

2024_Narrative_Budget-2.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

BSA_ELECTRONIC_AUDIT_REPORT-5.pdf

Please attach the first two pages of your Federal 990.

SDICBSA_990_pages_1_to_2.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

San_Marcos_Letter_of_Support.pdf

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	6000.0
Is this a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	SDIC is committed to providing a camp in San Marcos. With this grant, we will be able to operate the day camp at less cost for families. Without the grant, we may not be able to offer the day camp.

	Source Name	Amount	C / CD / P
Additional Funding Source 1	SDICBSA	$1,000	C
Additional Funding Source 2	Registration	$500	CD
Additional Funding Source 3			
Additional Funding Source 4			
Additional Funding Source 5			
Additional Funding Source 6			
Additional Funding Source 7			
Additional Funding Source 8			
Additional Funding Source 9			
Additional Funding Source 10			

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Program Supplies	*$3,000.00*	*Purchase of items needed to run activites*
Camp School/Training	700	Required by American Camping Association
Marketing	300	To inform parents of all boys and girls ages 5-10 in San Marcos about the day camp
Staffing	$2,000.00	Vital to ensure a successful program is produced.
Total budget for this PROJECT:		

2024 NARRATIVE BUDGET

	SUPPORT & REVENUE	2022 Actual	2023 Actual Estimated	2024 Budget
	DIRECT SUPPORT			
1	Friends of Scouting	$ 256,000.00	$ 275,000.00	$ 265,000.00
2	Mail Campaign	-		
3	Project Sales/Gifts	-	$ 5,000.00	$ 5,000.00
4	Special Events (Net)	$ 316,542.00	$ 425,000.00	$ 300,000.00
5	Legacies & Bequests	$ 380,468.00	$ 215,553.00	$ 50,000.00
6	Foundations & Trusts	$ 299,050.00	$ 200,000.00	$ 200,000.00
7	Other Direct Support - Boats	$ 92,049.00	$ 60,000.00	$ 75,000.00
	Total Direct Support	$ 1,344,109.00	$ 1,180,553.00	$ 895,000.00
	INDIRECT SUPPORT			
8	United Ways/Other Indirect (PPP 2020)	$ 236.00	$ 500.00	$ 1,000.00
	Total Indirect Support	$ 236.00	$ 500.00	$ 1,000.00
	REVENUE			
9	Service Center	$ 4,270.00	$ 20,000.00	$ 20,000.00
10	Product Sales-Less Comm & Cost	$ 196,664.00	$ 200,000.00	$ 200,000.00
11	Investment Income/Gain or Loss on Inv	-	-	$ 150,000.00
12	Camping Revenue	$ 1,143,962.00	$ 850,000.00	$ 900,000.00
13	Activity Revenue	$ 195,134.00	$ 400,791.00	$ 200,000.00
14	Other Revenue	$ 781,849.00	$ 380,200.00	$ 463,000.00
	Total Revenue	$ 2,327,874.00	$ 1,850,991.00	$ 1,933,000.00
	Net Assets Released from Restrictions			
15	TOTAL PUBLIC SUPPORT & REV	$ 3,672,219.00	$ 3,013,044.00	$ 2,829,000.00

	EXPENSES	2022 Actual	2023 YE Estimate	2024 Budget
	EMPLOYEE COMPENSATION			
16	Salaries	$ 796,305.00	$ 1,011,904.00	$ 1,200,000.00
17	Employee Benefits	$ 109,768.00	$ 130,378.00	$ 154,800.00
18	Payroll Taxes	$ 69,065.00	$ 151,645.00	$ 180,000.00
18B	Employee Moving & Other	$ 683.00	-	$ 1,000.00
	Total Employee Compensation	$ 975,821.00	$ 1,293,927.00	$ 1,535,800.00
	OTHER EXPENSES			
19	Professional Fees	$ 160,131.00	$ 170,000.00	$ 127,000.00
20	Program & Other Supplies	$ 469,551.00	$ 350,000.00	$ 375,000.00
21	Telephone & Communications	$ 12,676.00	$ 19,000.00	$ 20,000.00
22	Postage & Shipping	$ 3,681.00	$ 4,000.00	$ 4,000.00
23	Occupancy	$ 216,618.00	$ 290,000.00	$ 225,000.00
24	Rental & Maintenance of Equipment	$ 79,911.00	$ 70,000.00	$ 43,000.00
25	Printing & Publications	$ 19,837.00	$ 22,000.00	$ 22,000.00
26	Travel	$ 58,366.00	$ 145,000.00	$ 65,000.00
27	Conferences & Meetings	$ 11,452.00	$ 95,000.00	$ 15,000.00
28	Specific Assistance to Individuals	$ 25,798.00	$ 15,000.00	$ 25,000.00
29	Recognition Awards	$ 70,328.00	$ 70,000.00	$ 50,000.00
30	Interest Expense	$ 6,103.00	-	-
31	Insurance	$ 139,586.00	$ 140,000.00	$ 160,000.00
32	Other Expense	$ 138,037.00	$ 200,000.00	$ 75,000.00
33	Charter & National Service Fees	$ 47,975.00	$ 50,000.00	$ 60,000.00
	Total Other Expenses	$ 1,460,050.00	$ 1,640,000.00	$ 1,266,000.00
34	TOTAL EXPENSES	$ 2,435,871.00	$ 2,933,827.00	$ 2,801,800.00
35	INC (DEF) - REVENUE OVER EXP	$ 1,236,348.00	$ 79,217.00	$ 26,200.00

	2022 Actual	2023 Year-End Estimate	2024 Budget
1. FRIENDS OF SCOUTING	$ 256,000.00	$ 275,000.00	$ 265,000.00
2024 will follow the same campaign methods as 2023, which include a Board of Directors campaign and major historical gift contacts. A more organized email and online campaign will contact unit and district-level Scouters.			
2. MAIL CAMPAIGN	$ -	$ -	$ -
The traditional mail campaign, which consisted of purchasing lists and processing mailers through third-party vendors, failed to produce results due to a shrinking demographic and rising postage costs. Any mail campaigns done have been rolled into FOS and done in-house. In the future, we should consider a mail campaign incorporating crowdfunding, email, and text.			
3. PROJECT GIFTS	-	$5,000.00	$5,000.00
By definition, project gifts are items donated typically purchased by the Council. No campaign is planned for 2024 due to competing priorities, but this will re-emerge in the future.			
4. SPECIAL EVENTS (Net)	$316,542.00	$425,000.00	$300,000.00
In 2023, we had solid special event performance, generating funds critical to operations and community leadership recruitment. This includes the Construction and Building Industry Lunch-O-Ree, Champions of Scouting, Golf Invitational, and two Sporting Clay Tournaments. All events are planned again for 2024, with the Lunch-O-Ree off to an early and successful start honoring Mike Furby in May.			
5. LEGACIES & BEQUESTS	$ 380,468.00	$ 215,553.00	$ 50,000.00
The SDIC 10-year average exceeds $200,000 annually. For the first time, a decision has been made in 2024 to only use the first $50,000 for operation purposes, with any additional contributions going into a board-restricted endowment fund.			
6. FOUNDATIONS & TRUSTS	$ 299,050.00	$ 200,000.00	$ 200,000.00
Thanks to the research and leadership of Dick Kelly, we have organized our foundation and trust, giving into 5 areas: Properties, Scoutreach, Exploring (Career Development), Program Specific, and General Operations. This focus with a refined tracking system that includes a new office manager as grant administrator will generate increases and a new era of foundation and grants for SDIC.			
7. OTHER DIRECT SUPPORT	$ 1,344,109.00	$ 1,180,553.00	$ 895,000.00
This category includes boats, other asset donations held for sale, and other miscellaneous one-time gifts. We continue to operate using an auction-based format, partnering with the Joe Bradley Auction Company.			

	2022 Actual	2023 Year-End Estimate	2024 Budget
8. UNITED WAY AND OTHER DIRECT GIVING	$ 236.00	$ 500.00	$ 1,000.00

The majority of our funding from United Way is through designated gifts to our Council. Due to staff shortage and the need to prioritize time, we have lost connection with local United Way Organizations and plan to re-connect in 2024.

9. SERVICE CENTER	$ 4,270.00	$ 20,000.00	$ 20,000.00

This consists of over-the-counter sales of items available at the Council Service Center.

10. PRODUCT SALES (Net)	$ 196,664.00	$ 200,000.00	$ 200,000.00

The product sales (popcorn) campaign was flat from 2021 through 2023, and a renewed effort is planned for 2024, emphasizing sale promotion and unit engagement.

11. INVESTMENT INCOME/GAIN OR LOSS ON INVESTMENTS	$ -	$ -	$ 150,000.00

In 2023, $50,000 in investment income was budgeted but not taken due to lack of need. In 2024, that $50,000 from 2023 is budgeted for use, with $50,000 from 2024 and a new $50,000, thanks to a recent gift placed in a money market account.

12. CAMPING	$ 1,143,962.00	$ 850,000.00	$ 900,000.00

Camp program revenue dropped in 2023 due to a rough year at CFI in 2022. That, combined with additional expenses the City of San Diego added, significantly reduced net proceeds. A modest increase in CFI attendance and funding is expected thanks to early CFI promotion and sign-up tracking ahead.

13. ACTIVITIES	$ 195,134.00	$ 400,791.00	$ 200,000.00

Activities are budgeted conservatively and are expected to achieve net income profit margins while remaining cost-effective for participants. Significant reductions in activity income and related expenses are reduced in 2024 without the National Jamboree.

14. OTHER REVENUES	$ 781,849.00	$ 380,200.00	$ 463,000.00

2022 included significant funding from the Employee Retention Tax Credit and Paycheck Protection Program (PPP). 2023 is back to regular support for this category to include: participant program and insurance fees and rental incomes (Scout Shop and Sea Camp). The 2024 increase reflects an increase in program and insurance fees, which aligns SDIC fees with other southern California councils.

15. PUBLIC SUPPORT & REVENUE	$ 3,672,219.00	$ 3,013,044.00	$ 2,829,000.00

2024 BUDGET NARRATIVE

		2022 Budget	2023 Year-End Estimate	2024 Budget
16. SALARIES		$ 796,305.00	$ 1,011,904.00	$ 1,200,000.00
2024 salaries include the addition of a new field director, office manager, promotion of Dan Ontiveras to Camping Director, $60,000 for marketing (how best to use is being determined), and a 3.3% manadatory City of SD minimum wage increase and a 4.7% merit increase pool.				
17-18. EMPLOYEE BENEFITS, TAXES & RELATED		$ 978,821.00	$ 1,293,927.00	$ 1,535,800.00
Benefits reflect full-time salaries (summer camp salaries excluded), FICA taxes, Medicare, and other employer taxes. San Diego-Imperial Council follows National policies and guidelines for employee benefits.				
19. PROFESSIONAL FEES		$ 160,131.00	$ 170,000.00	$ 127,000.00
This includes the annual audit, tax preparation, legal fees, credit card processing fees, computer maintenance costs, and summer camp 3rd party excursions like deep sea fishing and surfing. All excursions are pass-through expenses, with the income realized in camping fees.				
20. SUPPLIES		$ 469,551.00	$ 350,000.00	$ 375,000.00
This expense category includes supplies in zone event recognition, activities, and camp, including food and commissary. The 2024 budget predicts similar expenses with a slight increase for inflation. This expense is offset by income already in place for this purpose.				
21. TELEPHONE		$ 12,676.00	$ 19,000.00	$ 20,000.00
Reimbursement of professional staff cell phones remains at $40 per month. This also includes payment for landlines at the council office, Mataguay, and the Youth Aquatic Center. The increase in 2024 reflects new staff additions.				
22. POSTAGE & SHIPPING		$ 3,681.00	$ 4,000.00	$ 4,000.00
The majority of expense is connected to fundraising solicitations, invoicing and thank you correspondence.				
23. OCCUPANCY		$ 216,618.00	$ 290,000.00	$ 225,000.00
This includes maintenance at all facilities, utilities, real estate taxes, and off-site facility rentals. In 2024, SDIC will focus on moving all large property expense funding needs to foundations, grants, and other sources restricted for purpose.				
24. RENTAL & MAINTENANCE OF EQUIPMENT		$ 79,911.00	$ 70,000.00	$ 43,000.00
Includes maintenance on equipment at Mataguay, Balboa and the Youth Aquatic Center, copiers on lease agreements, and rentals necessary for program events. Due to specialized grants we will be purchasing equipment that was previously rented.				
25. PRINTING & PUBLICATIONS		$ 19,837.00	$ 22,000.00	$ 22,000.00
This category reflects camp, activities and special event printing. A digital opton is used whenever effective and avaiable.				

		2022 Budget	2023 Year-End Estimate	2024 Budget
26. TRAVEL		$ 58,366.00	$ 145,000.00	$ 65,000.00
This category includes the monthly travel (mileage) reimbursement for professional staff, which will remain the same as prior years at $400 per month plus $0.15 per mile. The 2023 increase is the result of increased staffing.				
27. CONFERENCES AND MEETINGS		$ 11,452.00	$ 95,000.00	$ 15,000.00
The National Council provides training courses that are needed for professional development. This category also includes camp schools for essential summer camp and day camp staff members and volunteers to ensure quality programs are delivered. Teleconference options will be used when available.				
28. SPECIFIC ASSISTANCE TO INDIVIDUALS		$ 25,798.00	$ 15,000.00	$ 25,000.00
This category includes camperships and Council outreach programs like Family Adventure Days and Scoutreach. Funding beyond this amount will be increased as Foundation and Grant funding is secured.				
29. RECOGNITION AWARDS		$ 70,328.00	$ 70,000.00	$ 50,000.00
Recognition of leaders, youth, and units. Includes camp, popcorn, training, merit awards, and special recognition of donors and honorees.				
30. INTEREST EXPENSE		$ 6,103.00	$ -	$ -
None is paid the council remains debt free.				
31. INSURANCE		$ 139,586.00	$ 140,000.00	$ 160,000.00
Property, auto and activity insurance costs. National liability insurance is included here. Policies are renewed annually in June. The reduction in 2021 and 2022 is the result of competitvely shopping insurance options. Additional insurance will be purchased to accomdiate non-Scouter user groups.				
32. OTHER EXPENSES		$ 138,037.00	$ 200,000.00	$ 75,000.00
Banking, council program and miscellanous field expenses.				
33. CHARTER & NATIONAL SERVICE FEES		$ 47,975.00	$ 50,000.00	$ 60,000.00
This is the national annual charter fee. Service fees are monthly and the rate is determined by the National office.				
34 TOTAL COUNCIL EXPENSES		$ 2,435,871.00	$ 2,933,827.00	$ 2,801,800.00
35. INC (DEF) - REVENUE OVER EXP		$ 1,236,348.00	$ 79,217.00	$ 26,200.00

MUNGER & COMPANY, CPAs
1818 Avocado Road
Oceanside, CA 92054
(760) 730-8020
www.mungercpa.com

San Diego-Imperial Council,
Boy Scouts of America
Audited Financial Statements
December 31, 2022

Contents

	Page No.
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets – Without Donor Restrictions	4
Statement of Activities and Changes in Net Assets – With Donor Restrictions	5
Statement of Changes in Net Assets - Summary	6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to Financial Statements	9-35

MUNGER & COMPANY, CPAs
1818 Avocado Road
Oceanside, CA 92054
(760) 730-8020
www.mungercpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
San Diego-Imperial Council, Boy Scouts of America

Opinion

We have audited the accompanying financial statements of San Diego-Imperial Council, Boy Scouts of America (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Diego-Imperial Council, Boy Scouts of America as of December 31, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of San Diego-Imperial Council, Boy Scouts of America and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego-Imperial Council, Boy Scouts of America's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 San Diego-Imperial Council, Boy Scouts of America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about San Diego-Imperial Council, Boy Scouts of America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited San Diego-Imperial Council, Boy Scouts of America's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 11, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

January 11, 2024

Munger & Company, CPAs

San Diego - Imperial Council, Boy Scouts of America
Statement of Financial Position
December 31, 2022
(With Comparative Totals for December 31, 2021)

	Operating Fund		Capital Fund		Endowment Fund		Total All Funds	
ASSETS	2022	2021	2022	2021	2022	2021	2022	2021
Cash & Cash Equivalents	$ 1,843,638	$ 717,172	$ 456,110	$ 1,482,824	$ 18,913	$ 21,116	$ 2,318,661	$ 2,221,112
Accounts Receivable, Net	55,663	163,931					55,663	163,931
Promises to Give, Net	149,687	65,000	24				149,711	65,000
Inventories	59,784	29,203					59,784	29,203
Deferred Activity Expense		1,086					-	1,086
Inter-fund Loans		(450,000)				450,000	-	-
Prepaid Expenses	83,124	60,257					83,124	60,257
Total Current Assets	2,191,896	586,649	456,134	1,482,824	18,913	471,116	2,666,943	2,540,589
Land, Buildings & Equipment (net)			2,573,387	3,210,874			2,573,387	3,210,874
Right of Use Asset - Operating Lease			28,115	46,609			28,115	46,609
Long Term Investments		5,495			2,599,805	3,455,627	2,599,805	3,461,122
Total Long Term Assets	-	5,495	2,601,502	3,257,483	2,599,805	3,455,627	5,201,307	6,718,605
Total Assets	$ 2,191,896	$ 592,144	$ 3,057,636	$ 4,740,307	$ 2,618,718	$ 3,926,743	$ 7,868,250	$ 9,259,194
LIABILITIES & NET ASSETS								
Liabilities								
Accounts Payable	$ 81,031	$ 53,905	$	$ 24,499	$	$	$ 81,031	$ 78,404
Accrued Expenses	82,469	31,918		1,769			82,469	33,687
Custodial Accounts	284,229	322,592			60,000	60,000	344,229	382,592
Lawsuit Payable		2,408,701					-	2,408,701
Operating Lease Liability - Short Term			19,388	8,471			19,388	8,471
Deferred Activity Income	127,657	27,419					127,657	27,419
Other Current Liabilities	32,685	45,382					32,685	45,382
PPP Loan		492,757					-	492,757
Total Current Liabilities	608,071	3,382,674	19,388	34,739	60,000	60,000	687,459	3,477,413
Operating Lease Liability - Long Term			9,988	2,185			9,988	2,185
Custodial Accounts - Long Term					386,671	547,447	386,671	547,447
Total Long-term Liabilities	-	-	9,988	2,185	386,671	547,447	396,659	549,632
Total Liabilities	$ 608,071	$ 3,382,674	$ 29,376	$ 36,924	$ 446,671	$ 607,447	$ 1,084,118	$ 4,027,045
Net Assets								
Without Donor Restrictions	1,374,138	(2,855,530)	2,572,126	3,253,383	329,319	1,463,353	4,275,583	1,861,206
With Donor Restrictions	209,687	65,000	456,134	1,450,000	1,842,728	1,855,943	2,508,549	3,370,943
Total Net Assets	1,583,825	(2,790,530)	3,028,260	4,703,383	2,172,047	3,319,296	6,784,132	5,232,149
Total Liabilities & Net Assets	$ 2,191,896	$ 592,144	$ 3,057,636	$ 4,740,307	$ 2,618,718	$ 3,926,743	$ 7,868,250	$ 9,259,194

The Accompanying Notes are an Integral Part of the Financial Statements

San Diego - Imperial Council, Boy Scouts of America
Statement of Activities and Changes in Net Assets - Without Donor Restrictions
For the Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

Changes in Net Assets Without Donor Restrictions

	Operating Fund		Capital Fund		Endowment Fund		Total All Funds	
SUPPORT AND REVENUE	2022	2021	2022	2021	2022	2021	2022	2021
Direct Support								
Friends of Scouting - Gross	$ 232,705	$ 171,250	$	$	$	$	$ 232,705	$ 171,250
Less Provision for Uncollectable	0	0					0	0
Net Friends of Scouting	232,705	171,250	-	-	-	-	232,705	171,250
Project Sales		1,740					0	1,740
Special Events - Gross	558,948	677,072					558,948	677,072
Less Cost of Direct Benefit	(217,149)	(408,791)					(217,149)	(408,791)
Net Special Events	341,799	268,281	-	-	-	-	341,799	268,281
Legacies and Bequests	424,539	212,500					424,539	212,500
Foundations and Trusts	251,520	113,199					251,520	113,199
Other Direct Support	72,031	155,347	13,929	78,729	2,000		87,960	234,076
Released from Restrictions	65,000	367,075	993,866	849,821			1,058,866	1,216,896
Total Direct Support	1,387,594	1,289,392	1,007,795	928,550	2,000	-	2,397,389	2,217,942
Indirect Support								
United Way	529	3,401					529	3,401
Total Indirect Support	529	3,401	-	-	-	-	529	3,401
Revenues								
Sale of Supplies - Gross	4,270	3,230					4,270	3,230
Less of Cost of Goods Sold	0	(888)					0	(888)
Net Sale of Supplies	4,270	2,342					4,270	2,342
Product Sales - Gross	736,470	739,181					736,470	739,181
Less Cost of Sales Sold	(253,661)	(245,300)					(253,661)	(245,300)
Less Commissions Paid to Units	(283,767)	(251,509)					(283,767)	(251,509)
Net Product Sales	199,042	242,372					199,042	242,372
Investment Income		42			29,377	(304,827)	29,377	(304,785)
Gain (Loss) on Investments					(347,090)	506,953	(347,090)	506,953
Gain on Sale of of Land			847,677				847,677	0
Camping Revenue, net of expense of $0	1,063,718	1,180,561					1,063,718	1,180,561
Activity Revenue	196,474	123,230					196,474	123,230
Other Revenue	895,404	461,510			1,679		897,083	461,510
Total Revenue	2,358,908	2,010,057	847,677	-	(316,034)	202,126	2,890,551	2,212,183
TOTAL SUPPORT & REVENUE	$ 3,747,031	$ 3,302,850	$ 1,855,472	$ 928,550	$ (314,034)	$ 202,126	$ 5,288,469	$ 4,433,526
EXPENSES								
Program Services	2,260,330	2,051,212	357,351	440,424			2,617,681	2,491,636
Support Services								
Management & General	141,743	2,555,043	941	787		15,092	142,684	2,570,922
Fundraising	83,831	141,570	564	381,855			84,395	523,425
Total Supporting Services	225,574	2,696,613	1,505	382,642	-	15,092	227,079	3,094,347
Charter and National Service Fee	47,975	47,500					47,975	47,500
TOTAL EXPENSES	2,533,879	4,795,325	358,856	823,066	-	15,092	2,892,735	5,633,483
Changes in Net Assets Without Donor Restrictions	$ 1,213,152	$ (1,492,475)	$ 1,496,616	$ 105,484	$ (314,034)	$ 187,034	$ 2,395,734	$ (1,199,957)

The Accompanying Notes are an Integral Part of the Financial Statements

San Diego - Imperial Council, Boy Scouts of America
Statement of Activities and Changes in Net Assets - With Donor Restrctions
For the Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

Changes in Net Assets With Donor Restrictions	Operating Fund		Capital Fund		Endowment Fund		Total All Funds	
	2022	2021	2022	2021	2022	2021	2022	2021
Direct Support								
Capital Campaign	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Legacies and Bequests							-	-
Foundations and Trusts	60,000						60,000	-
Other Direct Support	149,687	93,095		6,020			149,687	99,115
Total Direct Support	209,687	93,095	-	6,020	-	-	209,687	99,115
Revenue								
Change in Value of Split-interest Agreement					(13,215)	3,616	(13,215)	3,616
							-	-
Total Revenue	-	-	-	-	(13,215)	3,616	(13,215)	3,616
Net Assets Released from Restrictions								
Released from Restrictions	(65,000)	(367,075)	(993,866)	(849,821)			(1,058,866)	(1,216,896)
Total Reclassification of Net Assets	(65,000)	(367,075)	(993,866)	(849,821)	-	-	(1,058,866)	(1,216,896)
Change in Net Assets With Donor Restrictions	$ 144,687	$ (273,980)	$ (993,866)	$ (843,801)	$ (13,215)	$ 3,616	$ (862,394)	$ (1,114,165)

The Accompanying Notes are an Integral Part of the Financial Statements

San Diego - Imperial Council, Boy Scouts of America
Statement of Change in Net Assets - Summary
For the Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

				Total All Funds	
NET ASSETS - BEGINNING	**Operating Fund**	**Capital Fund**	**Endowment Fund**	2022	2021
Without Donor Restrictions	$ (2,855,530)	$ 3,253,383	$ 1,463,353	$ 1,861,206	$ 3,061,163
With Donor Restrictions	65,000	1,450,000	1,855,943	3,370,943	4,485,108
Total Net Assets, Beginning of Year	(2,790,530)	4,703,383	3,319,296	5,232,149	7,546,271
Changes in Net Assets Without Donor Restrictions	1,213,152	1,496,616	(314,034)	2,395,734	(1,199,957)
Change in Net Assets With Donor Restrictions	144,687	(993,866)	(13,215)	(862,394)	(1,114,165)
Net Change	1,357,839	502,750	(327,249)	1,533,340	(2,314,122)
Transfers - Without Donor Restrictions	3,016,516	(2,196,516)	(820,000)	-	-
Adjustments to Net Assets With Donor Restrictions		18,643		18,643	-
Adjustments to Net Assets Without Donor Restrictions				-	-
Total Net Change in Net Assets	4,374,355	(1,675,123)	(1,147,249)	1,551,983	(2,314,122)
NET ASSETS - END					
Without Donor Restrictions	1,374,138	2,572,126	329,319	4,275,583	1,861,206
With Donor Restrictions	209,687	456,134	1,842,728	2,508,549	3,370,943
Total Net Assets, End of Year	$ **1,583,825**	$ **3,028,260**	$ **2,172,047**	$ 6,784,132	$ 5,232,149

The Accompanying Notes are an Integral Part of the Financial Statements

San Diego - Imperial Council, Boy Scouts of America
Statement of Functional Expenses
For the Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

	Program Services	Supporting Services			2022 Total	2021 Total
		Mgt & Gen	Fundraising	Total		
Employee Compensation						
Salaries	$ 717,563	$ 57,149	$ 14,450	$ 71,599	$ 789,162	$ 849,183
Employee Benefits	96,384	12,862	3,215	16,077	112,461	78,227
Payroll Taxes and Related Expenses	81,661	11,423	2,856	14,279	95,940	86,799
Total Employee Compensation	895,608	81,434	20,521	101,955	997,563	1,014,209
Other Expenses						
Professional fees	153,320	17,955	16,723	34,678	187,998	198,374
Supplies	530,582	3,846	11,529	15,375	545,957	538,131
Telephone	12,507	1,744	436	2,180	14,687	16,029
Postage and shipping	2,692	379	644	1,023	3,715	4,807
Occupancy	236,517	1,881	5,471	7,352	243,869	146,641
Rental and maintenance of equipment	140,573	3,342	1,438	4,780	145,353	188,524
Printing and publication	8,326	1,162	12,835	13,997	22,323	12,404
Vehicle and travel	66,745	4,335	2,245	6,580	73,325	55,287
Conferences and meetings	11,634	959	240	1,199	12,833	4,969
Specific assistance to individuals	25,798			0	25,798	500
Recognition and awards	85,593	1,670	6,219	7,889	93,482	39,497
Insurance	92,815	10,196	2,549	12,745	105,560	193,463
Interest	5,188	732	183	915	6,103	0
Legal				0	0	2,408,701
Loss on disposal of assets	70,105				70,105	
Other	40,575	11,047	2,862	13,909	54,484	567,979
Total Other Expense	1,482,970	59,248	63,374	122,622	1,605,592	4,375,306
Depreciation of Buildings/Equipment	239,103	2,002	500	2,502	241,605	196,468
Total Functional Expenses	$ 2,617,681	$ 142,684	$ 84,395	$ 227,079	$ 2,844,760	$ 5,585,983

The Accompanying Notes are an Integral Part of the Financial Statements

San Diego - Imperial Council, Boy Scouts of America
Statement of Cash Flows
For the Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

	Operating Fund	Capital Fund	Endowment Fund	Total All Funds 2022	Total All Funds 2021
Cash Flows from Operating Activities:					
Total Net Change in Net Assets	$ 4,374,355	$ (1,675,123)	$ (1,147,249)	$ 1,551,983	$ (2,314,122)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:					
Depreciation		241,605		241,605	196,468
Forgiveness of PPP loan	(492,757)			(492,757)	
Write-off of Receivable				-	567,979
Gain on sale of land		(847,677)		(847,677)	
Loss on disposal of fixed assets		70,105		70,105	
Unrealized (gain) loss on investment			(347,090)	(347,090)	506,953
Changes in operating assets and liabilities:					
Accounts Receivable, Net	108,268			108,268	(91,275)
Promises to Give, Net	(84,687)	(24)		(84,711)	360,010
Inventories	(30,581)			(30,581)	105,561
Deferred Activity Expense	1,086			1,086	
Prepaid Expenses	(22,867)			(22,867)	(31,910)
Accounts Payable	27,126	(24,499)		2,627	(281,381)
Accrued Expenses	50,551	(1,769)		48,782	(107,079)
Custodial Accounts	(38,363)		-	(38,363)	(95,057)
Lawsuit Payable	(2,408,701)			(2,408,701)	2,408,701
Deferred Activity Income	100,238			100,238	(148,517)
Other Current Liabilities	(12,697)			(12,697)	31,649
Net Cash Provided (Used) by Operating	1,570,971	(2,237,382)	(1,494,339)	(2,160,750)	1,107,980
Cash Flows from Financing Activities:					
Custodial Accounts			(160,776)	(160,776)	8,915
Borrowing on Capital Assets		36,807		36,807	1,795
Payments on Capital Asset Borrowings		(8,471)		(8,471)	(7,079)
Inter-fund Loans	(450,000)		450,000	-	-
Borrowing on PPP Loan				-	492,757
Net Cash Provided (Used) by Financing	(450,000)	28,336	289,224	(132,440)	496,388
Cash Flows from Investing Activities:					
Net Investment Activity	5,495		1,202,912	1,208,407	(1,122,143)
Cash Received from Sale of Fixed Assets		1,769,010		1,769,010	-
Purchase of Fixed Assets		(586,678)		(586,678)	(409,681)
Net Cash Provided (Used) by Investing	5,495	1,182,332	1,202,912	2,390,739	(1,531,824)
Net Change in Cash	1,126,466	(1,026,714)	(2,203)	97,549	72,544
Beginning Cash and Cash Equivalents	717,172	1,482,824	21,116	2,221,112	2,148,568
Ending Cash and Cash Equivalents	$ 1,843,638	$ 456,110	$ 18,913	$ 2,318,661	$ 2,221,112

The Accompanying Notes are an Integral Part of the Financial Statements

Note 1. Organization and Nature of Activities

The San Diego-Imperial Council, Boy Scouts of America (the Council), operates in California, including the counties of San Diego and Imperial. The Council's website address is www.sdicbsa.org. The Council has four camping facilities located within its service area. The Council also maintains control of a trust fund with a corporate trustee, which was established for the benefit of the Council. The Council is an independent not-for-profit organization devoted to promoting, within the territory covered by the charter from time to time granted it by the Boy Scouts of America and in accordance with the Congressional Charter, Bylaws, and Rules and Regulations of the Boy Scouts of America, the Scouting programs of promoting the ability of boys and girls, and young men and women to do things for themselves and others, training them in Scoutcraft, and teaching them patriotism, courage, self-reliance, and kindred virtues, using the methods which are now in common use by the Boy Scouts of America. In addition to support for organizational and programmatic Scouting activities, the National Council of the Boy Scouts of America (the "National Council") provides components of the Council's employee benefit plans and liability insurance as well as components of the Council's technology, software, and other items. The Council delivered Scouting to 6,507 youth members in 2022. Scouting programs include the following:

The Council's programs are classified as follows:

Lion Scouts - A fun introduction to the Scouting program for kindergarten-age youth eager to get going! Lions do adventures with their adult partners and other Lions every month. This program introduces youth and their families to Scouting and the outdoors as it builds a foundation of character. A Lion den is part of the Cub Scout pack.

Tiger Scouts - One-year, family-oriented program for a group of teams, each consisting of a first-grade (or 7-year-old) boy or girl and an adult partner (usually a parent). A Tiger den is part of the Cub Scout pack.

Cub Scouting – Family- and community-centered approach to learning citizenship, compassion, and courage through service projects, ceremonies, games, and other activities promoting character development and physical fitness.

Scouts BSA – Scouts BSA is a year-round program for youth 11-17 years old that provides fun, adventure, learning, challenge, and responsibility to help them become the best version of themselves.

Venturing Provides experiences to help young men and women, ages 14 - or 13 with completion of the eighth grade-through 20, become mature, responsible, caring adults. Young people learn leadership skills and participate in challenging outdoor activities, including having access to Boy Scout camping properties, a recognition program, and Youth Protection training.

Sea Scouts - For over 100 years Sea Scouting has promoted better citizenship and improved members' boating skills through instruction and practice in water safety, boating skills, outdoor, social, service experiences, and knowledge of our maritime heritage.

Learning for Life - Program that enables young people to become responsible individuals by teaching positive character traits, career development, leadership, and life skills so they can make ethical choices and achieve their full potential.

Note 1. Organization and Nature of Activities (continued)

Families can choose to sign up their sons and daughters who are ages 5-10 for Cub Scouts. Chartered organizations may choose to establish a new girl pack, establish a pack that consists of girl dens and boy dens or remain an all-boy pack. Cub Scout dens will be single gender - all boys or all girls. In February 2019, using the same curriculum as the former "Boy Scout" program, Scouts BSA launched its new program enabling all eligible youth ages 11-17 to earn the Eagle Scout rank. This unique approach allows the organization to maintain the integrity of the single-gender model while also meeting the needs of today's families.

