

# Agenda

## MEETING OF THE SAN MARCOS COMMUNITY FOUNDATION

**WEDNESDAY, APRIL 9, 2014 – 6:00 P.M.**  
**SAN MARCOS COMMUNITY FOUNDATION**  
**GRANT FUNDING COMMITTEE MEETING**  
**SAN MARCOS ROOM**  
**1 CIVIC CENTER DRIVE**  
**SAN MARCOS, CA 92069**

**Cell Phones:** As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the 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. 3121. Notification 48 hours in advance will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired. Please see the Board Secretary if you wish to use this device.

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

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

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

## AGENDA

### CALL TO ORDER

### ROLL CALL

### OLD BUSINESS

1. GRANT AWARD WORKSHEET. FISCAL YEAR 2013-2014

*Recommendation:* **NOTE & FILE**

### NEW BUSINESS

2. REGULAR GRANT APPLICATION PROPOSALS Consider six (6) Regular Grant proposals by non-profit organizations requesting funds from the Foundation. Recommend Funding to the SMCF Board.

- (A) **TWIN OAKS ELEMENTARY PARENT-TEACHER ORGANIZATION** – Request for funding in the amount of \$10,000 to help fund the Twin Oaks Elementary Art Program to purchase art supplies and provide experienced art teachers.

*Recommendation:* **CONSIDER/RECOMMEND**

- (B) **MAKE-A-WISH FOUNDATION OF SAN DIEGO** – Request for funding in the amount of \$10,000 to help with the cost of fulfilling wishes for children who are battling a life-threatening condition.

*Recommendation:* **CONSIDER/RECOMMEND**

- (C) **THE ELIZABETH HOSPICE FOUNDATION** – Request for funding in the amount of \$10,000 to help fund Hospice Care & Grief Counseling Services for people of all ages regardless of insurance status or ability to pay.

*Recommendation:* **CONSIDER/RECOMMEND**

- (D) **PALOMAR COLLEGE FOUNDATION** – Request for funding in the amount of \$5,000 to help fund the Textbook Assistance Program, which enables all students to have access to the books they need.

*Recommendation:* **CONSIDER/RECOMMEND**

- (E) **THE ANGEL'S DEPOT** – Request for funding in the amount of \$10,000 to help fund the Senior Emergency Meal Box Program which provides a meal box containing specially formulated food to make 21 easily prepared meals for one week to desperately poor, prequalified seniors.

*Recommendation:* **CONSIDER/RECOMMEND**

- (F) **BOYS & GIRLS CLUB OF SAN MARCOS** – Request for funding in the amount of \$10,000 to help expand The Victory Project, an after-school program that provides extra/remedial support for youth who have scored below basic or far below basic in math and reading on standardized testing.

*Recommendation:* **CONSIDER/RECOMMEND**

3. **MINI-GRANT APPLICATION PROPOSALS.** Consider one (1) Mini-Grant proposal by a nonprofit organization requesting funds from the Foundation. Approve Resolution GFC 2014-03 for funding of Mini-Grant.

- (A) **WRITE OUT LOUD** – Request for funding in the amount of \$1,440 to present 12 Kimishibai storytelling presentations by a professional actor/storyteller to San Marcos elementary school students in grades K-2.

*Recommendation:* **CONSIDER/APPROVE**

#### **CONSENT CALENDAR**

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

*Recommendation:* **WAIVE**

5. **APPROVAL OF MINUTES.** SMCF Grant Funding Committee Meeting, March 12, 2014.

*Recommendation:* **CONSIDER/APPROVE**

6. **ORAL COMMUNICATIONS.** Speakers are limited to five minutes. Please complete a "Request to Speak" form and place in basket provided. According to Board policy, FIFTEEN minutes has been established during this portion of the Agenda to allow citizens to speak on any matter NOT listed. The Board is prohibited by state law from taking action on items NOT listed on the Agenda. However, they may refer the matter for a future report and recommendation.