Note 2. Summary of Significant Accounting Policies

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of available resources, the accounts of the Organization are maintained in accordance with the principles of fund accounting. Under such principles, resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives. The accounts of the Council are maintained in three self-balancing fund groups according to their nature and purposes as follows:

General Operating Fund – The general operating fund is used to account for the Council's operating activities.

Capital Fund – The capital fund is used to account for property, buildings, equipment, and legally restricted cash that is to be expended for property, buildings, and equipment and related debt payments. Also, included in this fund are investments either restricted or designated for capital repair and improvements where the income is either designated or restricted for those particular items. Revenues and expenses related to the capital fundraising campaign are also included in this fund.

Endowment Fund – The endowment fund is normally used to account for amounts of gifts and bequests accepted with legal restrictions based on donor stipulation that the principal be maintained intact in perpetuity, until the occurrence of a specified event or for a specified period, and that only income from the investment thereof be expended either for general purposes or for purposes specified by the donor. Investment funds with and without donor restrictions are also included in the endowment fund.

Certain donor-restricted net assets have been restricted by donors to be maintained by the Council in perpetuity.

Basis of Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Not-for-Profit Entities, Presentation of Financial Statements. During 2018, the Council adopted the provisions of Accounting Standards Update ("ASU") 2016-14: Not-for-Profit-Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities, which improves the current net asset classification and the related information presented in the financial statements and notes about the Council's liquidity, financial performance, and cash flows.

Note 2. Summary of Significant Accounting Policies, (continued)

Prior Year Summarized Comparative Information
The financial statements and certain notes include certain prior year summarized comparative information in total, but not by fund balance. Such information does not always include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Accordingly, such information should be read in conjunction with the Council's financial statements as of and for the year ended December 31, 2021, from which the summarized comparative information was derived.

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.

Cash and Cash Equivalents
The Council considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Restricted Cash
At December 31, 2022 and 2021, restricted cash consists of cash received from donor contributions restricted for capital projects. The funds are placed into a separate bank account and as payments are made for the capital projects, operating funds are reimbursed through restricted cash. Fund 2 restricted cash totaled $456,110 and $1,450,000, respectively, for the years ended December 31, 2022, and 2021.

Concentration of Credit Risk
The Council maintains its cash and cash equivalents in financial institution accounts, which may, at times, exceed the federally insured limit of $250,000 set by the Federal Deposit Insurance Corporation. The Council has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash held in such institutions.

Accounts Receivable
Accounts receivable are recorded primarily for product sales and are reported at net realizable value if the amounts are due within one year. An allowance for doubtful accounts is based on an analysis of expected collection rates determined from experience. No allowance for doubtful accounts was considered necessary as of December 31, 2022, and 2021.

Interfund Loans
The Council records interfund loans on a single line in the asset section of the statement of financial position, and classifies them as current or long-term based on the intended repayment date of the loan. The total of all three interfund loan accounts must be zero in the totals column of the statement of financial position.

Inventories
Inventories, which consist primarily of Scouting supplies, are stated at the lower of average cost or net realizable value.

Note 2. Summary of Significant Accounting Policies, (continued)

Land, Buildings, Equipment, Construction in Process and Related Depreciation

Purchased property and equipment are stated at cost. Maintenance and repairs are charged to operations when incurred. Betterments and renewals of $2,000 or more are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in the change in net assets.

Depreciation of property and equipment and amortization of leasehold improvements are computed using the straight-line method based on the shorter of the estimated useful lives or lease terms of the assets as follows:

Assets	Estimated Useful Lives
Land improvements	25 – 40 years
Buildings and leasehold improvements	25 – 40 years
Furniture, fixtures and equipment	5 – 10 years

Donations of property and equipment are recorded as contributions at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose based on its fair value. Assets donated with explicit restrictions regarding their use, absent donor stipulations regarding how long those donated assets must be maintained, are recorded as net assets with donor restrictions. The Council reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor. The Council reclassifies net assets with donor restrictions that are temporary in nature to net assets without donor restrictions at that time.

Long-lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded during the years ended December 31, 2022, and 2021.

Investments

Investments with readily determinable fair values are measured at fair value in the statement of financial position. The fair value of investments in the BSA Commingled Fund have been calculated using the net asset value (NAV) of the Council's ownership in the partners' capital. Interest, dividends, realized and unrealized gains and losses on investments, net of fees, are recorded as investment return in the statement of activities and changes in net assets. Realized gains and losses are determined on a specific identification basis. Realized and unrealized gains and losses, interest, and dividends on investments are recorded as net assets without donor restriction unless such amounts are restricted by the donor or by law. Investments received as gifts are recorded at the estimated fair value at the date of the gift. Investments are classified based on their original maturities. Investments with original maturities of less than 12 months are classified as short-term investments.

Note 2. Summary of Significant Accounting Policies, (continued)

Revenue Recognition

Revenue Recognition Revenue from Exchange Transactions: The Council recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Council records the following exchange transaction revenue in its statement of activities and changes in net assets for the years ending December 31, 2022, and 2021:

Trading Post sales - The Council operates Trading Posts at its summer camps, which sell Scouting-related merchandise on a retail basis to customers. The performance obligation is the delivery of the good to the customer. The transaction price is established by the Council based on retail prices suggested by the suppliers. As each item is individually priced, no allocation of the transaction price is necessary. The Council recognizes revenue as the customer pays and takes possession of the merchandise. Some merchandise is sold with a right of return. If probable customer returns exist at the end of an accounting period, the Council estimates and records in its financial statements a liability for such returns, which offsets revenue. No liability for probable customer returns was considered necessary as of December 31, 2022, and 2021.

Product sales - To help Scout packs and troops raise the money they need to fund programs and activities throughout the year, the Council participates in the Trail's End Popcorn program. Scout packs and troops purchase popcorn from the Council, which they then resell to customers. The Scout packs and troops earn a commission of 35% on each sale they make, which may be used to offset the price of the popcorn they purchase from the Council. The popcorn sale also helps the Council raise money in support of its programs. Popcorn sales to Scout units start in the fall of each year, with the units placing their orders online through the Trail's End website. The price the Scout unit pays for the popcorn is established by the Council, and each item is individually priced, so no allocation of the transaction price is required. Many BSA units are allowed to purchase popcorn "on account" with payment due at a later date. Per FASB ASU 2014-09, the Council is required to assess the probability of collecting these accounts receivable in order to determine whether there is a substantive transaction between the council and the unit. In making this collectability assessment, the Council exercises judgment and considers all facts and circumstances, including its knowledge of the customer. The Council uses the Trail's End website to track and manage unit accounts receivable. With popcorn sales, the performance obligation is delivery of the product, which is fulfilled by the Council at predetermined times and locations. Revenue recognition occurs when the product has been delivered.

The Council presents separately in its statements of activities and changes in net assets gross revenues from popcorn sales, cost of goods sold, and unit commissions (retained by or paid to the unit). Scout units have the right to return to the Council any unsold product, subject to a return-by date of October 31, 2023. As of December 31, 2022, and 2021, no probable popcorn returns existed. Accordingly, no liability for probable customer returns was considered necessary.

Note 2. Summary of Significant Accounting Policies, (continued)

Camping and Activity revenue - The Council conducts program-related experiences such as Day Camps, Day Hikes, Weekend Overnights, Camporees, and Summer Camps where the performance obligation is delivery of the program. Fees for camps and activities are set by the Council. For resident camps, fees include program supplies, meals, lodging, recognition items, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation. Activities such as the National Scout Jamboree may include a transportation component in the transaction price. Some special camp programs do incur additional fees (shooting sports, for example), which are separately priced. BSA activities such as Wood Badge may involve program supplies, recognition items, and meals, and are also considered to be one performance obligation. Fees collected in advance of delivery of the camp or activity are initially recognized as liabilities (deferred revenue) and are only recognized in the statements of activities after delivery of the program has occurred.

Special fundraising event revenue: The Council conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event— the exchange component, and a portion represents a contribution to the Council. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Council. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Council, are recorded as costs of direct donor benefits in the statement of activities and changes in net assets. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Council. FASB ASU 2014-09 requires allocation of the transaction price to the performance obligation(s). Accordingly, the Council separately presents in its statement of activities and changes in net assets or notes to financial statements] the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Council in advance of its delivery are initially recognized as liabilities (deferred revenue) and recognized as special event revenue after delivery of the event. For special event fees received before year-end for an event to occur after year-end, the Council follows AICPA guidance where the inherent contribution is conditioned on the event taking place and is therefore treated as a refundable advance along with the exchange component.

Other Revenue: Other revenue consists primarily of rent revenue and is recognized on a monthly basis as earned.

Note 2. Summary of Significant Accounting Policies, (continued)

Contributions Receivable

Unconditional promises to give (pledges) that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Council's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivables collectability. Amortization of the discounts is included in support from contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for uncollectible pledges is recorded when the Council determines, based on historical experience and collection efforts, that a contribution receivable (carried over from a prior year) is uncollectible. As of December 31, 2022, and 2021, contributions receivable was approximately $149,000 and $65,000.

Donated Materials and Services

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair market value at their date of donation. The Council reports the donations in the net assets without donor restrictions category, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported in the net assets with donor restrictions category. Per FASB ASU 2016-14 and absent explicit donor stipulations about how long those long-lived assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Council. Some members of the Council have donated significant amounts of time to the Council in furthering its programs and objectives. However, no amounts have been included in the financial statements for donated member or volunteer services since they did not meet the criteria for recognition.

Note 2. Summary of Significant Accounting Policies, (continued)

Functional Expenses

The costs of providing the Scouting program and supporting services have been summarized on the statement of activities and changes in net assets on a functional basis. Most expenses can be directly attributed to the program or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses in this category include occupancy, depreciation, office expenses, insurance, salaries and wages of support personnel, including the Scout executive's, accounting, information technology personnel, and payroll taxes. The basis of allocation of these expenses is the result of a time study of staff performed every three years. The percentage of time allocated to each of the programs and the supporting functions is based on the average of the results of three separate studies and is applied to the expenses that are allocated. In accordance with the policy of the National Council of the Boy Scouts of America (the "National Council"), the payment of the charter fee to the National Council is not allocated as a functional expense. The financial statements report expenses by function in the Statement of Functional Expenses.

Advertising Costs

Advertising costs are expensed when incurred.

Custodial Accounts

Custodial accounts represent amounts held by the Council as custodian for a trust for which they are trustee, registration fees for member units, amounts on deposit for affiliated Scouting associations for their future use, and amounts on deposit by member units for purchases of uniforms and supplies. From time to time, transactions occur wherein certain funds deposited in the Custodial Accounts are properly funds of the Council. In such instances, after account reconciliation, those funds are transferred to the Council's operating account.

Income Taxes

The Council is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. The Council is subject to federal income tax on any unrelated business taxable income. The Council evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. No uncertain tax positions were identified by the Council as of December 31, 2022, and 2021.

The Council's policy is to classify income tax penalties and interest as interest expense in its financial statements. During the years ended December 31, 2022 and 2021, respectively, the Council incurred no penalties and interest. The Council's Federal Return of Organizations Exempt from Income Tax (Forms 990) for 2020, 2021 and 2022 are subject to examination by the IRS, generally for the three years after they were filed. The Council's CA Exempt Organization Annual Information Returns (Forms 199 and RRF-1) for 2019, 2020, 2021, and 2022 are subject to examination by CA, generally for the four years after they were filed. As of the date of this report, the Council's 2022 returns were previously filed.

Note 2. Summary of Significant Accounting Policies, (continued)

Fair Value Measurement

The FASB established a framework for measuring fair value and disclosing fair value measurements to financial statement users. Fair value is the price that would be received to sell an asset or paid to transfer a liability (referred to as the "exit price") in an orderly transaction between market participants in the principal market, or if none exists, the most advantageous market, for specific assets or liabilities at the measurement dates. The fair value should be based on assumptions that market participants would use, including consideration of nonperformance risk.

In determining fair value, the Council uses various valuation approaches. The FASB established a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Council. Unobservable inputs are inputs that reflect the Council's assumptions about assumptions market participants would use in pricing the assets or liabilities developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets to which the Council has access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The availability of observable inputs can vary and is affected by a wide variety of factors, including, for example, the type of asset or liability, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Council in determining fair value is greatest for instruments categorized in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Note 2. Summary of Significant Accounting Policies, (continued)

Fair value is a market-based measure considered from the perspective of a market participant rather than an organization-specific measure. Therefore, even when market assumptions are not readily available, the Council's own assumptions are set to reflect those that the Council believes market participants would use in pricing the asset or liability at the measurement date.

Recently Issued Accounting Standards

In 2019, the Council adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the years ending December 31, 2022 and 2021 are presented under FASB ASC Topic 606. The ASU has been applied retrospectively to all periods presented, with no effect on net assets or previously issued financial statements.

During 2021, the Council adopted the provisions of FASB ASU 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement. Adoption of this pronouncement had no effect on the Council's current or previously issued financial statements.

During 2022, the Council adopted Leases (Topic 842) Discount Rate for Lessees That Are Not Public Business Entities (ASU-2021-09)— Topic 842 currently provides lessees that are not public business entities with a practical expedient that allows them to elect, as an accounting policy, to use a risk-free rate as the discount rate for all leases. The amendments in this Update allow those lessees to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. An entity that makes the risk-free rate election is required to disclose which asset classes it has elected to apply a risk-free rate. The amendments require that when the rate implicit in the lease is readily determinable for any individual lease, the lessee use that rate (rather than a risk-free rate or an incremental borrowing rate), regardless of whether it has made the risk-free rate election. Entities, including local councils, that have not yet adopted Topic 842 as of November 11, 2021, are required to adopt the amendments in this Update at the same time that they adopt Topic 842.

During a prior year, the Council adopted Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842), Effective Dates for Certain Entities (ASU 2021-05). In order to give immediate relief to certain entities as a result of the widespread, adverse economic effects caused by the COVID-19 pandemic, on June 3, 2021, the FASB issued ASU No. 2021-05, This Accounting Standards Update defers the effective dates of FASB ASC Topics 606 and 842 to fiscal years beginning after December 15, 2019 and December 15, 2020, respectively, for certain entities that had not issued their financial statements (or made them available for issuance) as of June 3, 2021. The Council adopted FASB ASC 606 with no effect on its net assets.

Note 2. **Summary of Significant Accounting Policies, (continued)**

During 2021, the Council adopted Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (ASU 2020-07)— Effective in 2022, the amendments in this Update apply to nonprofit organizations that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The amendments address presentation and disclosure of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets.

During a prior year, the Council adopted Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (ASU 2018-08). Effective in 2019, this accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. Adoption of this standard had no effect on the Council's net assets.

During a prior year, the Council adopted ASU 2016-18, Statement of Cash Flows (Topic 230). Effective in 2019 this ASU requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the consolidated statement of cash flows. The amendments in the ASU do not provide a definition of restricted cash or restricted cash equivalents. The Council has applied the provisions of ASU 2016-18 to retrospectively to all periods presented with no effect on net assets or previously issued financial statements.

During a prior year, the Council adopted FASB ASU 2016-01, Financial Instruments – Overall Recognition and Measurement of Financial Assets and Financial Liabilities (Topic 825-10) allows an NFP to choose, on an investment-by-investment basis, to report an equity investment without a readily determinable fair value, that does not qualify for the practical expedient fair value in accordance with FASB ASC 820-10-35-59, at its cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issue. The FASB ASU requires additional disclosures about those investments. Adoption of this accounting pronouncement had no effect on the Council's financial statements.

Note 2. Summary of Significant Accounting Policies, (continued)

During 2022, the Council adopted FASB issued ASU No. 2016-02, Leases (Topic 842). This ASU requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the consolidated statement of activities and changes in net assets and the statement of cash flows will be substantially unchanged from the existing lease accounting guidance. In 2021, the FASB delayed the effective date for nonpublic entities to fiscal years beginning after December 15, 2021.

In prior years, the Council adopted FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities, which changed the previous guidance for net asset classification, governing board designations, investment return, underwater endowment funds, expenses, liquidity, and presentation of operating cash flows. ASU 2016-14 reduced the required number of classes of net assets from three to two: net assets with donor restrictions and net assets without donor restrictions. ASU 2016-14 also requires not-for-profit entities to provide enhanced disclosures about the amounts and purposes of governing board designations and appropriations. ASU 2016-14 requires not-for-profits to report investment return net of external and direct internal investment expenses. The requirement to disclose those netted expenses was eliminated. ASU 2016-14 requires not- for-profit entities to disclose the aggregate fair value of underwater endowment funds as well as the aggregate original gift amounts to be maintained. ASU 2016-14 also requires an NFP to disclose its interpretation of the ability to spend from underwater endowment funds including its policy, and any actions taken during the period, concerning appropriation from underwater endowment funds. All underwater endowment funds are classified as part of net assets with donor restrictions rather than as a charge to unrestricted net assets as per the previous rules. In the absence of explicit donor restrictions, ASU 2016-14 requires not-for-profit entities to use the placed-in-service approach to account for capital gifts. The option to use the over-time approach has been eliminated. ASU 2016-14 requires expenses to be reported by nature in addition to function and include an analysis of expenses by both nature and function. The methods used by not-for-profit entities to allocate costs among program and support functions must be disclosed. ASU 2016-14 requires not-for-profit entities to provide both qualitative and quantitative information on management of liquid available resources and the ability to cover short-term cash needs within one year of the balance sheet date. For statements of cash flows, ASU 2016-14 eliminates the requirement to present or disclose the indirect method of reconciliation if the entity decides to use the direct method. ASU 2016-14 was effective for annual reporting periods beginning after December 15, 2017. The Council adopted the provisions of ASU 2016-14 in 2018.

Note 3. Liquidity and Availability of Funds

The Council's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are as follows:

Note 3. Liquidity and Availability of Funds, (continued)

	2022	2021
Cash—Operating Fund	$1,843,638	$ 717,172
Contributions receivable—Operating Fund	149,687	65,000
Accounts receivable—Operating Fund	55,663	163,931
Total financial assets as of year end	2,048,988	946,103
Appropriation from quasi-endowment for general expenditure in subsequent year	-	-
Total financial assets available to meet general expenditures within the next 12 months	**$2,048,988**	**$ 946,103**

The Council's endowment funds consist of donor-restricted endowments and a quasi-endowment. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. As described in Note 15, the quasi-endowment has a spending rate of 5 percent. The Board has not identified the appropriations from the quasi-endowment that will be available within the next 12 months as of December 31, 2022, and 2021, respectively.

As part of the Council's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Council invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Council has a quasi-endowment of approximately $329,000. Although the Council does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its quasi-endowment could be made available if necessary. However, both the quasi- endowment and donor-restricted endowments contain investments with lock-up provisions that would reduce the total investments that could be made available (see Note 15 for disclosures about investments).

Note 4. Fund Balance Transfers

Certain cash transfers between funds were made during the year to properly report all funds on a basis consistent with executive board designations and the Council's accounting policies.

Note 5. Promises to Give

Contributions receivable consist of the following as of December 31, 2022 and 2021:

	2022	2021
Friends of Scouting	$ 149,687	$ 65,000
Special Events	-	-
Other promises	-	-
Restricted to Endowment Fund	-	-
Capital campaign pledges	24	-
Less: Discount for timing of cash flows	-	-
Subtotal	149,711	65,000

Note 5. Promises to Give, (continued)

Less: Allowance for uncollectible	-	-
Net	$ 149,711	$ 65,000
Pledges receivable, due in:		
Less than one year	$ 149,711	$ 65,000
One to five years	-	-
More than five years	-	-
	$ 149,711	$ 65,000

Note 6. Land, Buildings, and Equipment

Land, buildings and equipment in the Capital Fund, consisted of the following at December 31, 2022 and 2021:

	2022	2021
Land	$1,032,053	$1,208,942
Building	4,806,040	4,881,727
Land and Leasehold Improvements	1,891,826	1,981,508
Furniture and equipment	1,035,443	1,065,637
Vehicles	102,282	102,282
Aquatic Equipment	129,382	129,382
Construction in Process	-	181,318
	8,997,026	**$9,550,796**
Less: accumulated depreciation	(6,423,639)	(6,339,922)
Net book value—land, buildings, and equipment	**$2,573,387**	**$3,210,874**

Note 7. Investments

Investments at December 31, 2022 and 2021 are composed of the following:

	2022	2021
Union Bank – money market	$ 359,173	$ 622,204
Union Bank - fixed income	872,771	1,031,189
Union Bank – equities	1,075,723	1,497,876
Pooled income trust funds	197,138	210,353
Hillam – land in Colorado	95,000	95,000
Mangham trust - land	-	4,500
Total investments	**$2,599,805**	**$3,461,122**

Note 7. Investments, (continued)

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

The following schedule summarizes the investment return in the Statement of Activities and Changes in Net Assets for the years ended December 31, 2022 and 2021:

	2022	2021
Interest	$ 51,831	$ 41,265
Net realized gains	29,543	93,617
Net unrealized gains (losses)	(377,313)	88,789
Trustee and other fees	(21,774)	(21,503)
Total investment return, net	**$(317,713)**	**$202,168**

The above investment return is classified in the 2022 and 2021 Statement of Activities and Changes in Net Assets as follows:

	2022	2021
Investment return recorded:		
Within net assets without donor restrictions	(317,713)	202,168
Total investment return, net	**$(317,713)**	**$ 202,168**

Income from interest and dividends on investments and realized and unrealized gains and losses on the sales of investments ("investment income, gains, and losses") are recorded initially in the Endowment Fund. Distributions of investment income and net realized gains from the Endowment Fund are recorded as income by the Operating and Capital funds in the period in which the distributions are made in accordance with the Council's spending policy (Note 17).

Note 8. Assets Held and Liabilities Under Split-Interest Agreements

Charitable Trusts

We act as trustee for an irrevocable trust. The trust is governed by a trust agreement, which generally provide for a future distribution of cash or other assets to us, in whole or in part upon the occurrence of a specific event, The trust assets are recorded at fair value, and a related liability for future payments to be made to the specified eight beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The liability for future trust payments to the donor is reduced by payments made to the donor and is adjusted to reflect amortization of the discount and changes in assumptions at the end of the year.

Note 8. Assets Held and Liabilities Under Split-Interest Agreements, (continued)

The liabilities for this trust are recorded at the net present value, which is calculated using a risk-adjusted discount rate of 3% and applicable mortality rates for the 8 named beneficiaries in the trust. The beneficiaries each receive $7,500 each year until their death. When all 8 beneficiaries decease, the Council will be entitled to the remaining funds in the trust, if any. Factors that impact the potential collectability of this amount are the passage of time of the beneficiaries and the investment performance of the trust. If the beneficiaries live beyond their expected life mortality tables and/or the investment performance of the trust declines, this could adversely impact the amount that the Council must cover with other funds. The trust is recorded in the Endowment Fund.

Note 9. Beneficial Interest In Charitable Remainder Trusts Held by Others

We have been named as an irrevocable beneficiary of several charitable trusts held and administered by independent trustees. These trusts were created independently by donors and are administered by outside agents designated by the donors. Therefore, we have neither possession nor control over the assets of the trusts. At the date we receive notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities, and a beneficial interest in charitable trusts held by others is recorded in the statements of financial position at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the expected distributions to be received under the agreement. Thereafter, beneficial interests in the trusts are reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities. Upon receipt of trust distributions or expenditures, or both, in satisfaction of the donor-restricted purpose, if any, net assets with donor-imposed time or purpose restrictions are released to net assets without donor restrictions. Trust distributions with donor-imposed restrictions that are perpetual in nature are transferred to the endowment, in which case, net assets with donor-restrictions are not released.

Note 10. Paycheck Protection Program

On February 7, 2021, the Organization obtained a Payroll Protection Program loan totaling $492,757. The interest rate is 1% per annum and matures 5 years from the note date. If the Organization spends the funds on allowable costs, the loan becomes a forgivable loan. If not fully forgiven, then monthly payments of $8,423 would be required over the 60 months. The Payroll Protection Program loan was fully forgiven in the amount of $492,757 during the 2022 year and is included in Other Revenue in the statement of activities and changes in net assets for the year ended December 31, 2022.

Note 11. Lawsuit

The Council has been named as a defendant or has been made aware of personal injury claims against it. These claims are covered by the National Council, Boy Scouts of America's general liability insurance program ("GLIP").

Note 11. Lawsuit, (continued)

The National Council has been named as a defendant in lawsuits alleging sexual abuse, including claims for compensatory and punitive damages. Some of these claims arise out of conduct occurring on Council property and/or were committed by Council employees or volunteers, and in some cases the Council is named as a codefendant with the National Council. The National Council has disclosed that in the event that its GLIP or its reserves are insufficient to resolve such claims, it is their opinion that the total amount of payments to resolve current and future claims could have a significant impact on the financial position or results of operations of the National Council.

The National Council provides the Council with a charter, program materials and support for administration as well as sponsoring certain benefit plans for Council employees. Since 1978 the National Council has operated a GLIP in which the Council participates. On February 18, 2021, the National Council filed for protection under chapter 11 of the United States Bankruptcy Code. The National Council continues to operate its business in the ordinary course and has received bankruptcy court approval to continue its relationship with the Councils including the benefit and insurance programs noted above. Neither the Council nor any other local council are currently parties to the bankruptcy proceeding. The National Council has sought to stay litigation against both the National Council and local councils; a plan of reorganization that would protect local councils from any further legal exposure for abuse claims arising prior to February 18, 2021 has been confirmed. Previously, the Council deposited $2,408,701 into an escrow account. In early 2023, the Chapter 11 reorganization plan became "effective" within the meaning of the United States Bankruptcy Code. Subsequently, all escrowed settlement funds deposited by local councils were transferred to the Settlement Trustee appointed under the reorganization plan, and distributions to claimants have commenced. Certain appeals as to the effectiveness of the reorganization plan are pending.

NOTE 12. Deferred Revenue

The activity and balances for deposits and deferred revenue from contracts with customers are shown in the following table:

	Camps	Activities	Other	Total
Balance at December 31, 2020	$96,472	$28,079	$51,385	**$175,936**
Revenue recognized	(96,472)	(28,079)	(51,385)	(175,936)
Payments received for future performance obligations	20,065	2,164	5,190	27,419
Balance at December 31, 2021	20,065	2,164	5,190	27,419
Revenue recognized	(20,065)	(2,164)	(5,190)	(27,419)
Payments received for future performance obligations	10,830	106,047	10,780	127,657
Balance at December 31, 2022	**$10,830**	**$ 106,047**	**$ 10,780**	**$127,657**

Note 13. Special Event Revenue

Gross receipts from special fundraising events recorded by the Council consists of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU 2014-09 during 2019, the Council is required to separately present the components of this revenue.

	2022	2021
Contributions	$558,948	$676,072
Special event revenue	-	1,000
Special fundraising events – gross	$558,948	$677,072

Note 14. Fair Value Measurement

The following provide fair value measurement information for financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2022:

	Fair Value	Level 1	Level 2	Level 3
Money market	$ 359,173	$ 359,173	$	$
Fixed income funds	872,771	872,771		
Equities	1,075,723	1,075,723		
Investment in pooled income trust funds	197,138			197,138
Total financial assets	$ 2,504,805	$ 2,307,667	$ -	$ 197,138

The following table provides fair value measurement information for financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2021:

	Fair Value	Level 1	Level 2	Level 3
Money market	$ 627,689	$ 627,689	$	$
Fixed income	1,031,189	1,031,189		
Equities	1,497,876	1,497,876		
Investment in pooled income trust funds	210,353			210,353
Total financial assets	$ 3,367,107	$ 3,156,754	$ -	$ 210,353

The following table reconciles the Council's beginning to ending balance of its beneficial interest in a perpetual trust measured at fair value using significant unobservable inputs (Level 3) during the years ended December 31, 2022 and 2021:

Beneficial interest in trusts:	2022	2021
Balance, beginning of year	$210,353	$206,737
Changes in fair value of trust assets	(13,215)	3,616
Balance, end of year	$197,138	$210,353

Note 14. Fair Value Measurement, (continued)

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following tables represent the council's Level 3 assets, the valuation techniques used to measure the fair value of the assets, the significant unobservable inputs, and the ranges of values for those inputs.

As of December 31, 2022

Assets	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Beneficial interest in trusts	$197,138	Present value of future cash flows	Fair value of assets contributed to trust	N/A

As of December 31, 2021

Assets	Fair Value	Valuation Technique	Significant Unobservable Inputs	Range
Beneficial interest in trusts	$210,353	Present value of future cash flows	Fair value of assets contributed to trust	N/A

Note 15. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2022			
	Operating Fund	Capital Fund	Endowment Fund	Total
Subject to expenditure for a specific purpose:				
Scouting activities	$ -	$ -	$ -	$ -
Total purpose restrictions	-	-	-	-
Subject to the passage of time:				
Promises to Give	149,687	24		149,711
Total passage of time restrictions	149,687	24	-	149,711
Endowment:				
Subject to endowment spending policy and appropriation:				
General use	-	-	1,842,829	1,842,829
Total subject to endowment spending policy and appropriation	-	-	1,842,829	1,842,829
Subject to appropriation and expenditure when a specific event occurs:				
Capital improvement projects	-	456,110	-	456,110
Program activities	60,000	-	-	60,000
Total subject to appropriation and expenditure when a specific event occurs	-	456,110	-	456,110
Total net assets with donor restrictions	$ 209,687	$ 456,134	$ 1,842,829	$ 2,508,650

Note 15. **Net Assets With Donor Restrictions, (continued)**

	2021			
	Operating Fund	Capital Fund	Endowment Fund	Total
Subject to expenditure for a specific purpose:				
Scouting activities	$ -	$ -	$ -	$ -
Total purpose restrictions	-	-	-	-
Subject to the passage of time:				
Promises to Give	65,000			65,000
Friends of Scouting	65,000	-	-	65,000
Endowment:				
Subject to endowment spending policy				
and appropriation:				
General use	-	-	1,855,943	1,855,943
Total subject to endowment spending policy				
and appropriation	-	-	1,855,943	1,855,943
Subject to appropriation and expenditure when				
A specific event occurs:				
Capital improvement projects	-	1,450,000	-	1,450,000
Program activities	-	-	-	-
Total subject to appropriation and				
Expenditure when a specific event occurs	-	1,450,000	-	1,450,000
Total net assets with donor restrictions	**$** 65,000	**$** 1,450,000	**$** 1,855,943	**$** 3,370,943

Net assets were released from donor restrictions during 2022 and 2021 by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors as follows:

	2022	2021
Satisfaction of time restrictions:		
Time restrictions	$ 65,000	$ 312,291
Satisfaction of program restrictions:		
Scouting activities	-	54,784
Total satisfaction of program restrictions	-	54,784
Satisfaction of capital restrictions		
Capital restrictions	993,866	849,821
Total net assets released from restriction	$1,058,866	$1,216,896

Note 16. **Inter-fund Note**

In 2021, the Operating Fund of the Council borrowed $900,000 from the Endowment Fund. The remaining principal payments of $450,000 were made on the note during 2022 which paid off the note in full.

Note 17. Endowment Fund

The Council's endowment includes both donor-restricted endowment and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

The Council is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Council's Board of Directors has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Council considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Council has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, the Council considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Endowment net assets consisted of the following at December 31, 2022:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds, perpetual in duration—original gift amount	$ -	$ 1,136,398	$ 1,136,398
Donor-restricted endowment funds—program services	-	706,431	706,431
Board-designated endowment funds	329,218	-	329,218
Donor-restricted capital funds	-	-	-
Total endowment net assets	$ 329,218	$ 1,842,829	$ 2,172,047

Note. 17 **Endowment Fund, (continued)**

Changes in endowment net assets for the year ended December 31, 2022

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets—beginning of year	$ 1,463,353	$ 1,855,943	$ 3,319,296
Investment return:			
Investment return	(117,713)		(117,713)
Transfer of income	(200,000)		(200,000)
Total investment returns	(307,713)		(307,713)
Board designations	(826,422)	-	(826,422)
Appropriation of endowment assets for expenditure	-	(13,114)	(13,114)
Endowment net assets—end of year	**$** 329,218	**$** 1,842,829	**$** 2,172,047

Endowment net assets consisted of the following at December 31, 2021:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds, perpetual in duration—original gift amount	$ -	$ 1,136,398	$ 1,136,398
Donor-restricted endowment funds—program services	-	715,945	715,945
Board-designated endowment funds	1,463,353	-	1,463,353
Donor-restricted capital funds	-	-	-
Total endowment net assets	**$** 1,463,353	**$** 1,855,943	**$** 3,319,296

Changes in endowment net assets for the year ended December 31, 2021:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets—beginning of year	$ 1,341,260	$ 1,852,327	$ 3,193,587
Investment return:			
Investment return	402,126		402,126
Transfer of income	(200,000)		(200,000)
Total investment returns	202,126		202,126
Board designation	(80,033)	-	(80,033)
Appropriation of endowment assets for expenditure		(3,616)	(3,616)
Endowment net assets—end of year	**$** 1,463,353	**$** 1,855,943	**$** 3,319,296

Note 17. **Endowment Fund, (continued)**

Funds With Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or applicable state law requires the Council to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2022 and 2021. The Council has interpreted the SPMIFA and applicable state trust law to permit spending from underwater endowments in accordance with prudent measures required under law.

Return Objectives and Risk Parameters

The Council has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor- restricted funds that the Council must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that it will earn a base return of 4.0 percent of the original principal, expressed in dollars, above the trailing three-year average of the Consumer Price Index. Asset allocations should be targeted to produce expected returns consistent with this target using long term historical returns of assets classes as a guide. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Council 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 Council targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Council has a total return spending policy approved by the Board of Directors that allows the operating fund to receive and recognize investment earnings originating from the endowment funds. The Board of Directors approved spending policy was to distribute the unrestricted dividend, interest and realized gains at a rate of $16,667 per month for the years ended December 31, 2022 and 2021, in addition to releases on donor-restricted dividend and interest earned on endowment assets during the year, which was $200,000 for both of the years ended December 31, 2022 and 2021. This is consistent with the Council'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.

Note. 18. Employee Benefit Plans

Retirement Plan

The National Council has a qualified defined benefit pension plan ("the plan") administered at the National Service Center that covers employees of the National Council and local councils, including the Local Council, Inc. The plan name is the Boy Scouts of America Master Pension Trust – Boy Scouts of America Retirement Plan for Employees. Effective December 31, 2018, the plan was frozen to employees with less than 15 years of vesting service, and whose age plus vesting service equaled less than 60 as of December 31, 2018 (non-grandfathered employees). From January 1, 2021 through July 31, 2021, employees with at least 15 years of vesting service and whose age plus vesting service equaled 60 or more as of December 31, 2018 (grandfathered employees) contributed 4.25 percent of compensation to the plan. Effective August 1, 2021, the plan was frozen to grandfathered employees, thereby freezing the plan for all BSA employees. The Council contributes 7.75 percent of eligible employees' compensation to the BSA retirement program. Pension expense (excluding the contributions made by employees) was approximately $73,000 and $13,000 for the years ending December 31, 2022 and 2021, respectively, and covered current service cost. The actuarial information for the plan as of February 1, 2021, indicates that it is in compliance with ERISA regulations regarding funding.

Thrift Plan

The Council has established a Thrift Plan covering substantially all of the employees of the Council. Participants in the Thrift Plan may elect to make voluntary before-tax contributions based on a percentage of their pay, subject to certain limitations set forth in the Internal Revenue Code of 1986, as amended. The Council has elected to match employee contributions to the Thrift Plan up to 50 percent of contributions from each participant, limited to 3 percent of each employee's gross pay. The Council did not contribute to the Thrift Plan in 2022 and 2021.

Health Care Plan

The Council's employees participate in a health care plan provided by the National Council. The Council pays a portion of the cost for the employees, and the employees pay the remaining portion and the cost for any of their dependents participating in the plan. During the years ended December 31, 2022 and 2021, the Council remitted approximately $39,000 and $32,000, respectively, on behalf of its employees to the National Council related to the health care plan.

Note. 19 Operating Leases

Facilities

The Council has operating lease agreements for its facilities that are essentially rent free and are located in Balboa Park, Fiesta Island and Camp Bashor in San Diego County. The Balboa Park lease was originally established in 1957. The lease for Balboa Park continues through March 31, 2027, with an option to extend for an additional 15 years. The lease also requires the Council to complete Development Plan improvements. In 1987, the Fiesta Island lease commenced and was a term of 25 years. The lease expired and the Council is on a month to month agreement with the City of San Diego at zero cost. Camp Bashor's lease is essentially rent free as well and continues through 2045 with two additional lease options. These leases have been excluded from implementation of ASU Topic 842 as being rent free or essentially rent free with no value.

Note. 19 **Leases, (continued)**

Equipment

The Organization has an equipment lease that terminates in June 2024.

Included in the determination of the right-of-use asset and lease liability are any renewal options when the option is reasonably certain to be exercised. The operating lease does not have any that provides for an increase in future minimum annual rental payments.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to the facility and office equipment classes of assets.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Total right-of-use asset and lease liability at December 31, 2022 are as follows:

Lease Assets – Classification in Statement of Financial Position

Operating right-of-use asset – equipment	28,115
Total operating right-of-use assets	$ 28,115

Lease Liability – Classification in the Statement of Financial Position

Operating lease liability – equipment, current	19,388
Operating lease liability – equipment, noncurrent	9,918
Total lease liability	$ 29,376

Total lease costs for the year ended December 31, 2022 are approximately $30,000.

The following summarizes the weighted-average remaining lease term and weight-average discount rate:

Weighted-average remaining lease term in years:		Weighted-average discount rate:	
Operating lease-equipment	1.50	Operating leases	4.0%

The future minimum lease payments under noncancelable operating lease with terms greater than one year are listed below as of December 31, 2022:

Note. 19 Leases, (continued)

December 31,	Operating
2023	$20,211
2024	10,105
Total lease payments	$30,316
Less Discount	(940)
Present value of lease liability	$29,376

Note 20. Scout Shop

The National Council operates a Scout shop within the Balboa Park facility of the Council. The National Council manages the Scout shop and pays the Council an 8 percent commission on gross sales up to $750,000 and 13 percent on sales greater than $750,000. The commissions earned (before expenses) by the Council during 2022 and 2021 amounted to approximately $53,000 for both years, which are included in other revenue in the Statement of Activities and Changes in Net Assets.

Note 21. Related Party Transactions

The Council purchases supplies and program materials from the National Council. The Council also incurs expenses from the National Council related to certain administrative services. Total expenses to the National Council were approximately $328,000 for both years ended December 31, 2022 and 2021, respectively. The accounts payable balance includes payables to the National Council of $0 and $0 as of December 31, 2022, and 2021, respectively.

Note 22. Donated Materials and Services

The Council is dependent upon donated materials from diverse groups to fulfill its mission. For the years ended December 31, 2022 and 2021, donated materials recorded in the financial statements as in-kind contributions totaled $0 and $0, respectively.

Note 23. Subsequent Events

The Council has evaluated subsequent events through January 11, 2024, the date the financial statements were available to be issued. Management is aware of the following subsequent event that would require adjustment to, or disclosure in, the financial statements.

Note 23. **Subsequent Events, (continued)**

Lawsuit as noted in Note 11, funds required to satisfy the "lawsuit payable" referenced above, in the amount of $2,408,721, were deposited into escrow in 2021 and have now been transferred to the Settlement Trustee for distribution to claimants. Certain appeals of the effectiveness of the reorganization plan are pending. Additionally, the Council sold certain surplus lands at a gain to cover a portion of its required settlement contribution. Further, during 2022, a donor permitted the Council to redesignate approximately $1,000,000 from a prior restricted gift to assist in funding its required settlement contribution. The balance of the amount placed into escrow was provided from the Council's operating fund.

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning , and ending

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: San Diego-Imperial Council, Boy Scouts of America
Doing business as:
Number and street (or P.O. box if mail is not delivered to street address): 1207 Upas Street
Room/suite:
City or town: San Diego
State: CA
ZIP code: 92103-5127
Foreign country name / Foreign province/state/county / Foreign postal code:

D Employer identification number: 95-1643983

E Telephone number: 619-298-6121

G Gross receipts $: 6,364,174

F Name and address of principal officer: Sean Roy 1207 Upas Street, San Diego, CA 92103-5127

H(a) Is this a group return for subordinates? ☐ Yes ☒ No
H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. See instructions
H(c) Group exemption number: 1761

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

J Website: sdicbsa.org

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

L Year of formation: 1914

M State of legal domicile: CA

Part I Summary

1	Briefly describe the organization's mission or most significant activities: To prepare young people to make ethical and moral choices over their lifetimes by instilling in them the values of the Scout Oath and Law.		
2	Check this box ☐ 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	35
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	34
5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	69
6	Total number of volunteers (estimate if necessary)	6	3,500
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	

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	796,926	3,010,995
9	Program service revenue (Part VIII, line 2g)	1,569,730	2,024,114
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	202,168	29,377
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	512,995	545,111
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,081,819	5,609,597
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	500	25,798
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)	999,783	1,017,645
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) 84,395		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	2,062,864	2,807,336
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	3,063,147	3,850,779
19	Revenue less expenses. Subtract line 18 from line 12	18,672	1,758,818

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	9,722,838	7,811,996
21	Total liabilities (Part X, line 26)	2,157,895	1,180,883
22	Net assets or fund balances. Subtract line 21 from line 20	7,564,943	6,631,113

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: Sean Roy — Date
Type or print name and title: Scout Executive

Paid Preparer Use Only

Print/Type preparer's name: Roland W Munger	Preparer's signature	Date: 11/8/2023	Check ☐ if self-employed; PTIN: P01871456
Firm's name: Munger & Company, CPAs		Firm's EIN: 47-3342732	
Firm's address: 2170 South El Camino Real, Suite 217, Oceanside, CA 92054		Phone no.: 760-730-8020	

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

For Paperwork Reduction Act Notice, see the separate instructions.

HTA

Form 990 (2022)

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission:
To prepare young people to make ethical and moral choices over their lifetimes by instilling in them the values of the Scout Oath and Law.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

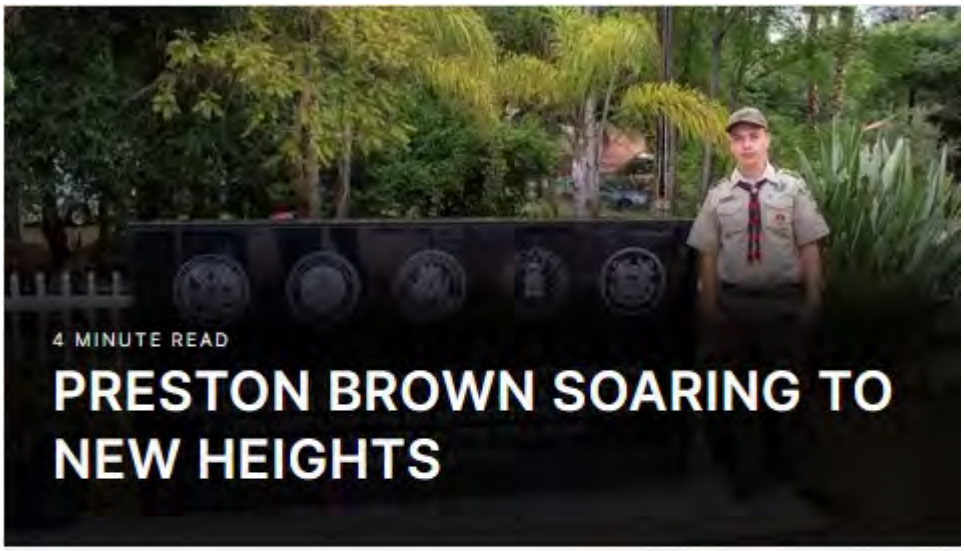
4a (Code:) (Expenses $ 3,623,698 including grants of $) (Revenue $ 2,024,114)
Tiger Scouts: One year family-oriented program for a group of teams, each consisting of a first-grade boy or girl and an Cub Scouting: Family and community centered approach to learning citizenship, compassion and courage through service projects, ceremonies, games, and other activities promoting character development and physical fitness. Scouts BSA: Scouts (boy or girl) develop an awareness and appreciation of their role in their community and become Venturing: Provides experiences to help young men and women, ages 14 or 13 with completion of the eighth grade through 20, become mature, responsible, caring adults. Young people learn leadership skills and participate in challenging outdoor activities, including having access to Boy Scout camping properties, a recognition program and Youth Protection training. Exploring: co-ed youth program for young men and women in the 6th grade thru 20 years old.

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 3,623,698



4 MINUTE READ

PRESTON BROWN SOARING TO NEW HEIGHTS

from San Marcos Home Journal
by Advanced Web Offset

WRITTEN BY CHARLENE PULSONETTI | PHOTOS BY KELLY MITCHELL, KEM PHOTOGRAPHY

Preston Brown considered what would best serve his community in the early planning stages of his Eagle Scout Service Project. He eventually chose to build a veterans memorial wall for the Escondido Moose Lodge 1874.

It would be a challenging task, especially for a then-eighthgrader who began planning in February 2022. But overcoming challenges and having a positive outlook are what Brown does best.

Diagnosed with severe asthma and cold urticaria at a young age, he and his family moved to California for his health. At the age of 10, he joined Boy Scouts of America Troop 651 after being introduced to the organization by his adoptive father. While he joined later in life than some of his peers, he quickly found his place among the ranks.

As a senior patrol leader, Brown led weekly meetings, devised agendas and helped younger Scouts. His younger brothers, Jamison, Louden and Bennett, are also Scouts.

"One of the most important things I've learned is leadership," he explains. "(Scouts) teach you important skills in everyday life."

When his family joined the lodge, he learned that many members were either veterans or family members of veterans. He thought having a place of remembrance would be nice for them.

Plans began about a year ago and started with an initial design created in a free online program. Brown made adjustments based on feedback from the lodge board of directors and, once approved, he began fundraising.

"I did three main fundraisers," he says, sharing that they included a yard sale, a request for donations and a pancake breakfast. Along the way, he recruited fellow Scouts and their families to help with the logistics.

Brown coordinated with material suppliers. Granite was donated by Arizona Tile in Miramar, which was then sandblasted by Borst Designs and transported by Davis Stone. He worked alongside contractors to prepare the site and arrange for timely delivery.

Making arrangements took considerable time out of Brown's busy schedule, which included sports as well as schoolwork.

Along with the skills taught to him in Boy Scouts, Brown explains that he also used mechanisms he has developed to work through the side e ects of his ADHD and tic disorder.

"I found a way to target it toward the good things," he says, sharing that he channels his hyper-focus toward what's most important at the moment, whether that be keeping his grades up or quickly responding to contractors for his project. "I see it as an ability, because it helps me focus on the right things."

Before unveiling his project at the lodge's Annual Memorial Day Picnic on May 28, Brown worked on his speech with his mom, Tori Brown. He also asked lodge member Dan Papp, whom he says was his biggest mentor for the project, to help fine-tune it.

Along with dedicating the memorial, Preston donated $300 and a flag flown over the United States Capitol, provided by U.S. Congressman Darrell Issa.

> The Abraham Lincoln quote Brown chose for the wall — "Honor to the soldier and sailor everywhere, who bravely bears his country's cause, honor, also, to the citizen who cares for his brother in the field and serves, as he best can, the same cause" — aligned with his project vision.
>
> "I wanted this wall to apply to everybody — the veterans, past, current and future, and family and friends who help those vets, as well," he says.

The ceremony was attended by lodge members, family and friends, and representatives of service organizations, among others. A key part of the ceremony was inviting veterans to the podium to share their stories.

Now that the memorial is complete, Brown has redirected his focus toward another long-term project — developing a new computer programming language.

After teaching himself coding for the past six years, he realized that there wasn't a language that quite fit his needs. He wanted to create one that was powerful but simple to use.

He worked with developers at his dad's friend's company to come up with ideas, which led to Pekoscript. The code is now in beta and may soon be released.

Though he is hopeful that Pekoscript will take o , Brown plans to apply to a university or college when the time comes.

"I plan on working toward a doctorate in computer science, though I may pause at my master's to get experience in the industry," he says.

Brown credits his family for grounding him and giving him a place to be 100 percent himself.

"They support me every day by giving me a place to live, giving me food on my plate, and working extra hard so me and my brothers can have a good life," he says. "My parents help drive me. Normally I can drive myself, but sometimes you get tired mentally and need that extra push."

Seeing Preston play in three sports, take honors and AP classes, develop a programming language and complete an Eagle Scout project has been a joy for Tori.

"Part of why I'm so proud of Preston's accomplishments is because his childhood years weren't always the easiest," she says. "He's dedicated, motivated, he works hard, he works smart, and he should be an inspiration."

Brown received accolades from his teachers and troop leaders, as well.

"He's well respected by the other Scouts," says Scoutmaster Dr. Randall Smith. "I think he found it quite easy to lead by action and example. I feel that he really represents the Scouting program and what we hope to (see) in the youth. He is a shining example of a very positive outcome to the programs and what we like to see — the values of Scouting embodying in youth."

The Positive Impact of Scouting In San Marcos

2024: San Marcos Pack 650 placed flags at a local cermetary in honor of Armed Forces Day

2024: San Marcos Pack 650
Beach clean-up with the Surfrider Foundation

2023: Scouts and Scouters from Pack 650 (San Marcos VFW Post 3795), Pack 662 (Lake San Marcos Kiwanis), Troop 651 (San Marcos Lions Club) and Troop 700G plant flags and place bouquets next to the grave sites of military veterans at San Marcos Cemetery. The event was organized by the VFW post.

2024: Randall Smith, Scoutmaster of Troop 651 (San Marcos Lions Club), presents the North Star Award to Dan Papp (center), administrator at the Escondido Moose Lodge. The North Star Award is equivalent to the Silver Beaver, and is presented to non-Scouters in recognition of service to the Boy Scouts of America. Under Dan's leadership, the Escondido Moose Lodge has created "Scout Island" on its campus, where Troop 651 and Pack 662 (Lake San Marcos Kiwanis Club) are able to store their gear, hold meetings, host campouts, and more.

2023: Pack 662 (Kiwanis Club of Lake San Marcos) holds its first Pack Show at the new multipurpose room at Richland Elementary. During construction of the new campus over the last year, the Pack met at San Marcos Boys & Girls Club.

Place, Laura. "San Marcos student becomes city's first *female Eagle Scout*". *The Coast News, Inland Edition*, 2 January 2023. https://thecoastnews.com/san-marcos-student-becomes-citys-first-female-eagle-scout/

2024: Cub Scout Pack 650 enjoing Mataguay

2024: Pack 650 outside Station Bros. selling popcorn

SOLUTIONS FOR CHANGE

September 23, 2024,

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

To Whom It May Concern,

Tiffany McGee, Grant Coordinator for Solutions for Change, is authorized to submit a grant proposal to the San Marcos Community Foundation for the Fall Quarter 2024.

Sincerely,

Chris Megison
President/CEO

Title

Solutions for Change, Solutions Academy

09/26/2024

id. 47610579

by **Christine Amely** in **San Marcos Community Foundation**
on behalf of **Solutions for Change, Inc.**
grants@solutionsforchange.org

Original Submission

09/26/2024

Score	n/a
	General Project Information
Please enter your organization's name and project name.	Solutions for Change, Solutions Academy
Are you applying for the Mini Grant or the Regular Grant?	Regular Grant ($1,500 - $10,000)
Project Name	Solutions Academy
Project Start Date	1/1/2025
Project End Date	12/31/2025
Date by Which Funds Will Be Expended:	6/30/2025
Total Number of People Served by this Project	200.0
Total Number of People Served by this Project in San Marcos Only	60.0
Grant Amount Requested	10000.0
	Organization Details
Organization Name	Solutions for Change, Inc.

Organization Street Address	722 W. California Avenue
Organization City	Vista
Organization State	CA
Organization Zip Code	92083
Organization Website	www.solutionsforchange.org
Organization's EIN	33-0902617 200 Solutions for Change, Inc. 267b7266-3dce-43be-bc1c-8fdf99822baa 722 West California Avenue Vista CA 92083 This organization was not included in the Office of Foreign Assets Control Specially Designated Nationals(SDN) list. true false 2022-12-12T00:00:00 2023-01-23T00:00:00 501(c)(3) Public Charity A public charity (50% deductibility limitation). Section 509(a)(1) organization as referred to in Section 170(b)(1)(A)(vi) 2022-12-12T00:00:00 2000 06
	Contact Information
Contact First Name	Tiffany
Contact Last Name	McGee
Contact Title	Grants Coordinator
Contact Phone	+17608936251
Contact Email	grants@solutionsforchange.org
	Project Details

Briefly describe your request for funds.	Solutions Academy is a transformative 700-day program designed to end family homelessness in our community. It offers a comprehensive approach that goes beyond providing shelter, addressing the root causes of homelessness through personalized support, education, and workforce development. Key aspects of the program: 1. Holistic Support: Families receive housing, case management, mental health support, and childcare. 2. Structured Curriculum: The program is divided into phases, including a Healing and Retreat Center, New Beginnings, and Solutions Living, each focusing on aspects of personal growth and development. 3. Education and Skill Building: Participants engage in classes covering financial literacy, parenting, servant leadership, and workforce development. 4. Hands-on Job Training: Over 380 hours of workforce training prepare participants for stable, long-term employment. 5. Financial Empowerment: Families are required to save money, with most graduating with $3,000 in savings. 6. Long-term Success: The program has a 74% completion rate, with graduates achieving stable housing and full-time employment. 7. Lasting Change: By addressing issues like substance abuse, domestic violence, and criminal backgrounds, the program create lastings change for both parents and children. Solutions Academy's intensive, long-term approach provides families with the tools, knowledge, and support needed to achieve permanent self-sufficiency and break free from homelessness.

Briefly describe the significance of your request to the San Marcos community, including anticipated numbers served.	Approximately 25% of the 200 individuals we served in 2023 came from San Marcos. This means our program directly impacts about 50 San Marcos residents annually, helping them transition from homelessness to self-sufficiency. Nearly all of our graduates continue to live and work in North County, specifically along the 78 corridor, contributing to the local economy and community. The significance of our request extends beyond these direct beneficiaries. By solving family homelessness, we create a ripple effect of positive outcomes for San Marcos: 1. Reduced government costs: As families become self-sufficient, they rely less on public assistance programs. 2. Economic growth: Employed graduates contribute to the local economy through taxes, spending, and workforce participation. 3. Crime reduction: Our program helps decrease both crimes committed by and against homeless individuals. 4. Addressing Root Causes: By addressing root causes of homelessness, we prevent future generations from experiencing homelessness. 5. Community enhancement: Stable families contribute to safer, more vibrant neighborhoods. Through Solutions Academy's comprehensive 700-day program, we're not just providing temporary relief but facilitating lasting transformation. This investment in San Marcos families yields long-term benefits for the entire community, making it a strategic and impactful use of resources.
Do you collaborate with other organizations to achieve your mission? If so, briefly describe those partnerships highlighting any that are located in or serve San Marcos residents.	Yes, we do. Including San Marcos organizations like the Homeless Outreach Team, the School District, and local churches, enhancing support for families overcoming homelessness.

Has your organization received funding from the San Marcos Community Foundation in the past? If yes, please briefly describe the most recent project which received funding and the outcomes you achieved. If you have not received funding in the past, you can leave this section blank.	Yes; we received $1,000 in July 2023 and $2,500 in June 2022 from SMCF. These grants enhanced our Workforce Development program, helping more San Marcos residents secure stable employment.
Please provide a detailed narrative of your organization's mission and impact to the community. Include details such as strategic objectives, milestone achievements, and testimonials.	**Mission and Vision:** The mission of Solutions for Change is to solve family homelessness one family, one community at a time. Founded in 1999 by Chris and Tammy Megison, the organization pioneers an innovative, long-term solution that integrates affordable housing, educational opportunities, employment training, and health-related services. This comprehensive 700-day program addresses the root causes of homelessness—such as substance abuse, domestic violence, mental illness, and generational poverty—to transform vulnerable individuals into empowered, equipped, and inspired overcomers. Strategic Objectives: The organization operates through three primary pillars designed to tackle the multifaceted challenges faced by homeless families: 1. Solutions Academy The cornerstone of Solutions for Change is the Solutions Academy, a 700-day personal development program that equips homeless families with the skills, knowledge, and resources necessary for long-term stability and self-sufficiency. The program offers structured classes, case management, workforce training, and mental health support. Tailored to each family's specific needs, the curriculum focuses on breaking the causal factors of homelessness. 2. Solutions Enterprises This pillar combines employment training with entrepreneurial ventures like Solutions Farms, an aquaponics operation producing organic vegetables and fish. The farm provides job training opportunities for Academy participants while serving as a revenue-generating enterprise for the organization. 3. Solutions in the Community This initiative encourages program participants and graduates to give back

through community service projects, helping them build connections and demonstrate leadership. It reinforces the transformational nature of the program and fosters a sense of responsibility and engagement within the community.

Impact on the Community

Solutions for Change has significantly impacted the San Diego community and beyond, serving over 4,300 parents and children since its inception. By addressing both the symptoms and underlying causes of homelessness, the organization achieves sustainable outcomes.

- Family Reunification:The organization boasts a 100% track record of family reunification when Child Welfare Services is involved, underscoring its commitment to restoring families and ensuring children grow up in stable, nurturing environments.

- Educational and Employment Success: Solutions Academy equips families with essential life skills and workforce training. Over 74% of participating families graduate, securing stable housing, full-time employment, and savings to support their long-term goals. Many participants obtain GEDs, pursue higher education, or secure employment in sectors that offer a living wage.

- Housing Stability:With a 94% success rate in moving families into permanent off-campus housing upon graduation, the organization achieves housing stability through job placement, financial literacy training, and ongoing support.

Milestone Achievements

Over the years, Solutions for Change has reached significant milestones that highlight its impact and growth:

- Expansion of Solutions Academy: The main campus has been expanded to accommodate more families, and a second Academy has been launched, increasing the capacity to serve those in need.

- Solutions Farms:Now the largest aquaponics farming operation on the West Coast, Solutions Farms provides job training and contributes fresh produce to the community, embodying the organization's commitment to sustainable, community-based solutions.

- Partnerships and Advocacy: Solutions for Change has built a broad coalition of individuals, businesses, faith communities, and civic organizations supporting its mission. The organization actively advocates for policy changes benefiting homeless families and children at both local and federal levels.

- Recognition and Awards: The organization's innovative approach and success have been widely recognized. A notable achievement is the historic signing of the first-ever 5-Mayor Proclamation in North San Diego County, signaling a collective desire to implement the Solutions model across their communities.

Testimonials and Personal Stories

The true impact of Solutions for Change is best illustrated through the stories of the families it has helped.

- Tim and Tiffany's Story: Tiffany became homeless at 12 and lived on the streets. She met Tim, and together they struggled with addiction, leading to Tim's incarceration and their children being taken away by Child Welfare Services. Determined to make a change, Tiffany joined Solutions for Change, and Tim followed upon his release. Both worked diligently in the Employment Related Training program, obtained their GEDs, secured jobs, and were reunited with their children. Today, they have stable housing and employment and are active community members. Tiffany reflects, "Through Solutions, I have been given the chance to figure out who I am and what I want. I put in effort, make big goals, and now have the opportunity to do something with my life."

- Jennifer's Journey: Jennifer, a 2012 graduate and now the Vice President of Transformation Impact at Solutions for Change, embodies the transformative potential of the program. Her personal experience and professional success demonstrate how the support and opportunities provided can lead to significant personal and professional growth, and escape from of poverty and homelessness.

Solutions for Change is more than a shelter or a temporary fix; it is a transformative community empowering families to break free from homelessness and dependency permanently. Through its comprehensive 700-day program, innovative social enterprises, and community-based initiatives, the organization is creating a brighter future for homeless families in San Diego. It sets a replicable model for other communities, grounded in the belief that every family has the potential to overcome and thrive. Solutions for Change is committed to making that vision a reality—one family, one community at a time.

Please upload any community letters or media in support of this project.

Please upload the annual operating budget for your organization.

2024_Budget_-_Approved.pdf

Please upload your most recent year-end audited financial statements, including any management letters associated with the audit.

Solutions_for_Change_Inc_09-119_-_fs_Regular_Audit_2022_2.pdf

Please attach the first two pages of your Federal 990.

SCI_2022_990_3.pdf

Please upload a letter, signed by your organization's president or authorized officer on this application, supporting the submission of this grant.

letter_from_ceo_authorizing_grant_submission.docx

	Funding
Budget Worksheet	
San Marcos Community Foundation - Budget Worksheet.xlsx	
Project Budget Total	2412701.0
Is this a Challenge or Matching Grant?	No
Could this be a Challenge or Matching Grant?	Yes
Additional Funding	
SMCF Budget Worksheet 2.xlsx	
Please provide a brief narrative for your budget and funding sources for this project. If you don't receive your full grant request, will you still be able to run the project?	Our project is funded through donations (24%), grants (16%), events (20%), and earned income (33%). Even without the full grant, we can still run the project by leveraging our diverse funding sources.

Provide an itemized list of expenses for this project. Please ensure the totals are calculated correctly.		
Item	**Cost**	**Notes (optional)**
Personnel	*994,700.00*	
Dues, Memberships & Subs	35,280.00	
Computer Hard/Software & Repair	27,734.00	
Furniture and Equipment	10,045.00	
Event Fundraising Expense	114,754.00	
Advertising and Marketing	60,638.00	
Meetings/Training/ Travel	42,778.00	
Office Expense	35,770.00	
Program Expense	8,820.00	
Professional Fees	345,965.00	
Facilities	140,630.00	
Rent Expense	168,560.00	
Other	427,027.00	
Total budget for this PROJECT:		

	Source Name	Amount	C / CD / P
Additional Funding Source 1	Hunter Industries	5,000.00	C
Additional Funding Source 2	Rotary Club of Rancho Bernard	3,000.00	C
Additional Funding Source 3	Vista Elks Lodge #1968	2,500.00	C
Additional Funding Source 4	Jose Antonio Grifols Lucas Fou	7,500.00	C
Additional Funding Source 5	BAE Systems	5,000.00	C
Additional Funding Source 6	The Cushman Foundation	14,000.00	C
Additional Funding Source 7	The Good Shepherd's Heart Mi	20,000.00	C
Additional Funding Source 8	Issa Family Foundation	100,000.00	C
Additional Funding Source 9	Pala Band of Mission Indians	10,000.00	C
Additional Funding Source 10			

2024 Organizational Budget	
INCOME	
Donated Income	
Donations	$ 1,599,066
Foundations	903,386
Grants	431,479
Events	269,667
Total Donated Income	**3,203,598**
Program Earned Income	
Rental Income	1,162,593
Social Enterprise	371,183
Total Program Earned Income	**1,533,776**
TOTAL INCOME	**4,737,374**
EXPENSE	
Total Employee Cost	$ 1,967,775
Professional Services	533,688
Facilities	904,714
General Operating Expenses	469,262
Event Costs	230,725
Taxes/Licenses/Permits	44,247
Training, Meetings & Travel	44,783
Development Expenses	60,700
Other Program Expenses	33,768
Loan Interest Expense	123,587
Depreciation	419,876
TOTAL EXPENSE	**$ 4,833,125**
Net Operating Income (Loss)	**$ (95,751)**
Net Income + Depreciation	324,125
Less: Capital Improvements Set Aside	(181,625)
Less: Reserve Account Set Aside	(142,500)
Net Suplus / (Deficit)	**$ (0)**

2022 Exempt Org. Return
prepared for:

SOLUTIONS FOR CHANGE, INC.
722 W CALIFORNIA AVENUE
VISTA, CA 92083

COPY

Leaf & Cole, LLP
2810 Camino Del Rio South, Suite 200
San Diego, CA 92108

"Taxpayer's Copy-Retain for your files"

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning , 2022, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C
SOLUTIONS FOR CHANGE, INC.
722 W CALIFORNIA AVENUE
VISTA, CA 92083

D Employer identification number
33-0902617

E Telephone number
(760) 941-6545

G Gross receipts $ 5,259,217.

F Name and address of principal officer: CHRIS MEGISON
SAME AS C ABOVE

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. See instructions.

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

J Website: WWW.SOLUTIONSFORCHANGE.ORG

H(c) Group exemption number

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

L Year of formation: 1999

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO SOLVE FAMILY HOMELESSNESS, ONE FAMILY, ONE COMMUNITY AT A TIME.

2 Check this box ☐ 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	11
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 2022 (Part V, line 2a)	5	55
6	Total number of volunteers (estimate if necessary)	6	625
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,676,174.	4,151,357.
9	Program service revenue (Part VIII, line 2g)	833,503.	1,049,667.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,000.	12,001.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-25,040.	13,177.
12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,496,637.	5,226,202.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,284,532.	2,217,531.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) 142,566.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,402,830.	2,775,668.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,687,362.	4,993,199.
19	Revenue less expenses. Subtract line 18 from line 12	-190,725.	233,003.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	11,073,886.	11,521,449.
21	Total liabilities (Part X, line 26)	13,546,328.	13,983,136.
22	Net assets or fund balances. Subtract line 21 from line 20	-2,472,442.	-2,461,687.

COPY

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

CHRIS MEGISON — PRESIDENT & CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
JILL BRANCH	JILL BRANCH	11/15/23		P00727664

Firm's name: LEAF & COLE, LLP
Firm's address: 2810 CAMINO DEL RIO SOUTH, SUITE 200
SAN DIEGO, CA 92108
Firm's EIN: 95-2076568
Phone no. 619.294.7200

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

TO SOLVE FAMILY HOMELESSNESS, ONE FAMILY, ONE COMMUNITY AT A TIME.

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 $ 4,451,125. including grants of $) (Revenue $ 1,049,667.)

SEE SCHEDULE O

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

COPY

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 4,451,125.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*? See instructions	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments – other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments – program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*. See instructions	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X

COPY

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If a "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of any individual described in line 28a? *If "Yes," complete Schedule L, Part IV*	28b		X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33	X	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? **Note:** All Form 990 filers are required to complete Schedule O	38	X	

COPY

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a	21		
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			

Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return **2a** 55			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation on Schedule O.*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year **7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	**Section 501(c)(7) organizations.** Enter:			
a	Initiation fees and capital contributions included on Part VIII, line 12 **10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities **10b**			
11	**Section 501(c)(12) organizations.** Enter:			
a	Gross income from members or shareholders **11a**			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) **11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year **12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state? **Note:** See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans **13b**			
c	Enter the amount of reserves on hand **13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation on Schedule O.*	14b		
15	Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17	**Section 501(c)(21) organizations.** Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.	17		

COPY

Part VI Governance, Management, and Disclosure. *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.*

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.	1a 11		
b	Enter the number of voting members included on line 1a, above, who are independent.	1b 11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? SEE SCHEDULE O	2	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Did the organization have members or stockholders?	6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses on Schedule O.*	9		X

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

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

COPY

Section C. Disclosure

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

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

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

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records.