**ITEMS FOR THE GOOD OF THE ORDER**

7. **NEXT MEETING DATE.**

The next meeting of the SMCF Board of Directors is scheduled for Wednesday, May 28, 2014. The next meeting of Grant Funding Committee meeting is scheduled for Wednesday, May 14, 2014.

8. **MISCELLANEOUS.**

9. **ADJOURNMENT.**

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

I, Wendy Kaserman, Recording Secretary of the San Marcos Community Foundation Grant Funding Committee, hereby certify that I caused the posting of this agenda in the glass display case at the north entrance of City Hall on Friday, April 4, 2014 at 5:00pm.

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Wendy Kaserman, Recording Secretary - SMCF

**SAN MARCOS COMMUNITY FOUNDATION**  
**Grants Awarded FY13-14 (As of 3/17/2014)**

Organization	Request	Type	Award	Mtg. Date	Rptg. Date	Report Received	Project Summary
Mission Hills High School	\$4,000-\$6,000	R	<b>\$3,555.00</b>	8/20/2013	2/20/2014	Reporting documentation received 2/20/2014	To help purchase the equipment needed to complete the curriculum for a full year jewelry and metals course. Serves approximately 200 Mission Hills High School students.
North County Health Services	\$7,579.14	R	<b>\$3,780.00</b>	8/20/2013	2/20/2014	Reporting documentation received 2/5/2014	To purchase 2 portable vital signs machines to be used in the San Marcos Health Center's 24 exam rooms. The organization has served just over 18,000 San Marcos residents since 2011.
Casa de Amparo	\$5,000.00	R	<b>\$2,000.00</b>	8/20/2013	2/20/2014		To assist with the organization's Residential Services Program (RSP), specifically costs associated with transporting residents (ages 6-21) to recreational, cultural events, medical and dental appointments, as well as admission costs for recreational and cultural events. Serves 75 San Marcos residents.
Boys and Girls Club of San Marcos	\$10,000.00	R	<b>\$4,339.00</b>	8/20/2013	2/20/2014	Reporting documentation received 2/20/2014	To expand the after school Academic Success program at San Marcos Elementary School and Alvin Dunn Elementary School. Will serve 100 San Marcos residents.
Meals-on-Wheels Greater San Diego, Inc	\$1,500.00	M	<b>\$1,500.00</b>	7/10/2013	1/10/2014	received 1/9/2014	homebound San Marcos seniors. Serves 106 San Marcos
TERI, Inc	\$1,500.00	M	<b>\$1,500.00</b>	7/10/2013	1/10/2014	GFC voted to extend use of funds through 3/2015	To support application to an Institutional Research Board for research to identify the correlation between brain patterns and severity of autism. Will serve 72 San Marcos residents.
<b>Total Grants Awarded Summer Quarter</b> *Excludes Grants Awarded in Summer Quarter 2013 that fell in Previous Fiscal Year <b>\$16,674.00</b>							
Fall Quarter							
Alvin Dunn Elementary School	\$1,469.46	M	<b>\$1,469.46</b>	10/9/2013	4/9/2014		To purchase accessories for the technology classroom at Alvin Dunn Elementary School. Accessories will be used to help students with State standardized testing which is transitioning to an online format. The accessories will also be used to improve sound quality for lessons on tablets, as well as improving the instructor's ability to communicate information to students. Serves approximately 735 San Marcos residents (students)
Meals-on-Wheels Greater San Diego, Inc	\$8,000.00	R	<b>\$7,000.00</b>	11/19/2013	5/19/2013		To assist with the costs of rent for one year (\$10,200) at the organization's North County Service Center in San Marcos. Receiving assistance with rent will allow the organization to spend more funds on meals for homebound seniors in San Marcos. Serves 124 San Marcos residents.