CHRIS MEGISON 722 W CALIFORNIA AVENUE VISTA CA 92083 (760) 941-6545

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHRIS MEGISON PRESIDENT & CEO	40 0			X				198,616.	0.	26,572.
(2) DENNIS BONE EXECUTIVE VP	40 0					X		105,595.	0.	1,503.
(3) TAMERA MEGISON SENIOR VP	40 0			X				99,492.	0.	75.
(4) MIKE KENNEDY DIRECTOR	1 0	X						0.	0.	0.
(5) MARK T EALY, CFP, CPA DIRECTOR	1 0	X						0.	0.	0.
(6) CHRIS CHEN DIRECTOR	1 0	X						0.	0.	0.
(7) GLORIA FOOTE DIRECTOR	1 0	X						0.	0.	0.
(8) LEANNE ABRAHAM CHAIRWOMAN	1 0	X		X				0.	0.	0.
(9) DAWN CUNEEN BOOTH DIRECTOR	1 0	X						0.	0.	0.
(10) JACK LANDERS TREASURER	1 0	X		X				0.	0.	0.
(11) JOHN CONRAD DIRECTOR	1 0	X						0.	0.	0.
(12) BRET SCHANZENBACH SECRETARY	1 0	X		X				0.	0.	0.
(13) STEVEN OGUS DIRECTOR	1 0	X						0.	0.	0.
(14) TOBY WIIK DIRECTOR	1 0	X						0.	0.	0.

COPY

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

(A) Name and title	(B) Average hours per week (list any hours for related organiza - tions below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal								403,703.	0.	28,150.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								403,703.	0.	28,150.

COPY

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

		Yes	No
3 Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants, and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	182,209.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	413,519.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	3,555,629.				
	g Noncash contributions included in lines 1a-1f	1g	4,100.				
	h **Total.** Add lines 1a-1f			4,151,357.			
Program Service Revenue			**Business Code**				
	2a RENTAL INCOME		531110	927,921.	927,921.		
	b SUPPORTING SERVICES		900099	110,300.	110,300.		
	c LAUNDRY & VENDING		531110	11,446.	11,446.		
	d						
	e						
	f All other program service revenue						
	g **Total.** Add lines 2a-2f			1,049,667.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			12,001.			12,001.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
			(i) Real / (ii) Personal				
	6a Gross rents	6a					
	b Less: rental expenses	6b					
	c Rental income or (loss)	6c					
	d Net rental income or (loss)						
			(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	7a					
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c					
	d Net gain or (loss)						
	8a Gross income from fundraising events (not including $ 182,209. of contributions reported on line 1c). See Part IV, line 18	8a	7,794.				
	b Less: direct expenses	8b	17,411.				
	c Net income or (loss) from fundraising events			-9,617.			-9,617.
	9a Gross income from gaming activities. See Part IV, line 19	9a					
	b Less: direct expenses	9b					
	c Net income or (loss) from gaming activities						
	10a Gross sales of inventory, less returns and allowances	10a	14,646.				
	b Less: cost of goods sold	10b	15,604.				
	c Net income or (loss) from sales of inventory			-958.			-958.
Miscellaneous Revenue			**Business Code**				
	11a MISCELLANEOUS		900099	23,752.	23,752.		
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d			23,752.			
	12 **Total revenue.** See instructions			5,226,202.	1,073,419.	0.	1,426.

COPY

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	324,755.	129,902.	81,189.	113,664.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	1,604,141.	1,577,689.	20,946.	5,506.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	128,107.	105,664.	14,377.	8,066.
10 Payroll taxes	160,528.	134,715.	19,159.	6,654.
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	444,740.	333,555.	111,185.	
12 Advertising and promotion	252,965.	252,965.		
13 Office expenses	109,038.	97,233.	11,805.	
14 Information technology				
15 Royalties				
16 Occupancy	63,362.	63,362.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	51,777.	21,010.	30,767.	
20 Interest	408,908.	408,908.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	343,831.	343,831.		
23 Insurance	92,655.	76,130.	8,459.	8,066.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a SUBSIDY EXPENSES	215,436.	215,436.		
b AMORTIZATION - ROU ASSET	207,110.	207,110.		
c REPAIRS & MAINTENANCE	172,192.	154,972.	17,220.	
d UTILITIES/REFUSE REMOVAL	160,724.	144,652.	16,072.	
e All other expenses	252,930.	183,991.	68,329.	610.
25 **Total functional expenses.** Add lines 1 through 24e	4,993,199.	4,451,125.	399,508.	142,566.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

COPY

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash — non-interest-bearing	226,270.	1	607,963.
	2	Savings and temporary cash investments	115,197.	2	96,979.
	3	Pledges and grants receivable, net	597,095.	3	465,798.
	4	Accounts receivable, net		4	
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7	Notes and loans receivable, net	2,582,209.	7	2,509,365.
	8	Inventories for sale or use	4,500.	8	
	9	Prepaid expenses and deferred charges	34,547.	9	77,924.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 12,681,852.			
	b	Less: accumulated depreciation — 10b: 3,464,054.	9,503,039.	10c	9,217,798.
	11	Investments — publicly traded securities		11	
	12	Investments — other securities. See Part IV, line 11		12	
	13	Investments — program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	-1,988,971.	15	-1,454,378.
	16	**Total assets.** Add lines 1 through 15 (must equal line 33)	11,073,886.	16	11,521,449.
Liabilities	17	Accounts payable and accrued expenses	305,762.	17	111,475.
	18	Grants payable		18	
	19	Deferred revenue	4,314.	19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23	Secured mortgages and notes payable to unrelated third parties	11,169,936.	23	11,108,736.
	24	Unsecured notes and loans payable to unrelated third parties	250,000.	24	250,000.
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	1,816,316.	25	2,512,925.
	26	**Total liabilities.** Add lines 17 through 25	13,546,328.	26	13,983,136.
Net Assets or Fund Balances		**Organizations that follow FASB ASC 958, check here ☒ and complete lines 27, 28, 32, and 33.**			
	27	Net assets without donor restrictions	-2,512,442.	27	-3,003,008.
	28	Net assets with donor restrictions	40,000.	28	541,321.
		Organizations that do not follow FASB ASC 958, check here ☐ and complete lines 29 through 33.			
	29	Capital stock or trust principal, or current funds		29	
	30	Paid-in or capital surplus, or land, building, or equipment fund		30	
	31	Retained earnings, endowment, accumulated income, or other funds		31	
	32	Total net assets or fund balances	-2,472,442.	32	-2,461,687.
	33	Total liabilities and net assets/fund balances	11,073,886.	33	11,521,449.

COPY

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,226,202.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,993,199.
3	Revenue less expenses. Subtract line 2 from line 1	3	233,003.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	-2,472,442.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O) SEE SCHEDULE O	9	-222,248.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	-2,461,687.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____			
	If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
	If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R Part 200, Subpart F?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	3b	X	

COPY

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization	Employer identification number
SOLUTIONS FOR CHANGE, INC.	33-0902617

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:

10 ☐ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations . . . . . .

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

COPY

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 **Total.** Add lines 1 through 3	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						969,546.
6 **Public support.** Subtract line 5 from line 4						14,215,555.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	12,960.	63,082.	81,922.	12,000.	12,001.	181,965.
9 Net income from unrelated business activities, whether or not the business is regularly carried on		97,829.				97,829.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) SEE PART VI	8,860.		24,079.	1,126.	23,752.	57,817.
11 **Total support.** Add lines 7 through 10						15,522,712.

COPY

12 Gross receipts from related activities, etc. (see instructions) 12 5,270,977.

13 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) 14 91.58 %

15 Public support percentage from 2021 Schedule A, Part II, line 14 15 81.91 %

16a **33-1/3% support test—2022.** If the organization did not check the box on line 13, and line 14 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒

b **33-1/3% support test—2021.** If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

17a **10%-facts-and-circumstances test—2022.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ☐

b **10%-facts-and-circumstances test—2021.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support.** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

COPY

14 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16	Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2022** (line 10c, column (f), divided by line 13, column (f))	17	%
18	Investment income percentage from **2021** Schedule A, Part III, line 17	18	%

19a **33-1/3% support tests—2022.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

b **33-1/3% support tests—2021.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in **Part VI** how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in **Part VI** how the organization determined that the supported organization was described in section 509(a)(1) or (2).*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer lines 3b and 3c below.*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in **Part VI** when and how the organization made the determination.*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in **Part VI** what controls the organization put in place to ensure such use.*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in **Part VI** how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in **Part VI** what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in **Part VI,** including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).*	5a		
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in **Part VI.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990).*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? *If "Yes," complete Part I of Schedule L (Form 990).*	8		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in **Part VI.***	9a		
b	Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in **Part VI.***	9b		
c	Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in **Part VI.***	9c		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer line 10b below.*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)*	10b		

COPY

Part IV Supporting Organizations *(continued)*

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?	**11a**	
b	A family member of a person described on line 11a above?	**11b**	
c	A 35% controlled entity of a person described on line 11a or 11b above? *If "Yes" to line 11a, 11b, or 11c, provide detail in* ***Part VI.***	**11c**	

Section B. Type I Supporting Organizations

		Yes	No
1	Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? *If "No," describe in* ***Part VI*** *how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax* year.	**1**	
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* ***Part VI*** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.*	**2**	

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in* ***Part VI*** *how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*	**1**	

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	**1**	
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in* ***Part VI*** *how the organization maintained a close and continuous working relationship with the supported organization(s).*	**2**	
3	By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in* ***Part VI*** *the role the organization's supported organizations played in this regard.*	**3**	

COPY

Section E. Type III Functionally Integrated Supporting Organizations

1 *Check the box next to the method that the organization used to satisfy the Integral Part Test during the year* ***(see instructions).***

a ☐ The organization satisfied the Activities Test. *Complete* ***line 2*** *below.*

b ☐ The organization is the parent of each of its supported organizations. *Complete* ***line 3*** *below.*

c ☐ The organization supported a governmental entity. *Describe in* ***Part VI*** *how you supported a governmental entity (see instructions).*

		Yes	No
2	Activities Test. ***Answer lines 2a and 2b below.***		
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* ***Part VI identify those supported organizations and explain*** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*	**2a**	
b	Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* ***Part VI*** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*	**2b**	
3	Parent of Supported Organizations. ***Answer lines 3a and 3b below.***		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *If "Yes" or "No," provide details in* ***Part VI.***	**3a**	
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? *If "Yes," describe in* ***Part VI*** *the role played by the organization in this regard.*	**3b**	

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A – Adjusted Net Income

			(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1		
2	Recoveries of prior-year distributions	2		
3	Other gross income (see instructions)	3		
4	Add lines 1 through 3.	4		
5	Depreciation and depletion	5		
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7	Other expenses (see instructions)	7		
8	**Adjusted Net Income** (subtract lines 5, 6, and 7 from line 4)	8		

Section B – Minimum Asset Amount

			(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a	Average monthly value of securities	1a		
b	Average monthly cash balances	1b		
c	Fair market value of other non-exempt-use assets	1c		
d	**Total** (add lines 1a, 1b, and 1c)	1d		
e	**Discount** claimed for blockage or other factors *(explain in detail in **Part VI**)*:			
2	Acquisition indebtedness applicable to non-exempt-use assets	2		
3	Subtract line 2 from line 1d.	3		
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4		
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6	Multiply line 5 by 0.035.	6		
7	Recoveries of prior-year distributions	7		
8	**Minimum Asset Amount** (add line 7 to line 6)	8		

COPY

Section C – Distributable Amount

			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	**Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** *(continued)*

Section D – Distributions		**Current Year**
1 Amounts paid to supported organizations to accomplish exempt purposes	1	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4 Amounts paid to acquire exempt-use assets	4	
5 Qualified set-aside amounts (prior IRS approval required – *provide details in* ***Part VI***)	5	
6 Other distributions (describe in **Part VI**). See instructions.	6	
7 **Total annual distributions.** Add lines 1 through 6.	7	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**). See instructions.	8	
9 Distributable amount for 2022 from Section C, line 6	9	
10 Line 8 amount divided by line 9 amount	10	

Section E – Distribution Allocations (see instructions)	**(i) Excess Distributions**	**(ii) Underdistributions Pre-2022**	**(iii) Distributable Amount for 2022**
1 Distributable amount for 2022 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2022 (reasonable cause required – *explain in* ***Part VI***). See instructions.			
3 Excess distributions carryover, if any, to 2022			
a From 2017			
b From 2018			
c From 2019			
d From 2020			
e From 2021			
f **Total** of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2022 distributable amount			
i Carryover from 2017 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2022 from Section D, line 7: $			
a Applied to underdistributions of prior years			
b Applied to 2022 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, *explain in* ***Part VI***. See instructions.			
6 Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, *explain in* ***Part VI***. See instructions.			
7 **Excess distributions carryover to 2023.** Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2018			
b Excess from 2019			
c Excess from 2020			
d Excess from 2021			
e Excess from 2022			

COPY

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

PART II, LINE 10 - OTHER INCOME

NATURE AND SOURCE	2022	2021	2020	2019	2018
MISCELLANEOUS INCOME	$ 23,752.	$ 1,126.	$ 24,079.		$ 6,176.
SOCIAL ENTERPRISE					2,684.
TOTAL	$ 23,752.	$ 1,126.	$ 24,079.	$ 0.	$ 8,860.

COPY

Schedule B (Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990 or Form 990-PF.
Go to *www.irs.gov/Form990* for the latest information.

OMB No. 1545-0047

2022

Name of the organization	Employer identification number
SOLUTIONS FOR CHANGE, INC.	33-0902617

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

COPY

Special Rules

[X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (**1**) $5,000; or (**2**) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling $5,000 or more during the year. . . . . $ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ISSA FAMILY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 230,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	NATIONAL CHRISTIAN FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 98,485.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3	HAY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 225,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
4	RICHARD S LAUB III 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 100,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
5	STATE OF TN 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 275,195.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
6	FIRST SINGLES CHURCH 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 1,000,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

COPY

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	N/A	$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

COPY

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part III ***Exclusively*** **religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) . . . . . $ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

COPY

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (for example, recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of a historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after July 25, 2006 and not on a historic structure listed in the National Register	2d	

COPY

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year

4 Number of states where property subject to conservation easement is located

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 $

(ii) Assets included in Form 990, Part X $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 $

b Assets included in Form 990, Part X $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange program
- e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

COPY

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) Unrelated organizations	3a(i)		
(ii) Related organizations	3a(ii)		
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,185,895.		4,185,895.
b Buildings		7,980,677.	3,021,129.	4,959,548.
c Leasehold improvements				
d Equipment		420,064.	395,860.	24,204.
e Other		95,216.	47,065.	48,151.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)*				9,217,798.

Part VII Investments — Other Securities. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 12.)*		

Part VIII Investments — Program Related. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 13.)*		

Part IX Other Assets. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

COPY

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 15.)*	

Part X Other Liabilities.
Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED EXPENSES	215,489.
(3) ACCRUED INTEREST	1,486,385.
(4) FINANCE LEASE LIABILITY	620,091.
(5) RELATED PARTY PAYABLE	91,783.
(6) SHARE OF DEFICIENCY IN PARTNERSHIPS	2,198.
(7) TENANT SECURITY DEPOSITS	58,340.
(8) TENANT TRUST FUND	38,639.
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 25.)*	2,512,925.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII . . . . . SEE PART XIII [X]

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.
Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	5,159,869.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains (losses) on investments	2a			
b	Donated services and use of facilities	2b	129,600.		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.) SEE PART XIII	2d	-195,933.		
e	Add lines **2a** through **2d**			2e	-66,333.
3	Subtract line **2e** from line **1**			3	5,226,202.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	5,226,202.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.
Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	5,149,114.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a	129,600.		
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.) SEE PART XIII	2d	26,315.		
e	Add lines **2a** through **2d**			2e	155,915.
3	Subtract line **2e** from line **1**			3	4,993,199.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	4,993,199.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

COPY

PART X - FASB ASC 740 FOOTNOTE

SOLUTIONS FOR CHANGE IS A PUBLIC CHARITY AND 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. SOLUTIONS FOR CHANGE BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE CONSOLIDATED FINANCIAL STATEMENTS. SOLUTIONS FOR CHANGE IS NOT A PRIVATE FOUNDATION.

NO PROVISION OR BENEFIT FOR INCOME TAXES FOR THE LIMITED LIABILITY COMPANIES AND

Part XIII Supplemental Information *(continued)*

PART X - FASB ASC 740 FOOTNOTE (CONTINUED)

LIMITED PARTNERSHIPS HAVE BEEN INCLUDED IN THESE CONSOLIDATED FINANCIAL STATEMENTS SINCE TAXABLE INCOME (LOSS) PASSES THROUGH TO, AND IS REPORTABLE BY, THE MEMBER/PARTNERS INDIVIDUALLY.

SCHEDULE D, PART XI, LINE 2D
OTHER REVENUE INCLUDED IN F/S BUT NOT INCLUDED ON FORM 990

COST OF GOODS SOLD EXPENSE	$	15,604.
PASSTHROUGH INCOME/LOSSES		-222,248.
SPECIAL EVENT EXPENSES		10,711.
TOTAL	$	-195,933.

SCHEDULE D, PART XII, LINE 2D
OTHER EXPENSES AND LOSSES PER AUDITED F/S

COST OF GOODS SOLD EXPENSE	$	15,604.
SPECIAL EVENT EXPENSES		10,711.
TOTAL	$	26,315.

COPY

SCHEDULE G
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I **Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☒ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☒ **No**

b If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in column **(i)**	**(vi)** Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total							0.

COPY

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Part II **Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 FUNDRAISING (event type)	(b) Event #2 (event type)	(c) Other events NONE (total number)	(d) Total events (add column (a) through column (c))
Revenue	1 Gross receipts	190,003.			190,003.
	2 Less: Contributions	182,209.			182,209.
	3 Gross income (line 1 minus line 2)	7,794.			7,794.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	17,411.			17,411.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				17,411.
	11 Net income summary. Subtract line 10 from line 3, column (d)				-9,617.

Part III **Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No %	☐ Yes ☐ No %	☐ Yes ☐ No %	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

COPY

9 Enter the state(s) in which the organization conducts gaming activities:

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain:

10 a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain:

11 Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity conducted in:

a The organization's facility	**13a**	%
b An outside facility	**13b**	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name

Address

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization $ _____ and the amount of gaming revenue retained by the third party $ _____

c If "Yes," enter name and address of the third party:

Name

Address

16 Gaming manager information:

Name

Gaming manager compensation $ _____.

Description of services provided

☐ Director/officer ☐ Employee ☐ Independent contractor

COPY

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year $

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	☐ First-class or charter travel ☐ Housing allowance or residence for personal use		
	☐ Travel for companions ☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account ☐ Personal services (such as maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain **1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? **2**		
3	Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
	☒ Compensation committee ☒ Written employment contract		
	☐ Independent compensation consultant ☐ Compensation survey or study		
	☐ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment? **4a**		X
b	Participate in or receive payment from a supplemental nonqualified retirement plan? **4b**		X
c	Participate in or receive payment from an equity-based compensation arrangement? **4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization? **5a**		X
b	Any related organization? **5b**		X
	If "Yes" on line 5a or 5b, describe in Part III.		
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a	The organization? **6a**		X
b	Any related organization? **6b**		X
	If "Yes" on line 6a or 6b, describe in Part III.		
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III **7**		X
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**		X
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**		

COPY

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(A) Name and Title		**(B)** Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns(B)(i)-(D)	**(F)** Compensation in column (B) reported as deferred on prior Form 990
			(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
1	CHRIS MEGISON PRESIDENT & CEO	(i) (ii)	198,616. 0.	0. 0.	0. 0.	0. 0.	26,572. 0.	225,188. 0.	0. 0.
2		(i) (ii)							
3		(i) (ii)							
4		(i) (ii)							
5		(i) (ii)							
6		(i) (ii)							
7		(i) (ii)							
8		(i) (ii)							
9		(i) (ii)							
10		(i) (ii)							
11		(i) (ii)							
12		(i) (ii)							
13		(i) (ii)							
14		(i) (ii)							
15		(i) (ii)							
16		(i) (ii)							

COPY

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

COPY

FORM 990, PART III, LINE 4A - PROGRAM SERVICE ACCOMPLISHMENTS

WITH INCREASED EMPHASIS ON ITS WORKFORCE DEVELOPMENT, CHILD WELFARE INTERVENTIONS AND ADULT EMPOWERMENT PROGRAMS, SOLUTIONS FOR CHANGE CONTINUED ITS DECADES LONG PROMISE TO OPERATE ITS RESIDENTIAL FAMILY RECOVERY PROGRAMS DRUGFREE AND ACCOUNTABILITY BASED. DUE TO AN AGGRESSIVE MULTIBILLION DOLLAR EXPANSION OF THE DEPENDENCY-MAKING "HOUSING FIRST" APPROACH, A SYSTEMWIDE SET OF POLICIES THAT ENABLE THE ONCE HOMELESS TO USE ILLICIT DRUGS, REMAIN UNEMPLOYED AND REFUSE SERVICES WHILE LIVING IN PUBLIC FUNDED HOUSING, SOLUTIONS IS NOW ONE OF THE LAST REMAINING HOMELESS HOUSING AND SERVICE ORGS THAT DELIVER RESULTS THAT END DEPENDENCY. THE DECISION TO STAND FIRM ON ITS CORE VALUES TO SOLVE THE ROOT CAUSES OF FAMILY HOMELESSNESS RESULTED IN THE NONPROFIT MAKING THE DECISION TO VOLUNTARILY RETURN OVER $83 MILLION IN HARD FOUGHT FAMILY HOUSING RESOURCES. THE DECISION WAS MADE AFTER YEARS OF LEGAL WRANGLING WHEN IT BECAME EVIDENT THAT NO FEDERAL, STATE, OR LOCAL RESOURCES WOULD HELP PROTECT HOMELESS PARENTS AND THEIR CHILDREN FROM THE EXPLOSION OF AN ENABLED DRUG CULTURE RIDDLED WITH OVERDOSE, DEATHS AND CRIMINAL IMPACTS, ALL OF WHICH POINTED BACK TO HOUSING FIRST. ALTHOUGH THOSE LOSSES GREATLY IMPACTED THE PEOPLE AND PROGRAMS OF SOLUTIONS FOR CHANGE, THE ORGANIZATION RECOMMITTED TO A MULTIYEAR REPURPOSING EFFORT, FREE OF GOVERNMENT FUNDING, THAT BEGAN IN EARNEST IN 2022. CALLED "WE ARE ONE US", THE EFFORT INVOLVES OVER 100 SOLUTIONS FOR CHANGE GRADUATES, CALLED OVERCOMERS, WHO HAVE RALLIED AROUND THE NONPROFIT TO ADVANCE ITS MISSION AND VISION OF SOLVING THE ROOT CAUSES OF FAMILY HOMELESSNESS. WITH THE OVERCOMERS LEADING THE WAY THE QUESTION THEY ARE ASKING IS: "WHAT IF THE ANSWER TO THE HOMELESS PROBLEM IS STARING US ALL IN THE FACE? WHAT IF THE SOLUTION IS THE HOMELESS THEMSELVES, ENGAGED IN A PURPOSEFUL WAY AND EQUIPPED AND INSPIRED INTO JOBS THAT END DEPENDENCY FOR OTHERS LIKE THEM, THROUGH INITIATIVES LIKE WHAT SOLUTIONS FOR CHANGE BUILDS AND IMPLEMENTS?"

COPY

Name of the organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

FORM 990, PART VI, LINE 2 - BUSINESS OR FAMILY RELATIONSHIP OF OFFICERS, DIRECTORS, ETC.

THE CEO AND VP OF OPERATIONS HAVE A FAMILY RELATIONSHIP.

FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS

THE ORGANIZATION HIRES AN OUTSIDE CPA TO PREPARE THE FORM 990. TOP MANAGEMENT REVIEWS THE COMPLETED 990 AND EMAILS A COPY OF THE FORM 990 TO OUR BOARD MEMBERS FOR THEIR REVIEW AND APPROVAL PRIOR TO FILING IT WITH THE IRS.

FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF CONFLICTS

DISCUSSED REGULARLY, BOARD MEETING REVIEWS OF POSSIBLE CONFLICTS.

FORM 990, PART VI, LINE 15B - COMPENSATION REVIEW & APPROVAL PROCESS - OFFICERS & KEY EMPLOYEES

THE ORGANIZATION CONSIDERS THE APPROPRIATE SALARY RANGE FOR ITS EMPLOYEES AND REVIEWS THIRD PARTY DOCUMENTATION TO HELP ENSURE THAT THE COMPENSATION OF OUR EMPLOYEES IS COMPARABLE TO OUR PEERS.

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

UPON REQUEST TO ANYONE WHO REQUESTS THE DOCUMENTS.

COPY

FORM 990, PART XI, LINE 9
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

PASSTHROUGH INCOME/LOSSES	$ -222,248.
TOTAL	$ -222,248.

FORM 990, P.5, PART V, LINE 2A

THE TOTAL NUMBER OF EMPLOYEES REPORTED CONSISTS OF FORM W-3 TOTALS FOR BOTH SOLUTIONS FOR CHANGE, INC. AND SOLUTIONS FARMS, LLC WHICH IS INCLUDED AS A DISREGARDED ENTITY:

SOLUTIONS FOR CHANGE, INC.: 50

SOLUTIONS FARMS, LLC.: 5

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SOLUTIONS FARMS LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-3636006	JOB TRAINING, EDUCATION, EMPLOYMENT, FARMING	CA	-38,437.	768,103.	SOLUTIONS FOR CHANGE, INC.
(2) SOLUTIONS CHESTNUT LLC 722 W CALIFORNIA AVE VISTA, CA 92083 32-0455012	HOUSING	CA	-82,480.	3,451,103.	SOLUTIONS FOR CHANGE, INC
(3) SOLUTIONS ESCONDIDO BOULEVARD LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-5003223	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

COPY

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity? Yes	(g) Sec 512(b)(13) controlled entity? No
(1)							
(2)							
(3)							
(4)							

Part III **Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SEE PART VII												
(1) SOLUTIONS FAMILY 722 WEST CALIFOR VISTA, CA 92083 33-0987615	REAL ESTATE	CA	SOLUTIONS FOR CHANGE		-222,440.	3,716,111.		X	N/A	X		99.00
(2) SOLUTIONS ESCOND 722 WEST CALIFOR VISTA, CA 92083 32-0481681	HOUSING	CA	N/A		16,192.	1,515,944.		X	N/A	X		0.01
(3) SFC WEITZEL, LP 722 WEST CALIFOR VISTA, CA 92083 37-1761208	HOUSING	CA	N/A		28,098.	512,604.		X	N/A	X		0.01

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

COPY

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity? Yes	(i) No
(1)									
(2)									
(3)									

Part V **Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

		Yes	No
Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.			
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity	**1 a**		X
b Gift, grant, or capital contribution to related organization(s)	**1 b**		X
c Gift, grant, or capital contribution from related organization(s)	**1 c**		X
d Loans or loan guarantees to or for related organization(s)	**1 d**	X	
e Loans or loan guarantees by related organization(s)	**1 e**	X	
f Dividends from related organization(s)	**1 f**		X
g Sale of assets to related organization(s)	**1 g**		X
h Purchase of assets from related organization(s)	**1 h**		X
i Exchange of assets with related organization(s)	**1 i**		X
j Lease of facilities, equipment, or other assets to related organization(s)	**1 j**		X
k Lease of facilities, equipment, or other assets from related organization(s)	**1 k**		X
l Performance of services or membership or fundraising solicitations for related organization(s)	**1 l**		X
m Performance of services or membership or fundraising solicitations by related organization(s)	**1 m**		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	**1 n**		X
o Sharing of paid employees with related organization(s)	**1 o**		X
p Reimbursement paid to related organization(s) for expenses	**1 p**		X
q Reimbursement paid by related organization(s) for expenses	**1 q**		X
r Other transfer of cash or property to related organization(s)	**1 r**	X	
s Other transfer of cash or property from related organization(s)	**1 s**		X

COPY

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SOLUTIONS FAMILY CENTER, LP	R	215,436.	COST
(2) SOLUTIONS ESCONDIDO BOULEVARD 33, LP	D	1,270,034.	COST
(3) SOLUTIONS ESCONDIDO BOULEVARD 33, LP	E	91,783.	COST
(4) SFC WEITZEL, LP	D	1,575.	COST
(5) SFC VISTA TERRACE, LP	D	556,250.	COST
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													

COPY

Part VII **Supplemental Information**
Provide additional information for responses to questions on Schedule R. See instructions.

PART III - PARTNERSHIP FULL NAME, ADDRESS, FEIN

SOLUTIONS FAMILY CENTER, LP 33-0987615 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SOLUTIONS ESCONDIDO BOULEVARD 33, LP 32-0481681 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SFC WEITZEL, LP 37-1761208 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SFC VISTA TERRACE, LP 45-4761846 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SOLUTIONS EAST VISTA WAY, LP 82-3040527 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

PARKVIEW SAN MARCOS II, LP 90-0931234 722 WEST CALIFORNIA AVE VISTA, CA 92083

COPY

Continuation Sheet for Schedule R

2022

Continuation Page 1 of 1

Name of filing organization
SOLUTIONS FOR CHANGE, INC.

Employer identification number
33-0902617

Part I Continuation of Identification of Disregarded Entities

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
SOLUTIONS WEITZEL, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 36-4788573	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC
SOLUTIONS VISTA TERRACE, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 45-5455894	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.
SOLUTIONS PARKVIEW, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-1613895	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.
SOLUTIONS EV, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 82-2908333	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.

COPY

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SFC VISTA TERRACE, 722 WEST CALIFORNI VISTA, CA 92083 45-4761846	HOUSING	CA	N/A		-16,539.	424,617.		X	N/A	X		0.01
SOLUTIONS EAST VIS 722 WEST CALIFORNI VISTA, CA 92083 82-3040527	HOUSING	CA	SOLUTIONS		11,482.	0.		X	N/A		X	99.99
PARKVIEW SAN MARCO 722 WEST CALIFORNI VISTA, CA 92083 90-0931234	HOUSING	CA	N/A		-5.	33,716.		X	N/A	X		0.00

COPY

Form **4562**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

Attach to your tax return.

Go to *www.irs.gov/Form4562* for instructions and the latest information.

OMB No. 1545-0172

2022

Attachment Sequence No. **179**

Name(s) shown on return

SOLUTIONS FOR CHANGE, INC.

Identifying number

33-0902617

Business or activity to which this form relates

DEPRECIATION SCHEDULES ONLY

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2021 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instrs	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2023. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (**Don't** include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	343,831.

Part III MACRS Depreciation (**Don't** include listed property. See instructions.)

COPY

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2022	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B — Assets Placed in Service During 2022 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27.5 yrs	MM	S/L	
				27.5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C — Assets Placed in Service During 2022 Tax Year Using the Alternative Depreciation System

20 a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	30-year			30 yrs	MM	S/L	
d	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	343,831.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **8868**
(Rev. January 2022)
Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**
► **Go to *www.irs.gov/Form8868* for the latest information.**

OMB No. 1545-0047

Electronic filing *(e-file).* You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits*.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print

File by the due date for filing your return. See instructions.

Name of exempt organization or other filer, see instructions.	Taxpayer identification number (TIN)
SOLUTIONS FOR CHANGE, INC.	33-0902617

Number, street, and room or suite number. If a P.O. box, see instructions.
722 W CALIFORNIA AVENUE

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
VISTA, CA 92083

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12
Form 990-T (corporation)	07		

- The books are in the care of ► CHRIS MEGISON 722 W CALIFORNIA AVENUE VISTA CA 92083

  Telephone No. ► (760) 941-6545 Fax No. ►
- If the organization does not have an office or place of business in the United States, check this box . . . . . ► ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . . . . . ► ☐. If it is for part of the group, check this box . . . ► ☐ and attach a list with the names and TINs of all members the extension is for.

COPY

1 I request an automatic 6-month extension of time until 11/15, 20 23, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☒ calendar year 20 22 or

► ☐ tax year beginning _____, 20 ___, and ending _____, 20 ___.

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	**3a**	$ 0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	**3b**	$ 0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	**3c**	$ 0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
DEPR. SCHEDULE ONLY																
AUTO / TRANSPORT EQUIPMENT																
3	VEHICLES	VARIOUS		157,194							157,194	131,086	S/L	5		12,582
	TOTAL AUTO / TRANSPORT EQUIP			157,194		0	0	0	0	0	157,194	131,086				12,582
FURNITURE AND FIXTURES																
5	FURNITURE & EQUIPMENT	VARIOUS		95,216							95,216	45,405	S/L	7		1,660
6	FURNITURE & EQUIPMENT	VARIOUS	12/31/22	9,000							9,000	9,000	S/L	7		0
	TOTAL FURNITURE AND FIXTURE			104,216		0	0	0	0	0	104,216	54,405				1,660
IMPROVEMENTS																
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677							7,980,677	2,701,755	S/L	27.5		319,374
	TOTAL IMPROVEMENTS			7,980,677		0	0	0	0	0	7,980,677	2,701,755				319,374
LAND																
1	LAND	VARIOUS		4,185,895							4,185,895					0
	TOTAL LAND			4,185,895		0	0	0	0	0	4,185,895	0				0
MACHINERY AND EQUIPMENT																
4	MACHINERY & EQUIPMENT	VARIOUS		262,870							262,870	241,977	S/L	7		10,215
	TOTAL MACHINERY AND EQUIPME			262,870		0	0	0	0	0	262,870	241,977				10,215

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	TOTAL DEPRECIATION			12,690,852		0	0	0	0	0	12,690,852	3,129,223				343,831
	GRAND TOTAL DEPRECIATION			12,690,852		0	0	0	0	0	12,690,852	3,129,223				343,831
	DEPRECIATION ASSETS SOLD			9,000		0	0	0	0	0	9,000	9,000				0
	DEPR REMAINING ASSETS			12,681,852		0	0	0	0	0	12,681,852	3,120,223				343,831

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
DEPR. SCHEDULE ONLY																
AUTO / TRANSPORT EQUIPMENT																
3	VEHICLES	VARIOUS		157,194							157,194	143,668	S/L	5		0
	TOTAL AUTO / TRANSPORT EQUIP			157,194		0	0	0	0	0	157,194	143,668				0
FURNITURE AND FIXTURES																
5	FURNITURE & EQUIPMENT	VARIOUS		95,216							95,216	47,065	S/L	7		13,602
	TOTAL FURNITURE AND FIXTURE			95,216		0	0	0	0	0	95,216	47,065				13,602
IMPROVEMENTS																
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677							7,980,677	3,021,129	S/L	27.5		290,206
	TOTAL IMPROVEMENTS			7,980,677		0	0	0	0	0	7,980,677	3,021,129				290,206
LAND																
1	LAND	VARIOUS		4,185,895							4,185,895					0
	TOTAL LAND			4,185,895		0	0	0	0	0	4,185,895	0				0
MACHINERY AND EQUIPMENT																
4	MACHINERY & EQUIPMENT	VARIOUS		262,870							262,870	252,192	S/L	7		10,678
	TOTAL MACHINERY AND EQUIPME			262,870		0	0	0	0	0	262,870	252,192				10,678
	TOTAL DEPRECIATION			12,681,852		0	0	0	0	0	12,681,852	3,464,054				314,486

COPY

SOLUTIONS FOR CHANGE, INC. **33-0902617**

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	GRAND TOTAL DEPRECIATION			12,681,852		0	0	0	0	0	12,681,852	3,464,054				314,486

COPY

TAXABLE YEAR **2022**

California Exempt Organization Annual Information Return

FORM **199**

Calendar Year 2022 or fiscal year beginning (mm/dd/yyyy) _____ , and ending (mm/dd/yyyy) _____ .

Corporation/Organization name	California corporation number
SOLUTIONS FOR CHANGE, INC.	2048058
Additional information. See instructions.	FEIN 33-0902617
Street address (suite or room) 722 W CALIFORNIA AVENUE	PMB no.
City VISTA / State CA / Zip code 92083	
Foreign country name / Foreign province/state/county / Foreign postal code	

A First return. . . . . ○ Yes ☒ No

B Amended return . . . . . ● ☐ Yes ☒ No

C IRC Section 4947(a)(1) trust . . . . . ☐ Yes ☒ No

D Final information return?
● ☐ Dissolved ☐ Surrendered (Withdrawn) ☐ Merged/Reorganized
Enter date: (mm/dd/yyyy) ● _____

E Check accounting method:
1 ☐ Cash 2 ☒ Accrual 3 ☐ Other

F Federal return filed? 1 ● ☐ 990T 2 ● ☐ 990-PF 3 ● ☐ Sch H (990)
4 ☐ Other 990 series

G Is this a group filing? See instructions . . . . . ● ☐ Yes ☒ No

H Is this organization in a group exemption . . . . . ☐ Yes ☒ No
If "Yes," what is the parent's name?

I Did the organization have any changes to its guidelines not reported to the FTB? See instructions. . . . . ● ☐ Yes ☒ No

J If exempt under R&TC Section 23701d, has the organization engaged in political activities? See instructions . . . . . ● ☐ Yes ☒ No

K Is the organization exempt under R&TC Section 23701g? . . . ● ☐ Yes ☒ No
If "Yes," enter the gross receipts from nonmember sources . . . . . $

L Is the organization a limited liability company? . . . . . ● ☐ Yes ☒ No

M Did the organization file Form 100 or Form 109 to report taxable income? . . . . . ● ☐ Yes ☒ No

N Is the organization under audit by the IRS or has the IRS audited in a prior year? . . . . . ● ☐ Yes ☒ No

O Is federal Form 1023/1024 pending? . . . . . ☐ Yes ☒ No
Date filed with IRS _____

Part I Complete Part I unless not required to file this form. See General Information B and C.

COPY

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8 . . . ●		1	1,107,860.
	2	Gross dues and assessments from members and affiliates . . . ●		2	
	3	Gross contributions, gifts, grants, and similar amounts received SEE SCH. B . . . ●		3	4,151,357.
	4	Total gross receipts for filing requirement test. Add line 1 through line 3. **This line must be completed.** If the result is less than $50,000, see General Information B . . ●		4	5,259,217.
	5	Cost of goods sold . . . ●	5 15,604.		
	6	Cost or other basis, and sales expenses of assets sold . . . ●	6		
	7	Total costs. Add line 5 and line 6 . . .		7	15,604.
	8	Total gross income. Subtract line 7 from line 4 . . . ●		8	5,243,613.
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18 . . . ●		9	5,010,610.
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8 . . . ●		10	233,003.
Filing Fee	11	Total payments . . . ●		11	
	12	Use tax. See General Information K . . . ●		12	
	13	Payments balance. If line 11 is more than line 12, subtract line 12 from line 11 . . . ●		13	
	14	Use tax balance. If line 12 is more than line 11, subtract line 11 from line 12 . . . ●		14	
	15	Penalties and interest. See General Information J . . .		15	
	16	**Balance due.** Add line 12 and line 15. Then subtract line 11 from the result . . . ◉		16	0.

Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ | Title: PRESIDENT & CEO | Date: | ● Telephone: (760) 941-6545

Paid Preparer's Use Only

Preparer's signature ▶ JILL BRANCH | Date: 11/15/23 | Check if self-employed ▶ ☒ | ● PTIN: P00727664

Firm's name (or yours, if self-employed) and address ▶ LEAF & COLE, LLP
2810 CAMINO DEL RIO SOUTH, SUITE 200
SAN DIEGO, CA 92108

● Firm's FEIN: 95-2076568

● Telephone: 619.294.7200

May the FTB discuss this return with the preparer shown above? See instructions . . . ● ☒ Yes ☐ No

Part II **Organizations with gross receipts of more than $50,000 and private foundations regardless of amount of gross receipts – complete Part II or furnish substitute information.**

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	14,646.
	2	Interest	2	12,001.
	3	Dividends	3	
	4	Gross rents	4	
	5	Gross royalties	5	
	6	Gross amount received from sale of assets (See instructions)	6	
	7	Other income. Attach schedule SEE STATEMENT 1	7	1,081,213.
	8	**Total** gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	1,107,860.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees. Attach schedule SEE STMT 2	11	324,755.
	12	Other salaries and wages	12	1,604,141.
	13	Interest	13	408,908.
	14	Taxes	14	160,528.
	15	Rents	15	63,362.
	16	Depreciation and depletion (See instructions)	16	343,831.
	17	Other expenses and disbursements. Attach schedule SEE STATEMENT 3	17	2,105,085.
	18	**Total** expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	5,010,610.

Schedule L **Balance Sheet**

Assets		Beginning of taxable year (a)	(b)	End of taxable year (c)	(d)
1	Cash		341,467.		704,942.
2	Net accounts receivable		597,095.		465,798.
3	Net notes receivable		2,582,209.		2,509,365.
4	Inventories		4,500.		
5	Federal and state government obligations				
6	Investments in other bonds				
7	Investments in stock				
8	Mortgage loans				
9	Other investments. Attach schedule ST 4		-2,028,815.		-2,250,949.
10a	Depreciable assets	8,446,367.		8,495,957.	
b	Less accumulated depreciation	3,129,223.	5,317,144.	3,464,054.	5,031,903.
11	Land		4,185,895.		4,185,895.
12	Other assets. Attach schedule STM 5		74,391.		874,495.
13	**Total assets**		11,073,886.		11,521,449.
Liabilities and net worth					
14	Accounts payable		305,762.		111,475.
15	Contributions, gifts, or grants payable				
16	Bonds and notes payable ST 6		11,169,936.		11,358,736.
17	Mortgages payable		250,000.		
18	Other liabilities. Attach schedule STM 7		1,820,630.		2,512,925.
19	Capital stock or principal fund		-2,472,442.		-2,461,687.
20	Paid-in or capital surplus. Attach reconciliation				
21	Retained earnings or income fund				
22	**Total liabilities and net worth**		11,073,886.		11,521,449.

Schedule M-1 **Reconciliation of income per books with income per return**
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than $50,000.

1	Net income per books	10,755.	7	Income recorded on books this year not included in this return. Attach schedule SEE ST 8	-222,248.
2	Federal income tax		8	Deductions in this return not charged against book income this year. Attach schedule	
3	Excess of capital losses over capital gains				
4	Income not recorded on books this year. Attach schedule				
5	Expenses recorded on books this year not deducted in this return. Attach schedule		9	Total. Add line 7 and line 8	-222,248.
6	Total. Add line 1 through line 5	10,755.	10	Net income per return. Subtract line 9 from line 6	233,003.

Schedule B (Form 990)

Department of the Treasury
Internal Revenue Service

CALIFORNIA COPY

Schedule of Contributors

Attach to Form 990 or Form 990-PF.
Go to *www.irs.gov/Form990* for the latest information.

OMB No. 1545-0047

2022

Name of the organization	Employer identification number
SOLUTIONS FOR CHANGE, INC.	33-0902617

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

COPY

Special Rules

[X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (**1**) $5,000; or (**2**) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling $5,000 or more during the year. . . . . $ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ISSA FAMILY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 230,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	NATIONAL CHRISTIAN FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 98,485.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3	HAY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 225,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
4	RICHARD S LAUB III 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 100,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
5	STATE OF TN 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 275,195.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
6	FIRST SINGLES CHURCH 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 1,000,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

COPY

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	N/A	$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

COPY

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part III ***Exclusively*** **religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) . . . . . $ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

COPY

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

TAXABLE YEAR

CALIFORNIA FORM

2022 Corporation Depreciation and Amortization 3885

Attach to Form 100 or Form 100W. **FORM 3885 ONLY**

Corporation name	California corporation number
SOLUTIONS FOR CHANGE, INC.	2048058

Part I Election To Expense Certain Property Under IRC Section 179

1	Maximum deduction under IRC Section 179 for California	1	$25,000
2	Total cost of IRC Section 179 property placed in service	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation	3	$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property (elected IRC Section 179 cost)	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from prior taxable years	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2023. Add line 9 and line 10, less line 12	13	

Part II Depreciation and Election of Additional First Year Depreciation Deduction Under R&TC Section 24356

14 (a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
LAND	VARIOUS	4,185,895.			0		
BUILDING & IMPR	VARIOUS	7,980,677.	2,701,755.	S/L	28	319,374.	
VEHICLES	VARIOUS	157,194.	131,086.	S/L	5	12,582.	
MACHINERY & EQU	VARIOUS	262,870.	241,977.	S/L	7	10,215.	
FURNITURE & EQU	VARIOUS	95,216.	45,405.	S/L	7	1,660.	

15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed $2,000. See instructions for line 14, column (h)	15	343,831.	

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) **or** Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) **or** Depreciation (if no election is made), enter the amount from line 15, column (g)	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 2, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary)	18	

Part IV Amortization

19 (a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC Section (see instr)	(f) Period or percentage	(g) Amortization for this year

20	Total. Add the amounts in column (g)	20	
21	Total amortization claimed for federal purposes from federal Form 4562, line 44	21	
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 2, line 12	22	

COPY

TAXABLE YEAR

2022 Corporation Depreciation and Amortization

CALIFORNIA FORM

3885

Attach to Form 100 or Form 100W. **FORM 3885 ONLY**

Corporation name	California corporation number
SOLUTIONS FOR CHANGE, INC.	2048058

Part I Election To Expense Certain Property Under IRC Section 179

1	Maximum deduction under IRC Section 179 for California	1	$25,000
2	Total cost of IRC Section 179 property placed in service	2	
3	Threshold cost of IRC Section 179 property before reduction in limitation	3	$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property (elected IRC Section 179 cost)	7	
8	Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from prior taxable years	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2023. Add line 9 and line 10, less line 12	13	

Part II Depreciation and Election of Additional First Year Depreciation Deduction Under R&TC Section 24356

14 (a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
FURNITURE & EQU	VARIOUS	9,000.	9,000.	S/L	7		

COPY

15	Add the amounts in column (g) and column (h). The total of column (h) may not exceed $2,000. See instructions for line 14, column (h)	15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) **or** Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h) **or** Depreciation (if no election is made), enter the amount from line 15, column (g)	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 2, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary)	18	

Part IV Amortization

19 (a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC Section (see instr)	(f) Period or percentage	(g) Amortization for this year

20	Total. Add the amounts in column (g)	20	
21	Total amortization claimed for federal purposes from federal Form 4562, line 44	21	
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 2, line 12	22	

STATEMENT 1
FORM 199, PART II, LINE 7
OTHER INCOME

INCOME FROM SPECIAL EVENTS	$ 7,794.
MISCELLANEOUS	23,752.
PROGRAM SERVICE REVENUE	1,049,667.
TOTAL	$ 1,081,213.

STATEMENT 2
FORM 199, PART II, LINE 11
COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES

CURRENT OFFICERS:

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	TOTAL COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
MIKE KENNEDY 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	$ 0.	$ 0.	$ 0.
MARK T EALY, CFP, CPA 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
CHRIS CHEN 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
GLORIA FOOTE 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
TAMERA MEGISON 722 W CALIFORNIA AVENUE VISTA, CA 92083	SENIOR VP 40.00	99,567.	0.	75.
LEANNE ABRAHAM 722 W CALIFORNIA AVENUE VISTA, CA 92083	CHAIRWOMAN 1.00	0.	0.	0.
CHRIS MEGISON 722 W CALIFORNIA AVENUE VISTA, CA 92083	PRESIDENT & CEO 40.00	225,188.	0.	26,572.
DAWN CUNEEN BOOTH 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
JACK LANDERS 722 W CALIFORNIA AVENUE VISTA, CA 92083	TREASURER 1.00	0.	0.	0.

COPY

STATEMENT 2 (CONTINUED)
FORM 199, PART II, LINE 11
COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES

CURRENT OFFICERS:

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	TOTAL COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
JOHN CONRAD 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	$ 0.	$ 0.	$ 0.
BRET SCHANZENBACH 722 W CALIFORNIA AVENUE VISTA, CA 92083	SECRETARY 1.00	0.	0.	0.
STEVEN OGUS 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
TOBY WIIK 722 W CALIFORNIA AVENUE VISTA, CA 92083	DIRECTOR 1.00	0.	0.	0.
	TOTAL	$ 324,755.	$ 0.	$ 26,647.

COPY

STATEMENT 3
FORM 199, PART II, LINE 17
OTHER EXPENSES

ADVERTISING AND PROMOTION	$ 252,965.
AMORTIZATION - ROU ASSET	207,110.
AUTOMOBILE & TRUCK	14,068.
BAD DEBT	12,840.
CONFERENCES, CONVENTIONS, AND MEETINGS	51,777.
DUES/SUBSCRIPTIONS	81,021.
INSURANCE	92,655.
MISCELLANEOUS	15,898.
OFFICE EXPENSES	109,038.
OTHER EMPLOYEE BENEFIT	128,107.
OTHER FEES	444,740.
PAYROLL PROCESSING EXP	4,642.
POSTAGE AND SHIPPING	301.
PROPERTY FEES	14,037.
REPAIRS & MAINTENANCE	172,192.
SPECIAL EVENT EXPENSES	17,411.
SUBSIDY EXPENSES	215,436.
SUPPLIES	21,616.
TAXES, LICENSES & FEES	49,709.
TELEPHONE	38,798.
UTILITIES/REFUSE REMOVAL	160,724.
TOTAL	$ 2,105,085.

STATEMENT 4
FORM 199, SCHEDULE L, LINE 9
OTHER INVESTMENTS

SOLUTIONS FAMILY CENTER LP	$ -2,250,949.
TOTAL	$ -2,250,949.

STATEMENT 5
FORM 199, SCHEDULE L, LINE 12
OTHER ASSETS

CONSTRUCTION IN PROGRESS	187,000.
DEPOSITS	5,500.
PREPAID EXPENSES AND DEFERRED CHARGES	77,924.
ROU ASSET	604,071.
TOTAL	$ 874,495.

STATEMENT 6
FORM 199, SCHEDULE L, LINE 16
BONDS AND NOTES PAYABLE

OTHER NOTES PAYABLE		BALANCE DUE
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	9/24/2009	
MATURITY DATE:	9/24/2024	
PURPOSE OF LOAN:	ALMOND AVE	
BALANCE DUE:		349,954.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	11/16/2009	
MATURITY DATE:	11/16/2024	
PURPOSE OF LOAN:	ALVARADO AVE	
BALANCE DUE:		78,914.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	9/03/2009	
MATURITY DATE:	9/03/2024	
PURPOSE OF LOAN:	DOUGHERTY	
BALANCE DUE:		290,825.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	2/03/2010	
MATURITY DATE:	2/03/2025	
PURPOSE OF LOAN:	CUMBRES	
BALANCE DUE:		456,518.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	2/26/2010	
MATURITY DATE:	2/26/2025	
PURPOSE OF LOAN:	DEL CIELO	

COPY

STATEMENT 6 (CONTINUED)
FORM 199, SCHEDULE L, LINE 16
BONDS AND NOTES PAYABLE

OTHER NOTES PAYABLE		BALANCE DUE
BALANCE DUE:		128,643.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	8/04/2010	
MATURITY DATE:	8/04/2025	
PURPOSE OF LOAN:	131 DOUGHERTY	
BALANCE DUE:		323,095.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	1/07/2010	
MATURITY DATE:	1/07/2025	
PURPOSE OF LOAN:	KENSINGTON	
BALANCE DUE:		277,018.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	7/22/2010	
MATURITY DATE:	7/22/2025	
PURPOSE OF LOAN:	OLD STAGE	
BALANCE DUE:		373,712.
LENDER'S NAME:	COUNTY OF SAN DIEGO	
DATE OF NOTE:	4/13/2011	
MATURITY DATE:	4/01/2066	
INTEREST RATE:	3	
PURPOSE OF LOAN:	PRIMROSE 2240-2260 CDBG LOAN	
ORIGINAL AMOUNT:	3,421,452.	
BALANCE DUE:		3,408,032.
LENDER'S NAME:	CLEARINGHOUSE CDFI	
DATE OF NOTE:	4/22/2011	
MATURITY DATE:	5/01/2023	
INTEREST RATE:	5.75	
PURPOSE OF LOAN:	2240-2260 PRIMROSE	
ORIGINAL AMOUNT:	1,100,000.	
BALANCE DUE:		799,697.
LENDER'S NAME:	CITY OF CARLSBAD	
DATE OF NOTE:	12/24/2014	
MATURITY DATE:	12/24/2074	
INTEREST RATE:	3	
ORIGINAL AMOUNT:	2,646,000.	
BALANCE DUE:		2,646,000.
LENDER'S NAME:	ALLIANCE HEALTHCARE FOUNDATION	
DATE OF NOTE:	8/01/2018	
MATURITY DATE:	8/01/2050	
INTEREST RATE:	4	

COPY

STATEMENT 6 (CONTINUED)
FORM 199, SCHEDULE L, LINE 16
BONDS AND NOTES PAYABLE

OTHER NOTES PAYABLE		BALANCE DUE
ORIGINAL AMOUNT:	755,572.	
BALANCE DUE:		734,605.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	1/30/2032	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	154,000.	
BALANCE DUE:		152,324.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	6/01/2050	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	70,708.	
BALANCE DUE:		68,855.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	1/30/2032	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	309,000.	
BALANCE DUE:		305,637.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	6/01/2050	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	50,684.	
BALANCE DUE:		49,356.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	2/01/2050	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	58,650.	
BALANCE DUE:		56,947.
LENDER'S NAME:	CITY OF OCEANSIDE	
DATE OF NOTE:	1/30/2017	
MATURITY DATE:	1/30/2032	
INTEREST RATE:	3	
DESC. OF CONSIDERATION:	DEED OF TRUST	

COPY

STATEMENT 6 (CONTINUED)
FORM 199, SCHEDULE L, LINE 16
BONDS AND NOTES PAYABLE

OTHER NOTES PAYABLE		BALANCE DUE
ORIGINAL AMOUNT:	203,572.	
BALANCE DUE:		195,459.
LENDER'S NAME:	PACIFIC COAST REALITY	
DATE OF NOTE:	4/18/2019	
MATURITY DATE:	5/01/2022	
INTEREST RATE:	7	
DESC. OF CONSIDERATION:	DEED OF TRUST	
ORIGINAL AMOUNT:	120,000.	
BALANCE DUE:		80,345.
LENDER'S NAME:	DSD CAPITAL, LLC	
DATE OF NOTE:	12/31/2019	
MATURITY DATE:	9/10/2024	
INTEREST RATE:	5.5	
DESC. OF CONSIDERATION:	UNSECURED	
ORIGINAL AMOUNT:	250,000.	
BALANCE DUE:		250,000.
LENDER'S NAME:	US SMALL BUS ADMINISTRATION	
DATE OF NOTE:	5/25/2020	
MATURITY DATE:	5/21/2050	
INTEREST RATE:	2.75	
DESC. OF CONSIDERATION:	PROPERTY & EQUIPMENT	
ORIGINAL AMOUNT:	82,800.	
BALANCE DUE:		82,800.
LENDER'S NAME:	MONTY JAMES	
DATE OF NOTE:	11/01/2021	
MATURITY DATE:	11/01/2023	
INTEREST RATE:	10	
SECURITY PROVIDED:	DEED OF TRUST	
ORIGINAL AMOUNT:	250,000.	
BALANCE DUE:		250,000.
	TOTAL OTHER NOTES PAYABLE	$ 11,358,736.
	TOTAL NOTES AND BONDS PAYABLE	$ 11,358,736.

COPY

STATEMENT 7
FORM 199, SCHEDULE L, LINE 18
OTHER LIABILITIES

ACCRUED EXPENSES	215,489.
ACCRUED INTEREST	1,486,385.
FINANCE LEASE LIABILITY	620,091.
RELATED PARTY PAYABLE	91,783.
SHARE OF DEFICIENCY IN PARTNERSHIPS	2,198.

STATEMENT 7 (CONTINUED)
FORM 199, SCHEDULE L, LINE 18
OTHER LIABILITIES

TENANT SECURITY DEPOSITS	58,340.
TENANT TRUST FUND	38,639.
TOTAL	$ 2,512,925.

STATEMENT 8
FORM 199, SCHEDULE M-1, LINE 7
INCOME RECORDED ON BOOKS NOT ON RETURN

LOSS ON INVESTMENTS	$ -222,248.
TOTAL	$ -222,248.

COPY

STATE OF CALIFORNIA
RRF-1
(Rev. 02/2021)
IN

MAIL TO:
Registry of Charitable Trusts
P.O. Box 903447
Sacramento, CA 94203-4470

STREET ADDRESS:
1300 I Street
Sacramento, CA 95814
(916) 210-6400

WEBSITE ADDRESS:
www.oag.ca.gov/charities

DEPARTMENT OF JUSTICE

(For Registry Use Only)

ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code
11 Cal. Code Regs. sections 301-306, 309, 311, and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of $800, plus interest, and/or fines or filing penalties. Revenue & Taxation Code section 23703; Government Code section 12586.1. IRS extensions will be honored.

SOLUTIONS FOR CHANGE, INC.
Name of Organization

List all DBAs and names the organization uses or has used

722 W CALIFORNIA AVENUE
Address (Number and Street)

VISTA, CA 92083
City or Town, State, and ZIP Code

(760) 941-6545
Telephone Number

CHRIS@SOLUTIONSFORCHANGE
E-mail Address

Check if:
☐ Change of address
☐ Amended report

State Charity Registration Number 117152

Corporation or Organization No. 2048058

Federal Employer ID No. 33-0902617

ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311, and 312)
Make Check Payable to Department of Justice

Total Revenue	Fee	Total Revenue	Fee	Total Revenue	Fee
Less than $50,000	$25	Between $250,001 and $1 million	$100	Between $20,000,001 and $100 million	$800
Between $50,000 and $100,000	$50	Between $1,000,001 and $5 million	$200	Between $100,000,001 and $500 million	$1,000
Between $100,001 and $250,000	$75	Between $5,000,001 and $20 million	$400	Greater than $500 million	$1,200

PART A – ACTIVITIES

For your most recent full accounting period (beginning 1/01/22 **ending** 12/31/22 **) list:**

Total Revenue $ (including noncash contributions) 5,226,202. **Noncash Contributions** $ 4,100. **Total Assets** $ 11,521,449.

Program Expenses $ 4,451,125. **Total Expenses** $ 4,993,199.

COPY

PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: All questions must be answered. If you answer "yes" to any of the questions below, you must attach a separate page providing an explanation and details for each "yes" response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof, either directly or with an entity in which any such officer, director or trustee had any financial interest?	☐	☒
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	☐	☒
3 During this reporting period, were any organization funds used to pay any penalty, fine or judgment?	☐	☒
4 During this reporting period, were the services of a commercial fundraiser, fundraising counsel for charitable purposes, or commercial coventurer used?	☐	☒
5 During this reporting period, did the organization receive any governmental funding? SEE STATEMENT 1	☒	☐
6 During this reporting period, did the organization hold a raffle for charitable purposes?	☐	☒
7 Does the organization conduct a vehicle donation program?	☐	☒
8 Did the organization conduct an independent audit and prepare audited financial statements in accordance with generally accepted accounting principles for this reporting period?	☒	☐
9 At the end of this reporting period, did the organization hold restricted net assets, while reporting negative unrestricted net assets?	☐	☒

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, the content is true, correct and complete, and I am authorized to sign.

Signature of Authorized Agent	Printed Name	Title	Date
	CHRIS MEGISON	PRESIDENT & CEO	

STATEMENT 1
FORM RRF-1, PART B, LINE 5
GOVERNMENT AGENCY THAT PROVIDED FUNDING

COUNTY OF SAN DIEGO
FINANCE & GENERAL GOVERNMENT GROUP
1600 PACIFIC HIGHWAY, SUITE 166
SAN DIEGO, CA 92101-2422
JOSHUA RAMIREZ
COMMUNITY ENHANCEMENT PROGRAM COORDINATOR
(619) 531-4887

COPY

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

Do not enter social security numbers on this form as it may be made public.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning , 2022, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C
SOLUTIONS FOR CHANGE, INC.
722 W CALIFORNIA AVENUE
VISTA, CA 92083

D Employer identification number
33-0902617

E Telephone number
(760) 941-6545

G Gross receipts $ 5,259,217.

F Name and address of principal officer: CHRIS MEGISON
SAME AS C ABOVE

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. See instructions.

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

J Website: WWW.SOLUTIONSFORCHANGE.ORG

H(c) Group exemption number

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

L Year of formation: 1999

M State of legal domicile: CA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: TO SOLVE FAMILY HOMELESSNESS, ONE FAMILY, ONE COMMUNITY AT A TIME.

2 Check this box ☐ 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	11
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 2022 (Part V, line 2a)	5	55
6	Total number of volunteers (estimate if necessary)	6	625
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

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,676,174.	4,151,357.
9	Program service revenue (Part VIII, line 2g)	833,503.	1,049,667.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,000.	12,001.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-25,040.	13,177.
12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,496,637.	5,226,202.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,284,532.	2,217,531.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) 142,566.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,402,830.	2,775,668.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,687,362.	4,993,199.
19	Revenue less expenses. Subtract line 18 from line 12	-190,725.	233,003.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	11,073,886.	11,521,449.
21	Total liabilities (Part X, line 26)	13,546,328.	13,983,136.
22	Net assets or fund balances. Subtract line 21 from line 20	-2,472,442.	-2,461,687.

COPY

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

CHRIS MEGISON — PRESIDENT & CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
JILL BRANCH	JILL BRANCH	11/15/23		P00727664

Firm's name: LEAF & COLE, LLP
Firm's address: 2810 CAMINO DEL RIO SOUTH, SUITE 200
SAN DIEGO, CA 92108
Firm's EIN: 95-2076568
Phone no. 619.294.7200

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

TO SOLVE FAMILY HOMELESSNESS, ONE FAMILY, ONE COMMUNITY AT A TIME.

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 $ 4,451,125. including grants of $) (Revenue $ 1,049,667.)

SEE SCHEDULE O

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

COPY

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 4,451,125.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*? See instructions	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments – other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments – program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*. See instructions	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X

COPY

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If a "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of any individual described in line 28a? *If "Yes," complete Schedule L, Part IV*	28b		X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33	X	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? **Note:** All Form 990 filers are required to complete Schedule O	38	X	

COPY

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a	21		
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			

Part V Statements Regarding Other IRS Filings and Tax Compliance *(continued)*

			Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return **2a** 55			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation on Schedule O.*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year **7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	**Section 501(c)(7) organizations.** Enter:			
a	Initiation fees and capital contributions included on Part VIII, line 12 **10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities **10b**			
11	**Section 501(c)(12) organizations.** Enter:			
a	Gross income from members or shareholders **11a**			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) **11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year **12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state? **Note:** See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans **13b**			
c	Enter the amount of reserves on hand **13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation on Schedule O.*	14b		
15	Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17	**Section 501(c)(21) organizations.** Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.	17		

COPY

Part VI Governance, Management, and Disclosure. *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.*

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year **1a** 11			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.			
b	Enter the number of voting members included on line 1a, above, who are independent **1b** 11			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? SEE SCHEDULE O	**2**	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?	**3**		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	**5**		X
6	Did the organization have members or stockholders?	**6**		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	**8a**	X	
b	Each committee with authority to act on behalf of the governing body?	**8b**	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses on Schedule O.*	**9**		X

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

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

COPY

Section C. Disclosure

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

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

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

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

20 State the name, address, and telephone number of the person who possesses the organization's books and records.

CHRIS MEGISON 722 W CALIFORNIA AVENUE VISTA CA 92083 (760) 941-6545

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHRIS MEGISON	40									
PRESIDENT & CEO	0			X				198,616.	0.	26,572.
(2) DENNIS BONE	40									
EXECUTIVE VP	0					X		105,595.	0.	1,503.
(3) TAMERA MEGISON	40									
SENIOR VP	0			X				99,492.	0.	75.
(4) MIKE KENNEDY	1									
DIRECTOR	0	X						0.	0.	0.
(5) MARK T EALY, CFP, CPA	1									
DIRECTOR	0	X						0.	0.	0.
(6) CHRIS CHEN	1									
DIRECTOR	0	X						0.	0.	0.
(7) GLORIA FOOTE	1									
DIRECTOR	0	X						0.	0.	0.
(8) LEANNE ABRAHAM	1									
CHAIRWOMAN	0	X		X				0.	0.	0.
(9) DAWN CUNEEN BOOTH	1									
DIRECTOR	0	X						0.	0.	0.
(10) JACK LANDERS	1									
TREASURER	0	X		X				0.	0.	0.
(11) JOHN CONRAD	1									
DIRECTOR	0	X						0.	0.	0.
(12) BRET SCHANZENBACH	1									
SECRETARY	0	X		X				0.	0.	0.
(13) STEVEN OGUS	1									
DIRECTOR	0	X						0.	0.	0.
(14) TOBY WIIK	1									
DIRECTOR	0	X						0.	0.	0.

COPY

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

(A) Name and title	(B) Average hours per week (list any hours for related organiza - tions below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Subtotal								403,703.	0.	28,150.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								403,703.	0.	28,150.

COPY

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

		Yes	No
3 Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants, and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c	182,209.			
	d Related organizations	1d				
	e Government grants (contributions)	1e	413,519.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	3,555,629.			
	g Noncash contributions included in lines 1a-1f	1g	4,100.			
	h **Total.** Add lines 1a-1f		4,151,357.			
Program Service Revenue		Business Code				
	2a RENTAL INCOME	531110	927,921.	927,921.		
	b SUPPORTING SERVICES	900099	110,300.	110,300.		
	c LAUNDRY & VENDING	531110	11,446.	11,446.		
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f		1,049,667.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		12,001.			12,001.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents 6a					
	b Less: rental expenses 6b					
	c Rental income or (loss) 6c					
	d Net rental income or (loss)					
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory 7a					
	b Less: cost or other basis and sales expenses 7b					
	c Gain or (loss) 7c					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including $ 182,209. of contributions reported on line 1c). See Part IV, line 18 8a	7,794.				
	b Less: direct expenses 8b	17,411.				
	c Net income or (loss) from fundraising events		-9,617.			-9,617.
	9a Gross income from gaming activities. See Part IV, line 19 9a					
	b Less: direct expenses 9b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances 10a	14,646.				
	b Less: cost of goods sold 10b	15,604.				
	c Net income or (loss) from sales of inventory		-958.			-958.
Miscellaneous Revenue		Business Code				
	11a MISCELLANEOUS	900099	23,752.	23,752.		
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d		23,752.			
	12 **Total revenue.** See instructions		5,226,202.	1,073,419.	0.	1,426.

COPY

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	324,755.	129,902.	81,189.	113,664.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	1,604,141.	1,577,689.	20,946.	5,506.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	128,107.	105,664.	14,377.	8,066.
10 Payroll taxes	160,528.	134,715.	19,159.	6,654.
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.)	444,740.	333,555.	111,185.	
12 Advertising and promotion	252,965.	252,965.		
13 Office expenses	109,038.	97,233.	11,805.	
14 Information technology				
15 Royalties				
16 Occupancy	63,362.	63,362.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	51,777.	21,010.	30,767.	
20 Interest	408,908.	408,908.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	343,831.	343,831.		
23 Insurance	92,655.	76,130.	8,459.	8,066.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a SUBSIDY EXPENSES	215,436.	215,436.		
b AMORTIZATION - ROU ASSET	207,110.	207,110.		
c REPAIRS & MAINTENANCE	172,192.	154,972.	17,220.	
d UTILITIES/REFUSE REMOVAL	160,724.	144,652.	16,072.	
e All other expenses	252,930.	183,991.	68,329.	610.
25 **Total functional expenses.** Add lines 1 through 24e	4,993,199.	4,451,125.	399,508.	142,566.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

COPY

Part X Balance Sheet

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

			(A) Beginning of year		(B) End of year
Assets	1	Cash — non-interest-bearing	226,270.	1	607,963.
	2	Savings and temporary cash investments	115,197.	2	96,979.
	3	Pledges and grants receivable, net	597,095.	3	465,798.
	4	Accounts receivable, net		4	
	5	Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7	Notes and loans receivable, net	2,582,209.	7	2,509,365.
	8	Inventories for sale or use	4,500.	8	
	9	Prepaid expenses and deferred charges	34,547.	9	77,924.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 12,681,852.			
	b	Less: accumulated depreciation — 10b: 3,464,054.	9,503,039.	10c	9,217,798.
	11	Investments — publicly traded securities		11	
	12	Investments — other securities. See Part IV, line 11		12	
	13	Investments — program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	-1,988,971.	15	-1,454,378.
	16	**Total assets.** Add lines 1 through 15 (must equal line 33)	11,073,886.	16	11,521,449.
Liabilities	17	Accounts payable and accrued expenses	305,762.	17	111,475.
	18	Grants payable		18	
	19	Deferred revenue	4,314.	19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23	Secured mortgages and notes payable to unrelated third parties	11,169,936.	23	11,108,736.
	24	Unsecured notes and loans payable to unrelated third parties	250,000.	24	250,000.
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	1,816,316.	25	2,512,925.
	26	**Total liabilities.** Add lines 17 through 25	13,546,328.	26	13,983,136.
Net Assets or Fund Balances		**Organizations that follow FASB ASC 958, check here and complete lines 27, 28, 32, and 33.** X			
	27	Net assets without donor restrictions	-2,512,442.	27	-3,003,008.
	28	Net assets with donor restrictions	40,000.	28	541,321.
		Organizations that do not follow FASB ASC 958, check here and complete lines 29 through 33. ☐			
	29	Capital stock or trust principal, or current funds		29	
	30	Paid-in or capital surplus, or land, building, or equipment fund		30	
	31	Retained earnings, endowment, accumulated income, or other funds		31	
	32	Total net assets or fund balances	-2,472,442.	32	-2,461,687.
	33	Total liabilities and net assets/fund balances	11,073,886.	33	11,521,449.

COPY

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,226,202.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,993,199.
3	Revenue less expenses. Subtract line 2 from line 1	3	233,003.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	-2,472,442.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O) SEE SCHEDULE O	9	-222,248.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	-2,461,687.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____			
	If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
	If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
	If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R Part 200, Subpart F?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	3b	X	

COPY

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization	Employer identification number
SOLUTIONS FOR CHANGE, INC.	33-0902617

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:

10 ☐ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations . . . . . .

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

COPY

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 **Total.** Add lines 1 through 3	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						969,546.
6 **Public support.** Subtract line 5 from line 4						14,215,555.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4	2,770,331.	1,744,686.	2,842,553.	3,676,174.	4,151,357.	15,185,101.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	12,960.	63,082.	81,922.	12,000.	12,001.	181,965.
9 Net income from unrelated business activities, whether or not the business is regularly carried on		97,829.				97,829.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) SEE PART VI	8,860.		24,079.	1,126.	23,752.	57,817.
11 **Total support.** Add lines 7 through 10						15,522,712.

COPY

12 Gross receipts from related activities, etc. (see instructions) 12 5,270,977.

13 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) 14 91.58 %

15 Public support percentage from 2021 Schedule A, Part II, line 14 15 81.91 %

16a **33-1/3% support test—2022.** If the organization did not check the box on line 13, and line 14 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒

b **33-1/3% support test—2021.** If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

17a **10%-facts-and-circumstances test—2022.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ☐

b **10%-facts-and-circumstances test—2021.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support.** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

COPY

14 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15	%
16	Public support percentage from 2021 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2022** (line 10c, column (f), divided by line 13, column (f))	17	%
18	Investment income percentage from **2021** Schedule A, Part III, line 17	18	%

19a **33-1/3% support tests—2022.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

b **33-1/3% support tests—2021.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in **Part VI** how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in **Part VI** how the organization determined that the supported organization was described in section 509(a)(1) or (2).*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer lines 3b and 3c below.*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in **Part VI** when and how the organization made the determination.*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in **Part VI** what controls the organization put in place to ensure such use.*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in **Part VI** how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in **Part VI** what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in **Part VI,** including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).*	5a		
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in **Part VI.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990).*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? *If "Yes," complete Part I of Schedule L (Form 990).*	8		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in **Part VI.***	9a		
b	Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in **Part VI.***	9b		
c	Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in **Part VI.***	9c		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer line 10b below.*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)*	10b		

COPY

Part IV Supporting Organizations *(continued)*

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?	11a	
b	A family member of a person described on line 11a above?	11b	
c	A 35% controlled entity of a person described on line 11a or 11b above? *If "Yes" to line 11a, 11b, or 11c, provide detail in* ***Part VI.***	11c	

Section B. Type I Supporting Organizations

		Yes	No
1	Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? *If "No," describe in* ***Part VI*** *how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax* year.	1	
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* ***Part VI*** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.*	2	

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in* ***Part VI*** *how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*	1	

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1	
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in* ***Part VI*** *how the organization maintained a close and continuous working relationship with the supported organization(s).*	2	
3	By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in* ***Part VI*** *the role the organization's supported organizations played in this regard.*	3	

COPY

Section E. Type III Functionally Integrated Supporting Organizations

1 *Check the box next to the method that the organization used to satisfy the Integral Part Test during the year* ***(see instructions).***

a ☐ The organization satisfied the Activities Test. *Complete* ***line 2*** *below.*

b ☐ The organization is the parent of each of its supported organizations. *Complete* ***line 3*** *below.*

c ☐ The organization supported a governmental entity. *Describe in* ***Part VI*** *how you supported a governmental entity (see instructions).*

		Yes	No
2	Activities Test. ***Answer lines 2a and 2b below.***		
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* ***Part VI identify those supported organizations and explain*** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*	2a	
b	Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* ***Part VI*** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*	2b	
3	Parent of Supported Organizations. ***Answer lines 3a and 3b below.***		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *If "Yes" or "No," provide details in* ***Part VI.***	3a	
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? *If "Yes," describe in* ***Part VI*** *the role played by the organization in this regard.*	3b	

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A – Adjusted Net Income

			(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1		
2	Recoveries of prior-year distributions	2		
3	Other gross income (see instructions)	3		
4	Add lines 1 through 3.	4		
5	Depreciation and depletion	5		
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7	Other expenses (see instructions)	7		
8	**Adjusted Net Income** (subtract lines 5, 6, and 7 from line 4)	8		

Section B – Minimum Asset Amount

			(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a	Average monthly value of securities	1a		
b	Average monthly cash balances	1b		
c	Fair market value of other non-exempt-use assets	1c		
d	**Total** (add lines 1a, 1b, and 1c)	1d		
e	**Discount** claimed for blockage or other factors *(explain in detail in **Part VI**)*:			
2	Acquisition indebtedness applicable to non-exempt-use assets	2		
3	Subtract line 2 from line 1d.	3		
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4		
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6	Multiply line 5 by 0.035.	6		
7	Recoveries of prior-year distributions	7		
8	**Minimum Asset Amount** (add line 7 to line 6)	8		

COPY

Section C – Distributable Amount

			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	**Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** *(continued)*

Section D – Distributions		**Current Year**
1 Amounts paid to supported organizations to accomplish exempt purposes	1	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4 Amounts paid to acquire exempt-use assets	4	
5 Qualified set-aside amounts (prior IRS approval required – *provide details in* ***Part VI***)	5	
6 Other distributions (describe in **Part VI**). See instructions.	6	
7 **Total annual distributions.** Add lines 1 through 6.	7	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**). See instructions.	8	
9 Distributable amount for 2022 from Section C, line 6	9	
10 Line 8 amount divided by line 9 amount	10	

Section E – Distribution Allocations (see instructions)	**(i) Excess Distributions**	**(ii) Underdistributions Pre-2022**	**(iii) Distributable Amount for 2022**
1 Distributable amount for 2022 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2022 (reasonable cause required – *explain in* ***Part VI***). See instructions.			
3 Excess distributions carryover, if any, to 2022			
a From 2017			
b From 2018			
c From 2019			
d From 2020			
e From 2021			
f **Total** of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2022 distributable amount			
i Carryover from 2017 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2022 from Section D, line 7: $			
a Applied to underdistributions of prior years			
b Applied to 2022 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, *explain in* ***Part VI***. See instructions.			
6 Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, *explain in* ***Part VI***. See instructions.			
7 **Excess distributions carryover to 2023.** Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2018			
b Excess from 2019			
c Excess from 2020			
d Excess from 2021			
e Excess from 2022			

COPY

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

PART II, LINE 10 - OTHER INCOME

NATURE AND SOURCE	2022	2021	2020	2019	2018
MISCELLANEOUS INCOME	$ 23,752.	$ 1,126.	$ 24,079.		$ 6,176.
SOCIAL ENTERPRISE					2,684.
TOTAL	$ 23,752.	$ 1,126.	$ 24,079.	$ 0.	$ 8,860.

COPY

Schedule B (Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990 or Form 990-PF.
Go to *www.irs.gov/Form990* for the latest information.

OMB No. 1545-0047

2022

Name of the organization	Employer identification number
SOLUTIONS FOR CHANGE, INC.	33-0902617

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

COPY

Special Rules

[X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (**1**) $5,000; or (**2**) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling $5,000 or more during the year. . . . . $ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ISSA FAMILY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 230,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	NATIONAL CHRISTIAN FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 98,485.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3	HAY FOUNDATION 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 225,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
4	RICHARD S LAUB III 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 100,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
5	STATE OF TN 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 275,195.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
6	FIRST SINGLES CHURCH 722 W CALIFORNIA AVENUE VISTA, CA 92083	$ 1,000,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	N/A	$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

COPY

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		$	

Name of organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

Part III ***Exclusively*** **religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) . . . . . $ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

COPY

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	**Relationship of transferor to transferee**

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (for example, recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of a historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after July 25, 2006 and not on a historic structure listed in the National Register	2d	

COPY

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year

4 Number of states where property subject to conservation easement is located

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 $

(ii) Assets included in Form 990, Part X $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 $

b Assets included in Form 990, Part X $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange program
- e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

COPY

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) Unrelated organizations	3a(i)		
(ii) Related organizations	3a(ii)		
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,185,895.		4,185,895.
b Buildings		7,980,677.	3,021,129.	4,959,548.
c Leasehold improvements				
d Equipment		420,064.	395,860.	24,204.
e Other		95,216.	47,065.	48,151.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)*				9,217,798.

Part VII Investments — Other Securities. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 12.)*		

Part VIII Investments — Program Related. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 13.)*		

Part IX Other Assets. N/A
Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

COPY

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 15.)*	

Part X Other Liabilities.
Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED EXPENSES	215,489.
(3) ACCRUED INTEREST	1,486,385.
(4) FINANCE LEASE LIABILITY	620,091.
(5) RELATED PARTY PAYABLE	91,783.
(6) SHARE OF DEFICIENCY IN PARTNERSHIPS	2,198.
(7) TENANT SECURITY DEPOSITS	58,340.
(8) TENANT TRUST FUND	38,639.
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 25.)*	2,512,925.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII . . . . . SEE PART XIII [X]

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.
Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	5,159,869.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains (losses) on investments	2a			
b	Donated services and use of facilities	2b	129,600.		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII.) SEE PART XIII	2d	-195,933.		
e	Add lines **2a** through **2d**			2e	-66,333.
3	Subtract line **2e** from line **1**			3	5,226,202.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	5,226,202.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.
Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	5,149,114.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a	129,600.		
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII.) SEE PART XIII	2d	26,315.		
e	Add lines **2a** through **2d**			2e	155,915.
3	Subtract line **2e** from line **1**			3	4,993,199.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	4,993,199.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

COPY

PART X - FASB ASC 740 FOOTNOTE

SOLUTIONS FOR CHANGE IS A PUBLIC CHARITY AND 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. SOLUTIONS FOR CHANGE BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE CONSOLIDATED FINANCIAL STATEMENTS. SOLUTIONS FOR CHANGE IS NOT A PRIVATE FOUNDATION.

NO PROVISION OR BENEFIT FOR INCOME TAXES FOR THE LIMITED LIABILITY COMPANIES AND

Part XIII Supplemental Information *(continued)*

PART X - FASB ASC 740 FOOTNOTE (CONTINUED)

LIMITED PARTNERSHIPS HAVE BEEN INCLUDED IN THESE CONSOLIDATED FINANCIAL STATEMENTS SINCE TAXABLE INCOME (LOSS) PASSES THROUGH TO, AND IS REPORTABLE BY, THE MEMBER/PARTNERS INDIVIDUALLY.

SCHEDULE D, PART XI, LINE 2D
OTHER REVENUE INCLUDED IN F/S BUT NOT INCLUDED ON FORM 990

COST OF GOODS SOLD EXPENSE	$	15,604.
PASSTHROUGH INCOME/LOSSES		-222,248.
SPECIAL EVENT EXPENSES		10,711.
TOTAL	$	-195,933.

SCHEDULE D, PART XII, LINE 2D
OTHER EXPENSES AND LOSSES PER AUDITED F/S

COST OF GOODS SOLD EXPENSE	$	15,604.
SPECIAL EVENT EXPENSES		10,711.
TOTAL	$	26,315.

COPY

SCHEDULE G
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I **Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☒ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☒ **No**

b If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in column **(i)**	**(vi)** Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total							0.

COPY

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Part II **Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 FUNDRAISING (event type)	(b) Event #2 (event type)	(c) Other events NONE (total number)	(d) Total events (add column (a) through column (c))
Revenue	1 Gross receipts	190,003.			190,003.
	2 Less: Contributions	182,209.			182,209.
	3 Gross income (line 1 minus line 2)	7,794.			7,794.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	17,411.			17,411.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				17,411.
	11 Net income summary. Subtract line 10 from line 3, column (d)				-9,617.

Part III **Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No %	☐ Yes ☐ No %	☐ Yes ☐ No %	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

COPY

9 Enter the state(s) in which the organization conducts gaming activities:

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain:

10 a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain:

11 Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity conducted in:

a The organization's facility	**13a**	%
b An outside facility	**13b**	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name

Address

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization $ _____ and the amount of gaming revenue retained by the third party $ _____

c If "Yes," enter name and address of the third party:

Name

Address

16 Gaming manager information:

Name

Gaming manager compensation $ _____.

Description of services provided

☐ Director/officer ☐ Employee ☐ Independent contractor

COPY

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year $

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization
SOLUTIONS FOR CHANGE, INC.

Employer identification number
33-0902617

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	☐ First-class or charter travel ☐ Housing allowance or residence for personal use		
	☐ Travel for companions ☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account ☐ Personal services (such as maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain **1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? **2**		
3	Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
	☒ Compensation committee ☒ Written employment contract		
	☐ Independent compensation consultant ☐ Compensation survey or study		
	☐ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment? **4a**		X
b	Participate in or receive payment from a supplemental nonqualified retirement plan? **4b**		X
c	Participate in or receive payment from an equity-based compensation arrangement? **4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization? **5a**		X
b	Any related organization? **5b**		X
	If "Yes" on line 5a or 5b, describe in Part III.		
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a	The organization? **6a**		X
b	Any related organization? **6b**		X
	If "Yes" on line 6a or 6b, describe in Part III.		
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III **7**		X
8	Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**		X
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**		

COPY

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(A) Name and Title		**(B)** Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns(B)(i)-(D)	**(F)** Compensation in column (B) reported as deferred on prior Form 990
			(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
1	CHRIS MEGISON PRESIDENT & CEO	(i) (ii)	198,616. 0.	0. 0.	0. 0.	0. 0.	26,572. 0.	225,188. 0.	0. 0.
2		(i) (ii)							
3		(i) (ii)							
4		(i) (ii)							
5		(i) (ii)							
6		(i) (ii)							
7		(i) (ii)							
8		(i) (ii)							
9		(i) (ii)							
10		(i) (ii)							
11		(i) (ii)							
12		(i) (ii)							
13		(i) (ii)							
14		(i) (ii)							
15		(i) (ii)							
16		(i) (ii)							

COPY

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

COPY

FORM 990, PART III, LINE 4A - PROGRAM SERVICE ACCOMPLISHMENTS

WITH INCREASED EMPHASIS ON ITS WORKFORCE DEVELOPMENT, CHILD WELFARE INTERVENTIONS AND ADULT EMPOWERMENT PROGRAMS, SOLUTIONS FOR CHANGE CONTINUED ITS DECADES LONG PROMISE TO OPERATE ITS RESIDENTIAL FAMILY RECOVERY PROGRAMS DRUGFREE AND ACCOUNTABILITY BASED. DUE TO AN AGGRESSIVE MULTIBILLION DOLLAR EXPANSION OF THE DEPENDENCY-MAKING "HOUSING FIRST" APPROACH, A SYSTEMWIDE SET OF POLICIES THAT ENABLE THE ONCE HOMELESS TO USE ILLICIT DRUGS, REMAIN UNEMPLOYED AND REFUSE SERVICES WHILE LIVING IN PUBLIC FUNDED HOUSING, SOLUTIONS IS NOW ONE OF THE LAST REMAINING HOMELESS HOUSING AND SERVICE ORGS THAT DELIVER RESULTS THAT END DEPENDENCY. THE DECISION TO STAND FIRM ON ITS CORE VALUES TO SOLVE THE ROOT CAUSES OF FAMILY HOMELESSNESS RESULTED IN THE NONPROFIT MAKING THE DECISION TO VOLUNTARILY RETURN OVER $83 MILLION IN HARD FOUGHT FAMILY HOUSING RESOURCES. THE DECISION WAS MADE AFTER YEARS OF LEGAL WRANGLING WHEN IT BECAME EVIDENT THAT NO FEDERAL, STATE, OR LOCAL RESOURCES WOULD HELP PROTECT HOMELESS PARENTS AND THEIR CHILDREN FROM THE EXPLOSION OF AN ENABLED DRUG CULTURE RIDDLED WITH OVERDOSE, DEATHS AND CRIMINAL IMPACTS, ALL OF WHICH POINTED BACK TO HOUSING FIRST. ALTHOUGH THOSE LOSSES GREATLY IMPACTED THE PEOPLE AND PROGRAMS OF SOLUTIONS FOR CHANGE, THE ORGANIZATION RECOMMITTED TO A MULTIYEAR REPURPOSING EFFORT, FREE OF GOVERNMENT FUNDING, THAT BEGAN IN EARNEST IN 2022. CALLED "WE ARE ONE US", THE EFFORT INVOLVES OVER 100 SOLUTIONS FOR CHANGE GRADUATES, CALLED OVERCOMERS, WHO HAVE RALLIED AROUND THE NONPROFIT TO ADVANCE ITS MISSION AND VISION OF SOLVING THE ROOT CAUSES OF FAMILY HOMELESSNESS. WITH THE OVERCOMERS LEADING THE WAY THE QUESTION THEY ARE ASKING IS: "WHAT IF THE ANSWER TO THE HOMELESS PROBLEM IS STARING US ALL IN THE FACE? WHAT IF THE SOLUTION IS THE HOMELESS THEMSELVES, ENGAGED IN A PURPOSEFUL WAY AND EQUIPPED AND INSPIRED INTO JOBS THAT END DEPENDENCY FOR OTHERS LIKE THEM, THROUGH INITIATIVES LIKE WHAT SOLUTIONS FOR CHANGE BUILDS AND IMPLEMENTS?"

COPY

Name of the organization: SOLUTIONS FOR CHANGE, INC.

Employer identification number: 33-0902617

FORM 990, PART VI, LINE 2 - BUSINESS OR FAMILY RELATIONSHIP OF OFFICERS, DIRECTORS, ETC.

THE CEO AND VP OF OPERATIONS HAVE A FAMILY RELATIONSHIP.

FORM 990, PART VI, LINE 11B - FORM 990 REVIEW PROCESS

THE ORGANIZATION HIRES AN OUTSIDE CPA TO PREPARE THE FORM 990. TOP MANAGEMENT REVIEWS THE COMPLETED 990 AND EMAILS A COPY OF THE FORM 990 TO OUR BOARD MEMBERS FOR THEIR REVIEW AND APPROVAL PRIOR TO FILING IT WITH THE IRS.

FORM 990, PART VI, LINE 12C - EXPLANATION OF MONITORING AND ENFORCEMENT OF CONFLICTS

DISCUSSED REGULARLY, BOARD MEETING REVIEWS OF POSSIBLE CONFLICTS.

FORM 990, PART VI, LINE 15B - COMPENSATION REVIEW & APPROVAL PROCESS - OFFICERS & KEY EMPLOYEES

THE ORGANIZATION CONSIDERS THE APPROPRIATE SALARY RANGE FOR ITS EMPLOYEES AND REVIEWS THIRD PARTY DOCUMENTATION TO HELP ENSURE THAT THE COMPENSATION OF OUR EMPLOYEES IS COMPARABLE TO OUR PEERS.

FORM 990, PART VI, LINE 19 - OTHER ORGANIZATION DOCUMENTS PUBLICLY AVAILABLE

UPON REQUEST TO ANYONE WHO REQUESTS THE DOCUMENTS.

COPY

FORM 990, PART XI, LINE 9
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

PASSTHROUGH INCOME/LOSSES	$ -222,248.
TOTAL	$ -222,248.

FORM 990, P.5, PART V, LINE 2A

THE TOTAL NUMBER OF EMPLOYEES REPORTED CONSISTS OF FORM W-3 TOTALS FOR BOTH SOLUTIONS FOR CHANGE, INC. AND SOLUTIONS FARMS, LLC WHICH IS INCLUDED AS A DISREGARDED ENTITY:

SOLUTIONS FOR CHANGE, INC.: 50

SOLUTIONS FARMS, LLC.: 5

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

SOLUTIONS FOR CHANGE, INC.

Employer identification number

33-0902617

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SOLUTIONS FARMS LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-3636006	JOB TRAINING, EDUCATION, EMPLOYMENT, FARMING	CA	-38,437.	768,103.	SOLUTIONS FOR CHANGE, INC.
(2) SOLUTIONS CHESTNUT LLC 722 W CALIFORNIA AVE VISTA, CA 92083 32-0455012	HOUSING	CA	-82,480.	3,451,103.	SOLUTIONS FOR CHANGE, INC
(3) SOLUTIONS ESCONDIDO BOULEVARD LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-5003223	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

COPY

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity? Yes	(g) Sec 512(b)(13) controlled entity? No
(1)							
(2)							
(3)							
(4)							

Part III **Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SEE PART VII												
(1) SOLUTIONS FAMILY 722 WEST CALIFOR VISTA, CA 92083 33-0987615	REAL ESTATE	CA	SOLUTIONS FOR CHANGE		-222,440.	3,716,111.		X	N/A	X		99.00
(2) SOLUTIONS ESCOND 722 WEST CALIFOR VISTA, CA 92083 32-0481681	HOUSING	CA	N/A		16,192.	1,515,944.		X	N/A	X		0.01
(3) SFC WEITZEL, LP 722 WEST CALIFOR VISTA, CA 92083 37-1761208	HOUSING	CA	N/A		28,098.	512,604.		X	N/A	X		0.01

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

COPY

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity? Yes	(i) No
(1)									
(2)									
(3)									

Part V **Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

		Yes	No
Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.			
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity	**1 a**		X
b Gift, grant, or capital contribution to related organization(s)	**1 b**		X
c Gift, grant, or capital contribution from related organization(s)	**1 c**		X
d Loans or loan guarantees to or for related organization(s)	**1 d**	X	
e Loans or loan guarantees by related organization(s)	**1 e**	X	
f Dividends from related organization(s)	**1 f**		X
g Sale of assets to related organization(s)	**1 g**		X
h Purchase of assets from related organization(s)	**1 h**		X
i Exchange of assets with related organization(s)	**1 i**		X
j Lease of facilities, equipment, or other assets to related organization(s)	**1 j**		X
k Lease of facilities, equipment, or other assets from related organization(s)	**1 k**		X
l Performance of services or membership or fundraising solicitations for related organization(s)	**1 l**		X
m Performance of services or membership or fundraising solicitations by related organization(s)	**1 m**		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	**1 n**		X
o Sharing of paid employees with related organization(s)	**1 o**		X
p Reimbursement paid to related organization(s) for expenses	**1 p**		X
q Reimbursement paid by related organization(s) for expenses	**1 q**		X
r Other transfer of cash or property to related organization(s)	**1 r**	X	
s Other transfer of cash or property from related organization(s)	**1 s**		X

COPY

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) SOLUTIONS FAMILY CENTER, LP	R	215,436.	COST
(2) SOLUTIONS ESCONDIDO BOULEVARD 33, LP	D	1,270,034.	COST
(3) SOLUTIONS ESCONDIDO BOULEVARD 33, LP	E	91,783.	COST
(4) SFC WEITZEL, LP	D	1,575.	COST
(5) SFC VISTA TERRACE, LP	D	556,250.	COST
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													

COPY

Part VII **Supplemental Information**
Provide additional information for responses to questions on Schedule R. See instructions.

PART III - PARTNERSHIP FULL NAME, ADDRESS, FEIN

SOLUTIONS FAMILY CENTER, LP 33-0987615 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SOLUTIONS ESCONDIDO BOULEVARD 33, LP 32-0481681 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SFC WEITZEL, LP 37-1761208 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SFC VISTA TERRACE, LP 45-4761846 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

SOLUTIONS EAST VISTA WAY, LP 82-3040527 722 WEST CALIFORNIA AVENUE VISTA, CA 92083

PARKVIEW SAN MARCOS II, LP 90-0931234 722 WEST CALIFORNIA AVE VISTA, CA 92083

COPY

Continuation Sheet for Schedule R

2022

Continuation Page 1 of 1

Name of filing organization
SOLUTIONS FOR CHANGE, INC.

Employer identification number
33-0902617

Part I Continuation of Identification of Disregarded Entities

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
SOLUTIONS WEITZEL, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 36-4788573	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC
SOLUTIONS VISTA TERRACE, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 45-5455894	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.
SOLUTIONS PARKVIEW, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 46-1613895	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.
SOLUTIONS EV, LLC 722 W CALIFORNIA AVE VISTA, CA 92083 82-2908333	HOUSING	CA	0.	0.	SOLUTIONS FOR CHANGE, INC.

COPY

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SFC VISTA TERRACE, 722 WEST CALIFORNI VISTA, CA 92083 45-4761846	HOUSING	CA	N/A		-16,539.	424,617.		X	N/A	X		0.01
SOLUTIONS EAST VIS 722 WEST CALIFORNI VISTA, CA 92083 82-3040527	HOUSING	CA	SOLUTIONS		11,482.	0.		X	N/A		X	99.99
PARKVIEW SAN MARCO 722 WEST CALIFORNI VISTA, CA 92083 90-0931234	HOUSING	CA	N/A		-5.	33,716.		X	N/A	X		0.00

COPY

Form **4562**

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization
(Including Information on Listed Property)

Attach to your tax return.

Go to *www.irs.gov/Form4562* for instructions and the latest information.

OMB No. 1545-0172

2022

Attachment Sequence No. **179**

Name(s) shown on return

SOLUTIONS FOR CHANGE, INC.

Identifying number

33-0902617

Business or activity to which this form relates

DEPRECIATION SCHEDULES ONLY

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2021 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instrs	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2023. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (**Don't** include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	343,831.

Part III MACRS Depreciation (**Don't** include listed property. See instructions.)

COPY

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2022	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B — Assets Placed in Service During 2022 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27.5 yrs	MM	S/L	
				27.5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C — Assets Placed in Service During 2022 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	30-year			30 yrs	MM	S/L	
d	40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	343,831.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form **8868**
(Rev. January 2022)
Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**
► **Go to *www.irs.gov/Form8868* for the latest information.**

OMB No. 1545-0047

Electronic filing *(e-file).* You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits*.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print

File by the due date for filing your return. See instructions.

Name of exempt organization or other filer, see instructions.	Taxpayer identification number (TIN)
SOLUTIONS FOR CHANGE, INC.	33-0902617

Number, street, and room or suite number. If a P.O. box, see instructions.
722 W CALIFORNIA AVENUE

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
VISTA, CA 92083

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12
Form 990-T (corporation)	07		

- The books are in the care of ► CHRIS MEGISON 722 W CALIFORNIA AVENUE VISTA CA 92083

  Telephone No. ► (760) 941-6545 Fax No. ►
- If the organization does not have an office or place of business in the United States, check this box . . . . . ► ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . . . . . ► ☐. If it is for part of the group, check this box . . . ► ☐ and attach a list with the names and TINs of all members the extension is for.

COPY

1 I request an automatic 6-month extension of time until 11/15, 20 23, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☒ calendar year 20 22 or

► ☐ tax year beginning _____, 20 ___, and ending _____, 20 ___.

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	**3a**	$ 0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	**3b**	$ 0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	**3c**	$ 0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
DEPR. SCHEDULE ONLY										
AUTO / TRANSPORT EQUIPMENT										
3	VEHICLES	VARIOUS		157,194			131,086	S/L	5	12,582
	TOTAL AUTO / TRANSPORT EQUI			157,194		0	131,086			12,582
FURNITURE AND FIXTURES										
5	FURNITURE & EQUIPMENT	VARIOUS		95,216			45,405	S/L	7	1,660
6	FURNITURE & EQUIPMENT	VARIOUS	12/31/22	9,000			9,000	S/L	7	0
	TOTAL FURNITURE AND FIXTURE			104,216		0	54,405			1,660
IMPROVEMENTS										
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677			2,701,755	S/L	27.5	319,374
	TOTAL IMPROVEMENTS			7,980,677		0	2,701,755			319,374
LAND										
1	LAND	VARIOUS		4,185,895						0
	TOTAL LAND			4,185,895		0	0			0
MACHINERY AND EQUIPMENT										
4	MACHINERY & EQUIPMENT	VARIOUS		262,870			241,977	S/L	7	10,215
	TOTAL MACHINERY AND EQUIPME			262,870		0	241,977			10,215
	TOTAL DEPRECIATION			12,690,852		0	3,129,223			343,831
	GRAND TOTAL DEPRECIATION			12,690,852		0	3,129,223			343,831
	DEPRECIATION ASSETS SOLD			9,000		0	9,000			0
	DEPR REMAINING ASSETS			12,681,852		0	3,120,223			343,831

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
DEPR. SCHEDULE ONLY										
AUTO / TRANSPORT EQUIPMENT										
3	VEHICLES	VARIOUS		157,194			131,086	S/L	5	12,582
	TOTAL AUTO / TRANSPORT EQUI			157,194		0	131,086			12,582
FURNITURE AND FIXTURES										
5	FURNITURE & EQUIPMENT	VARIOUS		95,216			45,405	S/L	7	1,660
6	FURNITURE & EQUIPMENT	VARIOUS	12/31/22	9,000			9,000	S/L	7	0
	TOTAL FURNITURE AND FIXTURE			104,216		0	54,405			1,660
IMPROVEMENTS										
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677			2,701,755	S/L	27.5	319,374
	TOTAL IMPROVEMENTS			7,980,677		0	2,701,755			319,374
LAND										
1	LAND	VARIOUS		4,185,895						0
	TOTAL LAND			4,185,895		0	0			0
MACHINERY AND EQUIPMENT										
4	MACHINERY & EQUIPMENT	VARIOUS		262,870			241,977	S/L	7	10,215
	TOTAL MACHINERY AND EQUIPME			262,870		0	241,977			10,215
	TOTAL DEPRECIATION			12,690,852		0	3,129,223			343,831
	GRAND TOTAL DEPRECIATION			12,690,852		0	3,129,223			343,831
	DEPRECIATION ASSETS SOLD			9,000		0	9,000			0
	DEPR REMAINING ASSETS			12,681,852		0	3,120,223			343,831

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
DEPR. SCHEDULE ONLY																
AUTO / TRANSPORT EQUIPMENT																
3	VEHICLES	VARIOUS		157,194							157,194	131,086	S/L	5		12,582
	TOTAL AUTO / TRANSPORT EQUIP			157,194		0	0	0	0	0	157,194	131,086				12,582
FURNITURE AND FIXTURES																
5	FURNITURE & EQUIPMENT	VARIOUS		95,216							95,216	45,405	S/L	7		1,660
6	FURNITURE & EQUIPMENT	VARIOUS	12/31/22	9,000							9,000	9,000	S/L	7		0
	TOTAL FURNITURE AND FIXTURE			104,216		0	0	0	0	0	104,216	54,405				1,660
IMPROVEMENTS																
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677							7,980,677	2,701,755	S/L	27.5		319,374
	TOTAL IMPROVEMENTS			7,980,677		0	0	0	0	0	7,980,677	2,701,755				319,374
LAND																
1	LAND	VARIOUS		4,185,895							4,185,895					0
	TOTAL LAND			4,185,895		0	0	0	0	0	4,185,895	0				0
MACHINERY AND EQUIPMENT																
4	MACHINERY & EQUIPMENT	VARIOUS		262,870							262,870	241,977	S/L	7		10,215
	TOTAL MACHINERY AND EQUIPME			262,870		0	0	0	0	0	262,870	241,977				10,215

COPY

SOLUTIONS FOR CHANGE, INC. **33-0902617**

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	TOTAL DEPRECIATION			12,690,852		0	0	0	0	0	12,690,852	3,129,223				343,831
	GRAND TOTAL DEPRECIATION			12,690,852		0	0	0	0	0	12,690,852	3,129,223				343,831
	DEPRECIATION ASSETS SOLD			9,000		0	0	0	0	0	9,000	9,000				0
	DEPR REMAINING ASSETS			12,681,852		0	0	0	0	0	12,681,852	3,120,223				343,831

COPY

SOLUTIONS FOR CHANGE, INC. 33-0902617

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
DEPR. SCHEDULE ONLY																
AUTO / TRANSPORT EQUIPMENT																
3	VEHICLES	VARIOUS		157,194							157,194	143,668	S/L	5		0
	TOTAL AUTO / TRANSPORT EQUIP			157,194		0	0	0	0	0	157,194	143,668				0
FURNITURE AND FIXTURES																
5	FURNITURE & EQUIPMENT	VARIOUS		95,216							95,216	47,065	S/L	7		13,602
	TOTAL FURNITURE AND FIXTURE			95,216		0	0	0	0	0	95,216	47,065				13,602
IMPROVEMENTS																
2	BUILDING & IMPROVEMENTS	VARIOUS		7,980,677							7,980,677	3,021,129	S/L	27.5		290,206
	TOTAL IMPROVEMENTS			7,980,677		0	0	0	0	0	7,980,677	3,021,129				290,206
LAND																
1	LAND	VARIOUS		4,185,895							4,185,895					0
	TOTAL LAND			4,185,895		0	0	0	0	0	4,185,895	0				0
MACHINERY AND EQUIPMENT																
4	MACHINERY & EQUIPMENT	VARIOUS		262,870							262,870	252,192	S/L	7		10,678
	TOTAL MACHINERY AND EQUIPME			262,870		0	0	0	0	0	262,870	252,192				10,678
	TOTAL DEPRECIATION			12,681,852		0	0	0	0	0	12,681,852	3,464,054				314,486

COPY

SOLUTIONS FOR CHANGE, INC. **33-0902617**

11/15/23 03:05PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179 BONUS	SPECIAL DEPR. ALLOW.	PRIOR 179/ BONUS/ SP. DEPR.	PRIOR DEC. BAL DEPR.	SALVAG /BASIS REDUCT	DEPR. BASIS	PRIOR DEPR.	METHOD	LIFE	RATE	CURRENT DEPR.
	GRAND TOTAL DEPRECIATION			12,681,852		0	0	0	0	0	12,681,852	3,464,054				314,486

COPY

SOLUTIONS FOR CHANGE

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

Leaf & Cole, LLP
Certified Public Accountants

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 3
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5
Consolidated Statements of Functional Expenses	6 - 7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 30
Supplementary Information:	
Supplementary Consolidating Schedule of Financial Position - 2022	31 - 32
Supplementary Consolidating Schedule of Financial Position - 2021	33 - 34
Supplementary Consolidating Schedule of Activities - 2022	35
Supplementary Consolidating Schedule of Activities - 2021	36

Leaf & Cole, LLP
Certified Public Accountants
A Partnership of Professional Corporations

Independent Auditor's Report

To the Board of Directors
Solutions for Change, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Solutions for Change, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Solutions for Change, Inc. as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Solutions for Change, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Solutions for Change, Inc.'s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

2810 Camino Del Rio South, Suite 200, San Diego, California 92108-3820
619.294.7200, 619.294.7077 fax, www.leaf-cole.com, leafcole@leaf-cole.com

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Solutions for Change, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Solutions for Change, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principle

As described in Note 2 to the financial statements, Solutions for Change, Inc. adopted accounting standards changes related to accounting for and disclosing of lease arrangements. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedules of Financial Position and the Consolidating Schedules of Activities are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Leaf & Cole LLP

San Diego, California
December 28, 2023

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

ASSETS

	2022	2021
Current Assets: (Notes 2 and 4)		
Cash and cash equivalents	$ 388,563	$ 94,867
Grants and other receivables, net	467,059	600,974
Prepaid expenses and other assets	77,924	39,047
Tenant trust funds	38,639	61,917
Tenant security deposits	71,254	71,945
Deposits	8,661	6,661
Total Current Assets	1,052,100	875,411
Noncurrent Assets: (Notes 2, 4, 5, 6, 7, and 8)		
Related party receivables	1,827,859	1,857,250
Restricted reserves	467,799	341,419
Investment in partnerships	57	62
Right of use asset - finance lease	604,071	-
Property and equipment, net	12,895,943	13,187,611
Total Noncurrent Assets	15,795,729	15,386,342
TOTAL ASSETS	$ 16,847,829	$ 16,261,753

LIABILITIES AND NET ASSETS

Current Liabilities: (Notes 2 and 8)		
Accounts payable	$ 186,132	$ 350,646
Accrued expenses	215,489	255,072
Deferred revenue	-	4,823
Interest payable	13,891	9,342
Tenant trust funds	38,639	72,360
Tenant security deposits	71,254	64,521
Current portion of finance lease liability	202,535	-
Current portion of notes payable	546,160	243,063
Total Current Liabilities	1,274,100	999,827
Noncurrent Liabilities: (Notes 2, 6 and 8)		
Share of deficiency in partnerships	2,198	2,084
Finance lease liability, net of current portion	417,556	-
Notes payable, net	15,007,671	15,371,968
Interest payable	3,279,608	3,041,171
Total Noncurrent Liabilities	18,707,033	18,415,223
Total Liabilities	19,981,133	19,415,050
Commitments and Contingencies (Notes 10 and 11)		
Minority Interest in Subsidiary	(18,682)	(16,438)
Net Assets: (Notes 2 and 9)		
Without donor restrictions	(3,645,477)	(3,176,859)
With donor restrictions	530,855	40,000
Total Net Assets	(3,114,622)	(3,136,859)
TOTAL LIABILITIES AND NET ASSETS	$ 16,847,829	$ 16,261,753

The accompanying notes are an integral part of the consolidated financial statements.

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:						
Contributions	$ 2,761,606	$ 1,072,500	$ 3,834,106	$ 3,112,440	$ -	$ 3,112,440
Rental income	1,022,045	-	1,022,045	933,496	-	933,496
Special event revenue (net of direct donor benefit costs of $6,700 and $48,090 in 2022 and 2021, respectively)	179,203	-	179,203	478,433	-	478,433
Grants	135,042	-	135,042	218,824	-	218,824
Supporting services	110,300	-	110,300	120,479	-	120,479
Interest and miscellaneous	53,145	-	53,145	16,356	-	16,356
Social enterprise	14,646	-	14,646	48,044	-	48,044
In-kind contributions	4,100	-	4,100	20,111	-	20,111
Net assets released from restriction	581,645	(581,645)	-	14,278	(14,278)	-
Total Support and Revenue	4,861,732	490,855	5,352,587	4,962,461	(14,278)	4,948,183
Operating Expenses:						
Program services	3,763,025	-	3,763,025	3,869,182	-	3,869,182
Management and general	419,970	-	419,970	472,226	-	472,226
Fundraising	153,277	-	153,277	295,751	-	295,751
Total Operating Expenses	4,336,272	-	4,336,272	4,637,159	-	4,637,159
Change in Net Assets Before Nonoperating Revenue and (Expenses)	525,460	490,855	1,016,315	325,302	(14,278)	311,024
Nonoperating Revenue and (Expenses):						
Depreciation and amortization	(708,024)	-	(708,024)	(519,888)	-	(519,888)
Interest - residual receipts debt	(288,179)	-	(288,179)	(289,670)	-	(289,670)
Minority interest excess of expenses over revenue and support of subsidiary	2,244	-	2,244	3,232	-	3,232
Partnership loss	(119)	-	(119)	(131)	-	(131)
Loss on sale of property	-	-	-	(3,102,469)	-	(3,102,469)
Total Nonoperating Revenue and (Expenses)	(994,078)	-	(994,078)	(3,908,926)	-	(3,908,926)
Change in Net Assets	(468,618)	490,855	22,237	(3,583,624)	(14,278)	(3,597,902)
Net Assets at Beginning of Year	(3,176,859)	40,000	(3,136,859)	406,765	54,278	461,043
NET ASSETS AT END OF YEAR	$ (3,645,477)	$ 530,855	$ (3,114,622)	$ (3,176,859)	$ 40,000	$ (3,136,859)

The accompanying notes are an integral part of the consolidated financial statements.

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Services						Supporting Services		
	Solutions For Change, Inc. Programs	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Total Program Services	Management and General	Fundraising	Total
Salaries and Related Expenses:									
Salaries and wages	$ 1,651,421	$ 76,780	$ 21,634	$ -	$ 34,536	$ 1,784,371	$ 109,600	$ 119,170	$ 2,013,141
Payroll taxes	127,279	9,936	2,617	-	4,819	144,651	19,159	8,066	171,876
Employee benefits	105,007	1,308	16	-	641	106,972	14,377	6,654	128,003
Total Salaries and Related Expenses	1,883,707	88,024	24,267	-	39,996	2,035,994	143,136	133,890	2,313,020
Nonsalary Related Expenses:									
Advertising	252,965	-	-	-	-	252,965	-	-	252,965
Automobile and truck	10,935	-	3,133	-	-	14,068	-	-	14,068
Bad debt expense	12,840	280	-	-	-	13,120	-	-	13,120
Cost of goods sold	-	-	15,604	-	-	15,604	-	-	15,604
Dues and subscriptions	80,289	-	732	-	-	81,021	-	-	81,021
Insurance	65,332	13,338	6,399	-	4,399	89,468	8,459	8,066	105,993
Interest	191,990	7,581	34,872	-	413	234,856	96	-	234,952
Meetings and seminars	20,512	-	498	-	-	21,010	30,767	-	51,777
Miscellaneous	15,773	-	125	-	-	15,898	-	-	15,898
Office expense	96,012	956	541	-	680	98,189	11,805	-	109,994
Payroll processing	2,845	-	490	-	-	3,335	697	610	4,642
Postage and printing	301	-	-	-	-	301	-	-	301
Professional fees	273,361	38,846	32,443	-	27,751	372,401	122,035	-	494,436
Property fees	-	-	-	-	-	-	14,037	-	14,037
Rent	63,362	-	-	-	-	63,362	-	-	63,362
Repairs and maintenance	108,556	23,569	2,959	-	43,457	178,541	17,220	-	195,761
Special event expenses	-	-	-	-	-	-	-	10,711	10,711
Supplies	21,559	-	51	-	-	21,610	6	-	21,616
Taxes, licenses and fees	-	-	-	-	-	-	51,760	-	51,760
Telephone	33,097	-	1,821	-	-	34,918	3,880	-	38,798
Utilities and refuse removal	99,585	71,712	18,983	-	26,084	216,364	16,072	-	232,436
Total Nonsalary Related Expenses	1,349,314	156,282	118,651	-	102,784	1,727,031	276,834	19,387	2,023,252
Total Operating Expenses	3,233,021	244,306	142,918	-	142,780	3,763,025	419,970	153,277	4,336,272
Nonoperating Expenses:									
Depreciation and amortization	425,187	157,083	82,727	-	43,027	708,024	-	-	708,024
Interest - residual receipts debt	102,253	106,546	-	-	79,380	288,179	-	-	288,179
Total Nonoperating Expenses	527,440	263,629	82,727	-	122,407	996,203	-	-	996,203
TOTAL EXPENSES	$ 3,760,461	$ 507,935	$ 225,645	$ -	$ 265,187	$ 4,759,228	$ 419,970	$ 153,277	$ 5,332,475

The accompanying notes are an integral part of the consolidated financial statements.

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services						Supporting Services		
	Solutions For Change, Inc. Programs	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Total Program Services	Management and General	Fundraising	Total
Salaries and Related Expenses:									
Salaries and wages	$ 1,665,211	$ 29,628	$ 74,674	$ 20,088	$ 31,621	$ 1,821,222	$ 166,604	$ 99,151	$ 2,086,977
Payroll taxes	85,502	1,765	7,207	2,151	2,764	99,389	16,504	5,418	121,311
Employee benefits	100,709	2,295	4,045	4,302	3,981	115,332	16,475	6,382	138,189
Total Salaries and Related Expenses	1,851,422	33,688	85,926	26,541	38,366	2,035,943	199,583	110,951	2,346,477
Nonsalary Related Expenses:									
Advertising	255,819	-	368	-	-	256,187	-	-	256,187
Automobile and truck	21,327	-	1,186	24	-	22,537	-	-	22,537
Bad debt expense	-	-	279	-	-	279	-	-	279
Cost of goods sold	-	-	49,646	-	-	49,646	-	-	49,646
Dues and subscriptions	66,148	-	1,613	-	-	67,761	-	-	67,761
Insurance	47,732	15,726	17,401	7,897	6,435	95,191	8,830	5,893	109,914
Interest	187,394	583	32,926	86	1,328	222,317	-	-	222,317
Meetings and seminars	20,466	194	-	-	-	20,660	30,699	-	51,359
Miscellaneous	7,312	-	-	12,911	42	20,265	-	-	20,265
Office expense	95,341	4,277	1,171	-	483	101,272	10,777	-	112,049
Payroll processing	3,306	-	1,230	-	-	4,536	926	709	6,171
Postage and printing	3,224	-	-	87	17	3,328	-	-	3,328
Professional fees	265,976	-	7,459	8,166	5,576	287,177	102,327	-	389,504
Property fees	-	9,715	-	-	-	9,715	16,488	-	26,203
Rent	40,636	-	-	-	-	40,636	-	-	40,636
Repairs and maintenance	215,464	15,198	30,571	36,915	4,216	302,364	31,908	-	334,272
Special event expenses	-	-	-	-	-	-	-	178,198	178,198
Supplies	19,467	-	2,224	794	-	22,485	247	-	22,732
Taxes, licenses and fees	-	-	-	-	-	-	45,843	-	45,843
Telephone	35,881	1,455	1,513	3,086	-	41,935	4,498	-	46,433
Utilities and refuse removal	67,002	84,112	47,954	15,442	50,438	264,948	20,093	-	285,041
Total Nonsalary Related Expenses	1,352,495	131,260	195,541	85,408	68,535	1,833,239	272,636	184,800	2,290,675
Total Operating Expenses	3,203,917	164,948	281,467	111,949	106,901	3,869,182	472,219	295,751	4,637,152
Nonoperating Expenses:									
Depreciation	216,745	157,495	83,108	19,512	43,028	519,888	-	-	519,888
Interest - residual receipts debt	102,253	106,545	-	-	80,872	289,670	-	-	289,670
Total Nonoperating Expenses	318,998	264,040	83,108	19,512	123,900	809,558	-	-	809,558
TOTAL EXPENSES	$ 3,522,915	$ 428,988	$ 364,575	$ 131,461	$ 230,801	$ 4,678,740	$ 472,219	$ 295,751	$ 5,446,710

The accompanying notes are an integral part of the consolidated financial statements.

SOLUTIONS FOR CHANGE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Cash Flows From Operating Activities:		
Change in net assets	$ 22,237	$ (3,597,902)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	500,914	519,888
Amortization of right of use assets - finance lease	207,110	-
Loss on disposal of property and equipment	-	3,102,469
Interest - residual receipts debt	288,179	289,670
Minority interest (excess) deficit of support and revenue over expenses of subsidiary	(2,244)	(3,232)
Partnership loss (income)	119	131
(Increase) Decrease in:		
Grants and other receivables, net	133,915	(244,575)
Prepaid expenses and other assets	(38,877)	(7,968)
Increase (Decrease) in:		
Accounts payable	(164,514)	57,884
Accrued expenses	(39,583)	74,421
Deferred revenue	(4,823)	(58,777)
Interest payable	(45,193)	(12,062)
Tenant trust funds	(33,721)	24,774
Tenant security deposits	6,733	17,018
Net Cash Provided by Operating Activities	830,252	161,739
Cash Flows From Investing Activities:		
Proceeds from sale of property and equipment	-	5,660,000
Purchase of property and equipment	(209,246)	(1,173,159)
Related party receivables repayment	29,391	2,668
Related party payables advances	-	(2,344)
Payment for deposits	(2,000)	1,600
Net Cash (Used in) Provided by Investing Activities	(181,855)	4,488,765
Cash Flows From Financing Activities:		
Payments on finance lease liability	(191,090)	-
Proceeds from notes payable	100,000	866,848
Payments on notes payable	(161,200)	(5,585,142)
Net Cash Used in Financing Activities	(252,290)	(4,718,294)
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash	396,107	(67,790)
Cash and Cash Equivalents and Restricted Cash at Beginning of Year	570,148	637,938
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR	$ 966,255	$ 570,148
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest, net of capitalized interest (Note 2)	$ 243,235	$ 234,379
Cash paid for amounts included in the measurement of lease liabilities: Financing cash outflows from finance lease	$ 228,000	$ -
Right of use asset upon ASC 842 implementation	$ 811,181	$ -
Right of use asset after ASC 842 implementation	$ 604,071	$ -

The accompanying notes are an integral part of the consolidated financial statements.

Note 1 - Organization:

The consolidated financial statements include the accounts of the following entities, which are collectively referred to as the "Organization."

Solutions for Change, Inc.

Solutions for Change, Inc. ("Solutions for Change") was incorporated in the State of California on November 15, 1999. The mission of Solutions for Change is to solve family homelessness one family, one community at a time. Solutions for Change is supported primarily through donor contributions and grants.

Solutions Family Center, L.P.

Solutions Family Center, L.P. (the "Partnership") was formed as a limited partnership under the laws of the State of California on December 18, 2000. The Partnership was established for the purpose and intent of constructing and operating a rental housing project. The rental housing project was placed into service in November 2004, and is located in Vista, California. The project consists of 33 units. Solutions for Change is the General Partner, and owns 99% of the Partnership.

Solutions Farms, LLC

Solutions Farms, LLC ("Solutions Farms") is an integral part of Solutions for Change. It functions as a laboratory for teaching important work values and preparing people for re-entry into the workforce. This is the social enterprise function: accomplishing a worthwhile social purpose, while also being a functioning business. Solutions Farms raises hope, as well as produce. Solutions Farms is unique in many ways. It is an aquaponic farm where nutrient-rich water from fish culture is used to nourish produce, which in turn purifies the water so it can be returned to the fish. Everything is done within the controlled environment of a greenhouse. It is currently one of the largest aquaponic facilities in the West. Its sole member is Solutions for Change.

Solutions Escondido Boulevard, LLC

Solutions Escondido Boulevard, LLC ("Escondido") was formed to serve as the managing general partner of one or more limited partnerships that own, operate, and manage various multifamily affordable housing projects located in California. Its sole member is Solutions for Change.

Escondido has a .0095% interest in Solutions Escondido Boulevard 33, L.P. ("EB33"), which has been recorded on the equity method. In addition, Escondido acquired land and incurred predevelopment costs that were acquired by EB33 in March 2017.

SFC Weitzel, LLC

SFC Weitzel, LLC ("Weitzel") had a 99% interest in SFC Weitzel, L.P. Weitzel was formed to serve as the managing general partner of one or more limited partnerships that own, operate, and manage various multifamily affordable housing projects located in California. Its sole member is Solutions for Change. Effective April 28, 2017, SFC Weitzel, L.P. admitted a new unrelated partner, and Weitzel now has a 0.01% interest in SFC Weitzel, L.P. SFC Weitzel, L.P. completed construction of a 32-unit apartment complex in Oceanside, CA in 2018.

Note 1 - Organization: (Continued)

Solutions Chestnut, LLC

Solutions Chestnut, LLC ("Chestnut") was formed to serve as the managing general partner of one-or-more limited partnerships that own, operate, and manage various multifamily affordable housing projects located in California. On December 26, 2014, Chestnut acquired a 16-unit apartment complex in the City of Carlsbad. Its sole member is Solutions for Change.

Solutions Vista Terrace, LLC

Solutions Vista Terrace, LLC ("Vista Terrace") has a 0.005% interest in SFC Vista Terrace, L.P., which has been recorded on the equity method. Its sole member is Solutions for Change.

Solutions Parkview, LLC

Solutions Parkview, LLC ("Parkview") has a .001% interest in Parkview San Marcos II, L.P., which has been recorded on the equity method. Its sole member is Solutions for Change.

Solutions EV, LLC

Solutions EV, LLC ("EV") has a 0.005% interest in EVW. EV was formed to serve as the managing general partner of one or more limited partnerships that own, operate, and manage various multifamily affordable housing projects located in California. Its sole member is Solutions for Change.

Solutions East Vista Way, L.P.

Solutions East Vista Way, L.P. ("EVW") was formed as a limited partnership under the laws of the State of California on September 21, 2017. The Partnership was established for the purpose and intent of constructing and operating a rental housing project. EVW has a managing general partner: EV, which has a .005% interest; an administration general partner: Kingdom EV, LLC, which has a .005% interest; and a limited partner: Solutions for Change, which has a 99.99% interest.

Solutions for Change - Our Mission and Our Model

The mission of Solutions for Change is to solve family homelessness – one family, one community at a time. With this goal, Solutions has pioneered an innovative and sustainable solution for homeless families in our community – an effort that has led more than 900 families and 2,400 children out of homelessness since 1999. The Solutions model is built on three pillars—Solutions University, Solutions Farms, and Solutions in the Community. Solutions University evaluates each family's needs, then addresses them through an individualized and holistic personal development engagement intended to permanently end dependency and improve well-being. Solutions Farms is a social enterprise that combines employment training for Solutions University residents while growing certified organic produce using cutting-edge aquaponics technology. The produce is supplied to local school districts, where tens of thousands of school children consume the food. Meanwhile, Solutions in the Community is an intentional means to re-connect resident families to their communities of origin. Through opportunities of service and engagement, families develop healthy connections and relationships that provide a sense of belonging. Solutions in the Community is also a partnership to improve distressed areas through the development of affordable rental housing, community revitalization and renewal.

Note 2 - Significant Accounting Policies:

Consolidated Financial Statements

The consolidated financial statements include the accounts of Solutions for Change, Inc.; Solutions Family Center, L.P.; Solutions Farms, LLC; Solutions Escondido Boulevard, LLC; SFC Weitzel, LLC; Solutions Chestnut, LLC; Solutions Vista Terrace, LLC; Solutions Parkview, LLC; Solutions EV, LLC, and Solutions East Vista Way, L.P., which are collectively referred to as the "Organization." All material intercompany transactions have been eliminated in consolidation.

Accounting Method

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), and, accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes thereon are classified and reported as follows:

- Net Assets Without Donor Restrictions - Net assets available for use in general operations, and not subject to donor (or certain grantor) restrictions.

- Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires—that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value, and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy), and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). The Organization had no financial instruments at December 31, 2022 and 2021.

Note 2 - Significant Accounting Policies: (Continued)

Allowance for Doubtful Accounts

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables. The allowance for doubtful grants and other receivables totaled $10,000 and $279 for the years ended December 31, 2022 and 2021, respectively.

Inventory

Inventory consists of operating supplies related to the operations of Solutions Farms. Inventory is valued at the lower cost (first-in, first-out) or net realizable value. Inventory totaling $-0- and $4,500 is included in prepaid expenses and other assets at December 31, 2022 and 2021, respectively.

Capitalization and Depreciation

The Organization capitalizes all expenditures in excess of $2,000 for property and equipment at cost, while donations of property and equipment are recorded at their estimated fair values. Such donations are reported as support without donor restrictions, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment is depreciated using the straight-line method over the estimated useful asset lives, as follows:

Land improvements	20 years
Buildings and improvements	5 - 40 years
Machinery and equipment	5 - 7 years
Furniture and fixtures	7 - 10 years
Vehicles	5 years

Depreciation totaled $500,914 and $519,888 for the years ended December 31, 2022 and 2021, respectively.

Interest totaling $-0- and $308,818 has been capitalized for the years ended December 31, 2022 and 2021, respectively. The capitalized interest was included in construction-in-progress until the property was sold in 2021.

Maintenance and repairs are charged to operations as incurred. Major renewals or improvements are capitalized.

Impairment of Real Estate

The Organization reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flows expected to be generated by the rental property, including any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of real estate exceeds the fair value of such property. There were no impairment losses recognized in 2022 and 2021.

Note 2 - Significant Accounting Policies: (Continued)

Lease

The Organizations entered into a lease agreement for property through March 2024. Pursuant to the guidance for accounting for leases, the Organization accounts for operating and finance leases as noted below.

The Organizations determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of, and obtain substantially all of the economic benefits from, the use of an asset for a period of time in exchange for consideration. A lease is classified as a finance lease if any one of the following criteria are met: the lease transfers ownership of the asset by the end of the lease term, the lease contains an option to purchase the asset that is reasonably certain to be exercised, the lease term is for a major part of the remaining useful life of the asset or the present value of the lease payments equals or exceeds substantially all of the fair value of the asset.

For all leases at the lease commencement date, a right-of-use asset and a lease liability are recognized. The right-of-use asset represents the right to use the leased asset for the lease term. The lease liability represents the present value of the lease payments under the lease. The Organization use the incremental borrowing rate in determining the present value of the lease payments. For finance leases, the Organization uses the rate implicit in the lease or the incremental borrowing rate.

The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease does not contain any material residual value guarantee or material restrictive covenants. Lease expense for lease payments is recognized on the straight-line basis over the lease term. Lease expense for finance leases consists of the amortization of the right-of-use asset on a straight-line basis over the lease term and interest expense determined on an amortized cost basis. The lease payments are allocated between a reduction of the lease liability and interest expense.

Investments in Limited Partnerships

Solutions for Change is the sole member of limited liability companies that own a general partner interest in limited partnerships. These ownership interests range from .005% to .01%, and are accounted for on the equity method.

Compensated Absences

Accumulated unpaid vacation totaling $82,751 and $94,454 at December 31, 2022 and 2021, respectively, is accrued as earned and included in accrued expenses.

Tenant Trust Funds

Tenant trust funds represent amounts held on behalf of tenants in savings accounts for program participants. Tenant trust funds totaled $38,639 and $61,917 at December 31, 2022 and 2021, respectively.

Tenant Security Deposits

Tenant security deposits are restricted to the extent of the tenant security deposit liability totaling $71,254 and $64,521 at December 31, 2022 and 2021, respectively.

Note 2 - Significant Accounting Policies: (Continued)

Net Assets Without Donor Restriction

The Organization's net assets without donor restriction include depreciation on property and equipment, amortization of capitalized costs, and accrued interest on loans for which the interest may only be paid from residual receipts. The amounts included in the net assets without donor restrictions are as follows at December 31:

	2022	2021
Accumulated depreciation	$ 6,348,521	$ 5,856,607
Interest payable – residual receipts	3,129,232	2,916,503
Accumulated amortization of debt issuance costs	4,311	4,311
	$ 9,482,064	$ 8,777,421

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Solutions for Change provides development services in connection with agreements for the development and construction of affordable low-income housing projects. Solutions for Change earns fees based on the fixed-fee agreements and recognizes revenue upon completion of each performance milestone defined in the agreement, for example: closing of construction financing, initial ground-breaking, percentage of completion of construction or rehabilitation and certificate of occupancy.

Grant revenue is recognized in the period in which the related work is performed, in accordance with the terms of the grant. Grants receivable are recorded when revenue earned under a grant exceeds the cash received.

Rental income is recognized for apartment rents as it accrues. Advance receipts of rental income are deferred or classified as liabilities until earned. Deferred rental income totaled $-0- and $509 at December 31, 2022 and 2021, respectively.

Revenue from special events are recognized as revenue when the related event occurs. Receivables are recorded when the revenue earned exceeds the cash received. Deferred revenue is recorded when the cash received exceeds the revenue earned

Revenues from the sale of products sold through the social enterprise are recognized at the point of sale.

Note 2 - Significant Accounting Policies: (Continued)

Supporting services are provided in accordance with agreements with affordable low-income housing projects. Solutions for Change recognizes revenue as the services are performed in accordance with the agreements. Deferred supporting services fees totaled $-0- and $4,314 at December 31, 2022 and 2021, respectively.

Sales of property and equipment are recognized on the date the sale occurs. Upon the sale or disposition of property or equipment, the asset account is reduced by the cost, and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense, unless the sale is the result of a related party transaction.

Donated Services and Materials

The Organization utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the consolidated financial statements, unless the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The donated services for the years ended December 31, 2022 and 2021 did not meet the requirements above; therefore, no amounts were recognized in the consolidated financial statements.

The Organization received in-kind contributions of auction items for its special event, totaling $-0- and $20,111 for the years ended December 31, 2022 and 2021, respectively, which have been recorded as in-kind contributions in the consolidated statements of activities. In addition, the Organization received in-kind contributions of goods used in a fundraising event, totaling $4,100 and $-0- for the years ended December 31, 2022 and 2021, respectively. The donated auction items and donated goods are valued at the wholesale prices that would be received for similar products.

Functional Allocation of Expenses

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. A portion of expenses that benefit multiple functional areas have been allocated between programs and supporting services, based on a cost allocation plan that allocates costs based on the proportion of full-time employee equivalents, space utilization, and estimates made by the Organization's management.

Income Taxes

Solutions for Change is a public charity, and 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. Solutions for Change believes that it has appropriate support for any tax positions taken, and, as such, does not have any uncertain tax positions that are material to the consolidated financial statements. Solutions for Change is not a private foundation.

No provision or benefit for income taxes for the Limited Liability Companies and Limited Partnerships have been included in these consolidated financial statements since taxable income (loss) passes through to, and is reportable by, the Member/Partners individually.

Solutions for Change's Return of Organization Exempt from Income Tax, Partnership and LLC tax returns for the years ended December 31, 2022, 2021, 2020, and 2019 are subject to examination by the Internal Revenue Service and State taxing authorities, generally three-to-four years after the returns were filed.

Note 2 - Significant Accounting Policies: (Continued)

Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and Cash Equivalents and Restricted Cash

For purposes of the consolidated 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. Certificates of deposits that may be redeemed without a significant penalty are considered cash and cash equivalents, regardless of the maturity. The following is a reconciliation of cash and cash equivalents and restricted cash reported within the consolidated statements of financial position that sum to the total in the statements of cash flows at December 31:

	2022	2021
Cash and cash equivalents	$ 388,563	$ 94,867
Tenant trust funds	38,639	61,917
Tenant security deposits	71,254	71,945
Restricted reserves	467,799	341,419
Total Cash and Cash Equivalents and Restricted Cash	$ 966,255	$ 570,148

Accounting Pronouncements Adopted

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Financial Assets (Topic 958)*. ASU 2020-07 improves transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit entities. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the consolidated statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. This standard is applied on a retrospective basis. The adoption had no effect on the 2022 consolidated financial statements.

Change in Accounting Principle

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification *("ASC") 842, Leases ("FASB ASC 842")* to increase transparency and comparability among organizations by requiring the recognition of lease assets and lease liabilities on the consolidated statement of financial position by lessees, and the disclosures of key information about leasing arrangements.

The Organization adopted this guidance Accounting Standards Codification (ASC) 842 in 2022 using the effective date transition method which allows the Organization to apply the guidance for the current-year presentation and not adjust the prior-year numbers. The Organization elected the package of practical expedients that allows an entity to not reassess (i) whether any expired or existing contracts are or contain leases, (ii) lease classification for any expired or existing leases and (iii) initial direct costs for any expired or existing leases. The Organization did not elect to use hindsight for leases existing at the adoption date.

Note 2 - Significant Accounting Policies: (Continued

Change in Accounting Principle (Continued)

As a result of the adoption of FASB ASC 842 on January 1, 2022, right of use asset of $811,181 and finance lease liability of $811,181 were recorded.

Reclassification

The Organization has reclassified certain prior year information to conform with the current year presentation.

Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 28, 2023, the date the consolidated financial statements were available to be issued and concluded that there were no events or transactions that needed to be disclosed, except as disclosed in Note 12.

Note 3 - Liquidity and Availability:

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. The Organization considers contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing programs as well as the conduct of services undertaken to support those activities to be general expenditures.

The table below presents financial assets available for general expenditure within one year at December 31:

	2022	2021
Financial assets at year-end:		
Cash and cash equivalents	$ 388,563	$ 94,867
Grant and other receivables, net	467,059	600,974
Financial assets available for general expenditures within one year	$ 855,622	$ 695,841

In addition, the Organization operates with a balanced budget, and anticipates collecting sufficient revenue to cover general expenditures.

Note 4 - Related Party Receivables:

Related party receivables consist of the following at December 31:

	2022	2021
The note receivable, which originated on July 1, 2012 and was amended effective April 11, 2013, from SFC Vista Terrace, L.P., in the original amount of $400,000 bears interest at 3% per annum. Principal and interest are payable from residual receipts, as defined in the agreement, calculated annually. Principal and accrued interest are due July 1, 2067. Secured by a deed of trust. Accrued interest totaled $113,490 and $101,490 at December 31, 2022 and 2021, respectively, and is included in the receivable. In addition, $73,081 was advanced which is noninterest-bearing, payable from residual receipts.	$ 556,250	$ 544,250
The note receivable, which originated on October 12, 2017, from Solutions Escondido Boulevard 33. L.P., in the original amount of $80,000. The note is noninterest-bearing. Principal and interest are payable from residual receipts, as defined in the agreement, calculated annually. Principal is due October 11, 2072. Secured by a deed of trust.	88,000	88,000
Developer fee receivable from Solutions Escondido Boulevard 33, L.P. in the original amount of $1,289,802. The developer fee will be paid from limited partner capital installments, with any unpaid amounts payable from available cash flow.	1,182,034	1,182,034
Developer fee receivable from SFC Weitzel, L.P. in the original amount of $755,000 (net of amount due to consultant of $755,000). The developer fee is paid from Limited Partner capital installments, with any unpaid amounts payable from available cash flow.	1,575	42,966
	$ 1,827,859	$ 1,857,250

In addition, current related party receivables totaling $384,775 and $293,500 at December 31, 2022 and 2021, respectively, are included in grants and other receivables.

Note 5 - Restricted Reserves:

According to the partnership, loan and other regulatory agreements, the Partnership and Organization are required to maintain the following reserves:

Operating Reserve

The Partnership is required to fund an operating reserve up to the amount of $89,200. There is no annual funding requirement for this reserve. The operating reserve balance totaled $47,312 and $18,656 at December 31, 2022 and 2021, respectively.

Note 5 - Restricted Reserves: (Continued)

Replacement Reserves

The Partnership is required to fund a replacement reserve in the initial amount of $20,000 in accordance with the regulatory agreement with the City of Vista. In accordance with the operating budget approved by the Department of Housing and Community Development, the Partnership was required to fund a replacement reserve of $16,386 annually from March 24, 2005, through April 8, 2014. Beginning April 8, 2014, the Partnership is required to fund a replacement reserve of $19,800 annually. The replacement reserve balance totaled $198,632 and $158,550 at December 31, 2022 and 2021, respectively.

The Organization is required to maintain replacement reserve accounts for each property obtained through Neighborhood Stabilization Program and HOME Investment Partnership Program funding. These amounts vary by property and must be funded annually beginning two months subsequent to the completion of rehabilitation. The replacement reserve balance totaled $221,855 and $164,213 at December 31, 2022 and 2021, respectively.

Note 6 - Investment in Partnerships:

Solutions for Change is the sole member of four limited liability companies. The limited liability companies own general partner interests in partnerships that they account for on the equity method, which are their entire assets and liabilities. The following are the balances in the limited liability companies' partnership capital accounts of the partnerships at December 31:

	2022	2021
Investment in Partnerships		
Parkview San Marcos II, L.P. (.001%)	$ 57	$ 62
Total Investment in Partnerships	$ 57	$ 62
Share of Deficiency in Partnerships		
Solutions Escondido Boulevard 33, L.P. (.0095%)	$ (154)	$ (111)
SFC Vista Terrace, L.P. (.005%)	(191)	(174)
SFC Weitzel, L.P. (.01%)	(1,853)	(1,799)
Total Share of Deficiency in Partnerships	$ (2,198)	$ (2,084)

Note 6 - Investment in Partnerships: (Continued)

Solutions for Change provided development and management/admin fees and other services (included in rental income) to the partnerships for which it earned the following amounts for the years ended December 31:

	2022		
	Management/ Admin Fees	Other Services	Developer Fees
Parkview San Marcos II, L.P.	$ 4,661	$ -	$ -
Solutions Escondido Boulevard 33, L.P.	16,236	-	-
SFC Weitzel, L.P.	14,069	-	-
	$ 34,966	$ -	$ -

	2021		
	Management/ Admin Fees	Other Services	Developer Fees
Parkview San Marcos II, L.P.	$ 4,594	$ -	$ -
Solutions Escondido Boulevard 33, L.P.	15,918	-	-
SFC Weitzel, L.P.	13,659	-	-
	$ 34,171	$ -	$ -

Note 7 - Property and Equipment:

Property and equipment consist of the following at December 31:

	2022	2021
Land	$ 4,685,895	$ 4,685,895
Land improvements	356,395	356,395
Buildings and improvements	13,409,684	13,400,905
Construction-in-progress	187,000	36,344
Machinery and equipment	282,870	262,870
Furniture and fixtures	185,426	144,615
Vehicles	157,194	157,194
Subtotal	19,244,464	19,044,218
Less: Accumulated depreciation	(6,348,521)	(5,856,607)
Property and Equipment, Net	$ 12,895,943	$ 13,187,611

Note 8 - Notes Payable:

Notes payable consist of the following at December 31:

	2022	2021
Solutions for Change, Inc.		
The loan payable, which originated September 24, 2009, is held by the County of San Diego Department of Housing and Community Development in the original amount of $357,762. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of September 24, 2024. Secured by a deed of trust.	$ 394,965	$ 349,954
The loan payable, which originated November 16, 2009, is held by the County of San Diego Department of Housing and Community Development in the original amount of $79,156. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of November 16, 2024. Secured by a deed of trust.	78,914	78,914
The loan payable, which originated September 3, 2009, is held by the County of San Diego Department of Housing and Community Development in the original amount of $301,084. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of September 3, 2024. Secured by a deed of trust.	290,825	290,825
The loan payable, which originated February 3, 2010, is held by the County of San Diego Department of Housing and Community Development in the original amount of $461,369. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of February 3, 2025. Secured by a deed of trust.	456,518	456,518
The loan payable, which originated February 26, 2010, is held by the County of San Diego Department of Housing and Community Development in the original amount of $132,704. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of February 26, 2025. Secured by a deed of trust.	128,643	128,643
The loan payable, which originated January 7, 2010, is held by the County of San Diego Department of Housing and Community Development in the original amount of $286,010. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of January 7, 2025. Secured by a deed of trust.	277,018	277,018

(Continued)

Note 8 - Notes Payable: (Continued)

	2022	2021
Solutions for Change, Inc. (Continued)		
The loan payable, which originated August 4, 2010, is held by the County of San Diego Department of Housing and Community Development in the original amount of $332,847. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of August 4, 2025. Secured by a deed of trust.	$ 323,095	$ 323,095
The loan payable, which originated July 22, 2010, is held by the County of San Diego Department of Housing and Community Development in the original amount of $392,272. The loan is non-interest bearing. In the event that all terms and obligations of the regulatory agreement have been met, the loan will be forgiven at the maturity date of July 22, 2025. Secured by a deed of trust.	373,712	373,712
The loan payable, which originated April 13, 2011, is held by the County of San Diego Department of Housing and Community Development in the original amount of $3,421,452. The loan bears interest at 3% per annum. Principal and accrued interest are payable from residual receipts (50%) from the Primrose property, with the remaining residual receipts (50%) to be held in a segregated operating reserve account. Principal and accrued interest are due April 1, 2066. Secured by a deed of trust. Accrued interest totaled $1,149,349 and $1,047,096 at December 31, 2022 and 2021, respectively.	3,408,032	3,408,032
The loan payable, which originated April 1, 2011, is held by the Clearinghouse Community Development Financial Institution in the original amount of $1,100,000. Principal and accrued interest are payable in monthly installments of $6,419 including interest at 5.75% beginning March 1, 2012. Principal and accrued interest are due May 1, 2023. Secured by a deed of trust. Accrued interest totaled $2,520 and $2,875 at December 31, 2022 and 2021, respectively.	799,697	829,560
The loan payable, which was assumed January 30, 2017, originated March 23, 2010, is held by the City of Oceanside in the original amount of $154,000. Interest is accrued at 3.0% per annum, payments deferred for 15 years and then amortized over 35 years. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven at January 30, 2032. Secured by a deed of trust. Accrued interest totaled $26,898 and $22,328 at December 31, 2022 and 2021, respectively.	152,324	152,324

(Continued)

Note 8 - Notes Payable: (Continued)

	2022	2021
Solutions for Change, Inc. (Continued)		
The loan payable, which was assumed January 30, 2017, originated May 11, 2010, is held by the City of Oceanside in the original amount of $70,708. Interest is accrued at 3.0% per annum, payments deferred for 15 years. Thereafter, payment of principal and interest is due and payable in full on June 1, 2050. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven. Secured by a deed of trust. Accrued interest totaled $12,159 and $10,093 at December 31, 2022 and 2021, respectively.	$ 68,855	$ 68,855
The loan payable, which was assumed January 30, 2017, originated March 23, 2010, is held by the City of Oceanside in the original amount of $309,000. Interest is accrued at 3.0% per annum, payments deferred for 15 years and then amortized over 35 years. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven at January 30, 2032. Secured by a deed of trust. Accrued interest totaled $53,970 and $44,801 at December 31, 2022 and 2021, respectively.	305,637	305,637
The loan payable, which was assumed January 30, 2017, originated May 11, 2010, is held by the City of Oceanside in the original amount of $50,684. Interest is accrued at 3.0% per annum, payments deferred for 15 years. Thereafter, payment of principal and interest is due and payable in full on June 1, 2050. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven. Secured by a deed of trust. Accrued interest totaled $8,715 and $7,235 at December 31, 2022 and 2021, respectively.	49,356	49,356
The loan payable, which was assumed January 30, 2017, originated October 21, 2009, is held by the City of Oceanside in the original amount of $203,571. Interest is accrued at 3.0% per annum, payments deferred for 15 years and then amortized over 35 years. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven at January 30, 2032. Secured by a deed of trust. Accrued interest totaled $34,515 and $28,651 at December 31, 2022 and 2021, respectively.	195,459	195,459

(Continued)

Note 8 - Notes Payable: (Continued)

	2022	2021
Solutions for Change, Inc. (Continued)		
The loan payable, which was assumed January 30, 2017, originated January 14, 2010, is held by the City of Oceanside in the original amount of $58,650. Interest is accrued at 3.0% per annum, payments deferred for 15 years. Thereafter, payment of principal and interest is due and payable in full on February 1, 2050. In the event that all terms and obligations of the regulatory agreement have been met, the loan and interest will be forgiven. Secured by a deed of trust. Accrued interest totaled $9,756 and $8,148 at December 31, 2022 and 2021, respectively.	$ 56,947	$ 56,947
The note payable which originated April 26, 2018 is held by Solutions Escondido Boulevard 33, L.P. in the original amount of $91,783. Interest is accrued at 1%, compounded annually. Secured by a deed of trust. Accrued interest totaled $4,363 and $3,412 at December 31, 2022 and 2021, respectively.	91,783	91,783
The loan payable, which originated April 18, 2019, is held by Pacific Coast Realty in the original amount of $120,000. The loan bears interest at 7% per annum. Principal and accrued interest are payable in monthly installments of $1,393 beginning June 1, 2019. The loan and accrued interest are due upon May 1, 2022. Secured by a deed of trust. Accrued interest totaled $569 and $563 at December 31, 2022 and 2021, respectively.	80,345	96,518
The loan payable, which originated December 31, 2019, is held by DSD Capital, LLC in the original amount of $250,000. The loan bears interest at 5.5% per annum. Interest payments of $4,168 are payable monthly beginning January 30, 2020, for 12 months. Effective January 1, 2021, monthly interest payments are $3,438. Principal due September 10, 2024. Accrued interest totaled $3,438 for each of the years ended December 31, 2022 and 2021. Unsecured.	250,000	250,000
The loan payable, which originated November 1, 2021, is held by Monty James in the original amount of $250,000. The loan bears interest at 10% per annum. Principal and accrued interest are payable in monthly installments of $2,083 beginning December 1, 2021. The loan and accrued interest are due November 1, 2023. Secured by a deed of trust. Accrued interest totaled $2,083 for each of the years ended December 31, 2022 and 2021.	250,000	250,000
Total Solutions for Change, Inc.	$ 7,987,114	$ 8,033,150

Note 8 - Notes Payable: (Continued)

	2022	2021
Solutions Family Center, L.P.		
The mortgage note, which was originated on March 8, 2005, is held by the California Department of Housing and Community Development in the original amount of $2,044,512. The note bears interest at 3% per annum. Payments in the amount of forty-two hundredths of one percent (.42%) per annum on the unpaid principal balance of the loan are payable beginning December 31, 2005, and continuing annually thereafter up to the twenty-ninth anniversary of the interest payment date. Commencing on the thirtieth (30th) anniversary of the interest payment date and continuing annually thereafter, payments shall equal the lesser of (1) the full amount of interest accruing on the unpaid principal balance during the year, or (2) the amount determined by the lender as to be necessary to cover the costs of continued monitoring of the compliance requirements under the loan. In addition, the note may require additional payments from net cash flow under the terms of the regulatory agreement. The note is due March 2060. Secured by a deed of trust. Accrued interest totaled $946,486 and $893,738 at December 31, 2022 and 2021, respectively, and the required interest payments totaled $8,587 for each of the years ended December 31, 2022 and 2021.	$ 2,044,512	$ 2,044,512
The mortgage note, which was originated on July 30, 2003, is held by the San Diego County Department of Housing and Community Development in the original amount of $957,000. The note bears interest at 3% per annum. Principal and accrued interest are payable from residual receipts, as defined in the agreement, calculated annually. Principal and accrued interest are due July 2058. Secured by a deed of trust. Accrued interest totaled $547,051 and $518,341 at December 31, 2022 and 2021, respectively.	957,000	957,000
The mortgage note, which was originated on July 28, 2003, is held by the City of Vista in the original amount of $550,000. The note bears interest at 3% per annum. Principal and accrued interest are payable from residual receipts, as defined in the agreement, calculated annually. Principal and accrued interest are due July 2058. Secured by a deed of trust. Accrued interest totaled $313,577 and $297,076 at December 31, 2022 and 2021, respectively.	550,000	550,000

(Continued)

Note 8 - Notes Payable: (Continued)

	2022	2021
Solutions Family Center, L.P. (Continued)		
The mortgage note, which was originated on July 31, 2003, is held by the City of Escondido in the original amount of $375,100. The note is non-interest-bearing. Principal is due July 2058. Secured by a deed of trust.	$ 375,100	$ 375,100
The mortgage note, which was originated on July 24, 2003, is held by the Bank of America for the Affordable Housing Program (AHP) in the original amount of $176,700. The note is non-interest-bearing, provided that all compliance requirements of the loan are met. Principal is due July 2021. Secured by a deed of trust.	176,000	176,700
Total Solutions Family Center, L.P.	4,103,312	4,103,312
Solutions Farms, LLC		
The loan payable, which was originated on August 1, 2018, is held by Alliance Healthcare Foundation in the original amount of $755,572. The loan is noninterest-bearing until April 1, 2020 after which interest accrues at 4.0% per annum and is payable monthly. Monthly principal payments of $3,668 are due beginning September 1, 2020. The loan is due August 1, 2050. Secured by a deed of trust. In November 2023 the loan was paid in full (Note 12).	734,605	748,921
The loan payable, which was originated on May 25, 2020, is held by the U.S. Small Business Administration in the original amount of $82,800. Interest is accrued at 2.75% per annum. Monthly principal and interest payments of $404 are due beginning May 21, 2021. The loan is due May 21, 2050. Secured by property and equipment. Accrued interest totaled $5,281 and $384 at December 31, 2022 and 2021, respectively.	82,800	83,648
Total Solutions Farms, LLC	817,405	832,569
Solutions Chestnut, LLC		
The loan payable, which originated December 24, 2014, is held by the City of Carlsbad in the original amount of $2,646,000. The loan is noninterest-bearing for the first five years, after which interest will accrue at 3.0% per annum. Beginning on January 1, 2020 and annually thereafter, payments equal to 70% of residual receipts. Principal and accrued interest are due on December 24, 2074. Secured by a deed of trust. Accrued interest totaled $172,605 and $160,252 at December 31, 2022 and 2021, respectively.	2,646,000	2,646,000
Total Solutions Chestnut, LLC	$ 2,646,000	$ 2,646,000
Total Notes Payable	15,553,831	15,615,031
Less: Current Portion	(546,160)	(243,063)
Notes Payable, Long-Term, Net	$ 15,007,671	$ 15,371,968

Note 8 - Notes Payable: (Continued)

The future principal payments on the notes payable are as follows:

Years Ended December 31	Solutions for Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions Chestnut, LLC	Total
2023	$ 354,560	$ 176,700	$ 14,900	$ -	$ 546,160
2024	271,255	-	15,507	-	286,762
2025	742,542	-	18,435	-	760,977
2026	1,583,548	-	19,464	-	1,603,012
2027	26,403	-	20,222	-	46,625
Thereafter	5,008,806	3,926,612	728,877	2,646,000	12,310,295
Total	$ 7,987,114	$ 4,103,312	$ 817,405	$ 2,646,000	$ 15,553,831

Note 9 - Net Assets With Donor Restrictions:

Net assets with donor restrictions are available for the following purposes at December 31:

	2022	2021
Subject to Expenditure for Specified Purpose:		
Solutions for Change – Main campus expansion	$ 530,855	$ 40,000
Total Net Assets with Donor Restrictions	$ 530,855	$ 40,000

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors are as follows for the years ended December 31:

	2022	2021
Purpose Restrictions Accomplished:		
Main campus expansion	$ 581,645	$ 14,278
Total Net Assets Released From Restrictions	$ 581,645	$ 14,278

Note 10 - Contingencies:

Loan Agreements

The Partnership entered into loan agreements with several agencies for the purpose of building and maintaining the tenant housing facilities. These agreements specify requirements for the building maintenance. The loans will be forgiven at the end of the loan term if all requirements have been met. In the event that the Partnership does not comply with the agreement, sells the property, or desists using the facility for its original intended purposes, these notes may be called.

Note 10 - Contingencies: (Continued)

Grant Agreement

Chestnut received a grant totaling $454,000 from the City of Carlsbad on December 24, 2014. Funds were used for the acquisition the property located at 945 Chestnut Avenue. The grant requires that seven (7) low-income restricted units for affordable housing purposes for homeless families be maintained for no less than fifty-five (55) years from the date of acquisition. The grant funds shall be reimbursed to the City of Carlsbad in full upon (1) the date the property is first sold or transferred without prior written approval of the City Council, or (2) upon failure of Chestnut to operate affordable housing for low-income households on the property as stated above.

Coronavirus Pandemic Contingency

As a result of the COVID-19 outbreak throughout the world, economic uncertainties have arisen that could negatively impact revenues and income. 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 donors, employees and vendors, all of which at present cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position and changes in net assets and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

Note 11 - Commitments:

403(b) Pension Plan

The Organization sponsors a 403(b) pension plan covering, substantially, all of its employees. Each employee's total contribution may not exceed the maximum allowable under current regulations. The Organization matches the first 2% of eligible compensation contributed by the employee. The Organization also pays all administrative costs of this plan. All beneficiaries of the 403(b) plan are responsible for their own plan investment decisions. Matching contributions under this plan totaled $10,352 and $6,354 for the years ended December 31, 2022 and 2021, respectively and is included in employee benefits on the consolidated statement of financial expenses.

Leases

Office Space

In 2004, the Organization began occupying approximately 7,200 square feet of donated office space at the Center's facility located at 702 West California Avenue, Vista, California. Estimated fair market value of the donated facilities for the years ended 2022 and 2021, respectively, was $129,600. Due to the elimination of intercompany transactions during the consolidation process, the rent accrual and expense are not reflected in the consolidated financial statements.

Vehicles

The Organization entered into a lease for a vehicle under a forty-two-month lease agreement beginning December 5, 2020, with a monthly payment of $693. Rent expense totaled $9,008 and $8,315 for the years ended December 31, 2022 and 2021, respectively.

Note 11 - Commitments: (Continued)

Property Lease

The Organization entered into a four-year lease to rent property in Vista in December 2021, with a monthly base rent of $19,000. Rent expense totaled $228,000 and $19,000 for the years ended December 31, 2022 and 2021, respectively.

In addition, the Organization has an option to purchase the property on June 1, 2023 for $5,130,000. The option can be extended to December 1, 2023 for a purchase price of $5,260,000, December 1, 2024 for a purchase price of $5,525,000, or December 1, 2025 for a purchase price of $5,804,250.

The following summarizes the line items on the statement of financial position for the finance lease at December 31, 2022:

Right-of-use assets - finance leases, net	$ 604,071
Finance lease liability - current portion	$ 202,535
Finance lease liability - noncurrent portion	417,556
Total Finance Lease Liabilities	$ 620,091

The following summarizes the weighted average remaining lease term and discount rate at March 31, 2023:

Weighted average remaining lease term - finance	35 months
Weighted average incremental borrowing rate - finance	5.0%

The following summarizes the line items in the statement of activities which include the components of lease expense for the year ended December 31, 2022:

Finance lease expense	
Amortization of right of use asset	$ 207,110
Interest on the lease liability	36,910
Total Finance Lease Cost	$ 244,020

The following summarizes cash flow information related to leases for the year ended December 31, 2022:

Financing cash outflows from finance leases	$ 228,000
Total cash outflow	$ 228,000

Note 11 - Commitments: (Continued)

Property Lease (Continued)

The following is a schedule of future minimum payments related to the leases:

Years Ended December 31	Vehicle	Property	Total
2023	$ 8,315	$ 228,000	$ 236,315
2024	3,465	228,000	231,465
2025	-	209,000	209,000
Total	$ 11,780	$ 665,000	$ 676,780

Contracts

The Organization has an employment contract with the President, which provides a base salary, plus an annual bonus based on performance and not to exceed 20% of the current salary. The contract is renewable annually.

Note 12 - Subsequent Events:

Subsequent to year end in November 2023, the property held by Solutions Farms, LLC was sold for $800,000 and the loan to Alliance Healthcare Foundation was paid in full.

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

	Solutions For Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Current Assets:							
Cash and cash equivalents	$ 377,499	$ 2,419	$ 2,211	$ 36	$ 6,398	$ -	$ 388,563
Grants and other receivables, net	462,956	1,261	-	-	2,842	-	467,059
Intercompany receivables	1,899,541	-	942	-	618,488	(2,518,971)	-
Related party receivable	42,317	-	-	-	-	(42,317)	-
Prepaid expenses and other assets	77,002	-	922	-	-	-	77,924
Tenant trust funds	38,639	-	-	-	-	-	38,639
Tenant security deposits	39,640	12,914	-	-	18,700	-	71,254
Deposits	2,000	3,161	3,500		-		8,661
Total Current Assets	2,939,594	19,755	7,575	36	646,428	(2,561,288)	1,052,100
Noncurrent Assets:							
Investment in subsidiary	(2,251,006)	-	-	-	-	2,251,006	-
Related party receivables	1,827,859	-	-	-	-	-	1,827,859
Restricted reserves	221,855	245,944	-	-	-	-	467,799
Investment in partnerships	57	-	-	-	-	-	57
Right of use asset - finance lease	604,071	-	-	-	-	-	604,071
Property and equipment, net	5,839,595	3,491,145	760,528	-	2,804,675	-	12,895,943
Total Noncurrent Assets	6,242,431	3,737,089	760,528	-	2,804,675	2,251,006	15,795,729
TOTAL ASSETS	$ 9,182,025	$ 3,756,844	$ 768,103	$ 36	$ 3,451,103	$ (310,282)	$ 16,847,829

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2022

LIABILITIES AND NET ASSETS

	Solutions For Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Current Liabilities:							
Accounts payable	$ 100,151	$ 70,607	$ 6,911	$ 4,050	$ 4,413	$ -	$ 186,132
Accrued expenses	215,489	-	-	-	-	-	215,489
Interest payable	8,610	-	5,281	-	-	-	13,891
Intercompany payables	678,230	34,239	1,201,552	604,950	-	(2,518,971)	-
Related party payables	-	-	-	42,317	-	(42,317)	-
Tenant trust funds	38,639	-	-	-	-	-	38,639
Tenant security deposits	39,640	12,914	-	-	18,700	-	71,254
Current portion of finance lease liability	202,535	-	-	-	-	-	202,535
Current portion of notes payable	354,560	176,700	14,900	-	-	-	546,160
Total Current Liabilities	1,637,854	294,460	1,228,644	651,317	23,113	(2,561,288)	1,274,100
Noncurrent Liabilities:							
Share of deficiency in partnerships	2,198	-	-	-	-	-	2,198
Finance lease liability, net	417,556	-	-	-	-	-	417,556
Notes payable, net	7,632,554	3,926,612	802,505	-	2,646,000	-	15,007,671
Interest payable	1,299,725	1,807,114	-	-	172,769	-	3,279,608
Total Noncurrent Liabilities	9,352,033	5,733,726	802,505	-	2,818,769	-	18,707,033
Total Liabilities	10,989,887	6,028,186	2,031,149	651,317	2,841,882	(2,561,288)	19,981,133
Minority Interest in Subsidiary	-	-	-	-	-	(18,682)	(18,682)
Net Assets (Deficit):							
Without donor restrictions	(2,338,717)	(2,271,342)	(1,263,046)	(651,281)	609,221	2,269,688	(3,645,477)
With donor restrictions	530,855	-	-	-	-	-	530,855
Total Net Assets (Deficit)	(1,807,862)	(2,271,342)	(1,263,046)	(651,281)	609,221	2,269,688	(3,114,622)
TOTAL LIABILITIES AND NET ASSETS	$ 9,182,025	$ 3,756,844	$ 768,103	$ 36	$ 3,451,103	$ (310,282)	$ 16,847,829

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

	Solutions For Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Current Assets:							
Cash and cash equivalents	$ 33,655	$ 146	$ 1,283	$ 32,664	$ 27,119	$ -	$ 94,867
Grants and other receivables, net	564,872	3,879	752	-	31,471	-	600,974
Intercompany receivables	1,914,797	-	-	-	618,488	(2,533,285)	-
Related party receivable	74,753	-	-	-	-	(74,753)	-
Prepaid expenses and other assets	33,801	-	5,246	-	-	-	39,047
Tenant trust funds	61,917	-	-	-	-	-	61,917
Tenant security deposits	34,959	18,665	-	-	18,321	-	71,945
Deposits	-	3,161	3,500		-		6,661
Total Current Assets	2,718,754	25,851	10,781	32,664	695,399	(2,608,038)	875,411
Noncurrent Assets:							
Investment in subsidiary	(2,028,877)	-	-	-	-	2,028,877	-
Related party receivables	1,857,250	-	-	-	-	-	1,857,250
Restricted reserves	164,213	177,206	-	-	-	-	341,419
Investment in partnerships	62	-	-	-	-	-	62
Property and equipment, net	5,848,426	3,648,228	843,255	-	2,847,702	-	13,187,611
Total Noncurrent Assets	5,841,074	3,825,434	843,255	-	2,847,702	2,028,877	15,386,342
TOTAL ASSETS	$ 8,559,828	$ 3,851,285	$ 854,036	$ 32,664	$ 3,543,101	$ (579,161)	$ 16,261,753

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2021

LIABILITIES AND NET ASSETS

	Solutions For Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Current Liabilities:							
Accounts payable	$ 249,424	$ 44,884	$ 33,051	$ -	$ 23,287	$ -	$ 350,646
Accrued expenses	245,061	-	10,011	-	-	-	255,072
Deferred revenue	4,314	509	-	-	-	-	4,823
Interest payable	8,958	-	384	-	-	-	9,342
Intercompany payables	677,288	29,532	1,202,630	620,674	3,161	(2,533,285)	-
Related party payables	-	-	-	74,753	-	(74,753)	-
Tenant trust funds	72,360	-	-	-	-	-	72,360
Tenant security deposits	34,959	10,862	-	-	18,700	-	64,521
Current portion of notes payable	50,245	176,700	16,118	-	-	-	243,063
Total Current Liabilities	1,342,609	262,487	1,262,194	695,427	45,148	(2,608,038)	999,827
Noncurrent Liabilities:							
Share of deficiency in partnerships	2,084	-	-	-	-	-	2,084
Notes payable, net	7,982,905	3,926,612	816,451	-	2,646,000	-	15,371,968
Interest payable	1,171,764	1,709,155	-	-	160,252	-	3,041,171
Total Noncurrent Liabilities	9,156,753	5,635,767	816,451	-	2,806,252	-	18,415,223
Total Liabilities	10,499,362	5,898,254	2,078,645	695,427	2,851,400	(2,608,038)	19,415,050
Minority Interest in Subsidiary	-	-	-	-	-	(16,438)	(16,438)
Net Assets (Deficit):							
Without donor restrictions	(1,979,534)	(2,046,969)	(1,224,609)	(662,763)	691,701	2,045,315	(3,176,859)
With donor restrictions	40,000	-	-	-	-	-	40,000
Total Net Assets (Deficit)	(1,939,534)	(2,046,969)	(1,224,609)	(662,763)	691,701	2,045,315	(3,136,859)
TOTAL LIABILITIES AND NET ASSETS	$ 8,559,828	$ 3,851,285	$ 854,036	$ 32,664	$ 3,543,101	$ (579,161)	$ 16,261,753

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Solutions For Change, Inc.	Family Center, L.P.	Solutions Farms, LLC	East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Net Assets Without Donor Restrictions							
Support and Revenue:							
Contributions	$ 2,761,606	$ -	$ -	$ -	$ -	$ -	$ 2,761,606
Rental income	868,599	449,494	-	-	210,928	(506,976)	1,022,045
Special event revenue (net of direct donor benefit costs of $6,700)	179,203	-	-	-	-	-	179,203
Grants	135,042	-	-	-	-	-	135,042
Supporting services	110,300	-	209,067	-	-	(209,067)	110,300
Interest and miscellaneous	31,653	1,764	100	15,628	4,000	-	53,145
Social enterprise	-	-	14,646	-	-	-	14,646
In-kind contributions	4,100	-	-	-	-	-	4,100
Net assets released from restriction	581,645	-	-	-	-	-	581,645
Total Support and Revenue	4,672,148	451,258	223,813	15,628	214,928	(716,043)	4,861,732
Operating Expenses:							
Program services	3,787,124	395,686	142,918	-	153,340	(716,043)	3,763,025
Management and general	341,242	16,316	36,605	4,146	21,661	-	419,970
Fundraising	153,277	-	-	-	-	-	153,277
Total Operating Expenses	4,281,643	412,002	179,523	4,146	175,001	(716,043)	4,336,272
Change in Net Assets Without Donor Restrictions Before Nonoperating Revenue and (Expenses)	390,505	39,256	44,290	11,482	39,927	-	525,460
Nonoperating Revenue and (Expenses):							
Depreciation and amortization	(425,187)	(157,083)	(82,727)	-	(43,027)	-	(708,024)
Excess (deficit) of support and revenue over expenses of subsidiary	(222,129)	-	-	-	-	224,373	2,244
Interest - residual receipts debt	(102,253)	(106,546)	-	-	(79,380)	-	(288,179)
Partnership loss	(119)	-	-	-	-	-	(119)
Total Nonoperating Revenue and (Expenses)	(749,688)	(263,629)	(82,727)	-	(122,407)	224,373	(994,078)
Change in Net Assets Without Donor Restrictions	(359,183)	(224,373)	(38,437)	11,482	(82,480)	224,373	(468,618)
Net Assets With Donor Restrictions							
Contributions	1,072,500	-	-	-	-	-	1,072,500
Net assets released from restrictions	(581,645)	-	-	-	-	-	(581,645)
Change in Net Assets With Donor Restrictions	490,855	-	-	-	-	-	490,855
Total Change in Net Assets	131,672	(224,373)	(38,437)	11,482	(82,480)	224,373	22,237
Net Assets (Deficit) at Beginning of Year	(1,939,534)	(2,046,969)	(1,224,609)	(662,763)	691,701	2,045,315	(3,136,859)
NET ASSETS (DEFICIT) AT END OF YEAR	$ (1,807,862)	$ (2,271,342)	$ (1,263,046)	$ (651,281)	$ 609,221	$ 2,269,688	$ (3,114,622)

SOLUTIONS FOR CHANGE, INC.
SUPPLEMENTARY CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Solutions For Change, Inc.	Solutions Family Center, L.P.	Solutions Farms, LLC	Solutions East Vista Way, LP	Solutions Chestnut, LLC	Eliminations	Consolidated
Net Assets Without Donor Restrictions							
Support and Revenue:							
Contributions	$ 3,067,168	$ -	$ 45,272	$ -	$ -	$ -	$ 3,112,440
Rental income	648,771	251,941	-	163,975	213,513	(344,704)	933,496
Special event revenue (net of direct donor benefit costs of $48,090)	478,433	-	-	-	-	-	478,433
Grants	218,824	-	-	-	-	-	218,824
Supporting services	120,479	-	257,801	-	-	(257,801)	120,479
Social enterprise	-	-	48,044	-	-	-	48,044
In-kind contributions	20,111	-	-	-	-	-	20,111
Interest and miscellaneous	13,126	3,230	-	-	-	-	16,356
Net assets released from restriction	14,278	-	-	-	-	-	14,278
Total Support and Revenue	4,581,190	255,171	351,117	163,975	213,513	(602,505)	4,962,461
Operating Expenses:							
Program services	3,644,142	301,808	294,967	117,709	113,061	(602,505)	3,869,182
Management and general	356,985	12,546	75,255	11,340	16,100	-	472,226
Fundraising	293,671	-	2,080	-	-	-	295,751
Total Operating Expenses	4,294,798	314,354	372,302	129,049	129,161	(602,505)	4,637,159
Change in Net Assets Without Donor Restrictions Before Nonoperating Revenue and (Expenses)	286,392	(59,183)	(21,185)	34,926	84,352	-	325,302
Nonoperating Revenue and (Expenses):							
Depreciation	(216,745)	(157,495)	(83,108)	(19,512)	(43,028)	-	(519,888)
Excess (deficit) of support and revenue over expenses of subsidiary	(319,991)	-	-	-	-	323,223	3,232
Interest - residual receipts debt	(102,253)	(106,545)	-	-	(80,872)	-	(289,670)
Partnership loss	(131)	-	-	-	-	-	(131)
Gain (loss) on cancellation of debt	(2,340,772)	-	-	2,340,772	-	-	-
Loss on sale of property	-	-	-	(3,102,469)	-	-	(3,102,469)
Total Nonoperating Revenue and (Expenses)	(2,979,892)	(264,040)	(83,108)	(781,209)	(123,900)	323,223	(806,457)
Change in Net Assets Without Donor Restrictions	(2,693,500)	(323,223)	(104,293)	(746,283)	(39,548)	323,223	(481,155)
Net Assets With Donor Restrictions							
Net assets released from restrictions	(14,278)	-	-	-	-	-	(14,278)
Change in Net Assets With Donor Restrictions	(14,278)	-	-	-	-	-	(14,278)
Total Change in Net Assets	(2,707,778)	(323,223)	(104,293)	(746,283)	(39,548)	323,223	(3,597,902)
Net Assets (Deficit) at Beginning of Year	768,244	(1,723,746)	(1,120,316)	83,520	731,249	1,722,092	461,043
NET ASSETS (DEFICIT) AT END OF YEAR	$ (1,939,534)	$ (2,046,969)	$ (1,224,609)	$ (662,763)	$ 691,701	$ 2,045,315	$ (3,136,859)