Just in Time for Foster Youth	\$5,000.00	R	\$5,000.00	11/19/2013	5/19/2013		To purchase laptop computers for ten college bound former foster youth enrolled at California State University San Marcos. Request will assist with the organization's goal to help the students beat national averages and graduate college. Serves 10 San Marcos residents
Total Grants Awarded Fall Quarter			\$13,469.46				
Winter Quarter							
Fan of the Feather	\$1,500.00	M	\$1,500.00	2/18/2014	8/18/2014		Request for funding in the amount of \$1,500 for the Stabilization Program for Homeless Veterans to purchase three computers for the facility's internet café and the staff office. Computers will be available for client use as well as use by the organization's program manager. Benefits 20 San Marcos residents.
San Marcos Unified School District	\$5,000.00	R	\$5,000.00	2/18/2014	8/18/2014		To assist with the costs of developing, implementing and conducting an orchestral music program in the San Marcos Unified School District Title 1 Elementary Schools. Serves 60 San Marcos residents.
Solutions for Change	\$10,000.00	R	\$7,000.00	2/18/2014	8/18/2014		To assist with the costs of the Employment Related Training Program which is the first of a four phase workforce development component in the Solutions University Curriculum. Serves 17 San Marcos residents.
Tender Loving Canines Assistance Dogs, Inc.	\$5,930.00	R	\$2,000.00	2/18/2014	8/18/2014		To assist with the costs to acquire, care for, and train dogs that will assist children on the autism spectrum, as well as veterans with Post Traumatic Stress Disorder and Traumatic Stress Disorder and traumatic brain injuries and/or other disabilities. Application does not specific how many residents would be served.
Total Grants Awarded Winter Quarter			\$15,500.00				
Spring Quarter							
Palomar Health Foundation	\$1,500.00	M	\$1,500.00	3/12/2014	9/12/2014		To assist with the costs of treating and collecting forensic evidence for victims of sexual assault and child abuse. Serves approximately 50 San Marcos residents per year.
San Marcos Unified School District	\$1,500.00	M	\$1,500.00	3/12/2014	9/12/2014		To assist with the travel costs of participating in a Model United Nations Conference in New York City. The application states over 120 residents are served through this program.
Total Grants Awarded Spring Quarter			\$3,000.00				
Grants Awarded FY2013-2014 YTD			\$48,643.46				

**Funds Available for Distribution Fiscal Year 2013-2014**

**4%**

**\$47,759**

*Based upon assets available on 6/30/2013 of \$1,193,971.62*

**5%**

**\$59,699**

**Funds Available Per Quarter for Fiscal Year 2013-2014**

**4%**

**\$11,940**

5%

\$14,925

Maximum Remaining Funds Based on Grants Awarded YTD

\$11,055.12

## SAN MARCOS COMMUNITY FOUNDATION

### Summary of Regular & Mini Grant Requests- April 2014

**Available for Distribution: \$11,055**

*Funds for FY13-14 Distribution Based on 6/30/2013 Asset Balance: Between \$47,759 to \$59,699*

*Total FY13-14 Distributions Year to Date= \$48,643.46*

*Remaining Funds for Distribution in FY13-14: \$11,055\**

*\* The first month of the summer quarter falls within this fiscal year*

<b>Applicant</b>	<b>Grant Type</b>	<b>Summary of Request</b>	<b>Requested</b>
Twin Oaks Elementary Parent-Teacher Organization	Regular	To purchase art supplies and provide experienced art teachers for the Twin Oaks Elementary Art Program. Serves 750 San Marcos residents.	\$10,000
Make-A-Wish Foundation of San Diego	Regular	To assist with the costs of fulfilling wishes for children between 2 ½ and 18 with life-threatening medical conditions. Application does not specify how many San Marcos residents would benefit from the program.	\$10,000
The Elizabeth Hospice Foundation	Regular	To help fund Hospice Care & Grief Counseling Services for people of all ages regardless of insurance status or ability to pay. In FY'13 program served 390 San Marcos residents. Does not specify how many San Marcos residents this grant would serve.	\$10,000
Palomar College Foundation	Regular	To help fund the Textbook Assistance Program, which enables all students to have access to the books they need by subsidizing access to books through direct rental by students or through purchase and placement in the library	\$5,000

		of special reserve copies. Serves 300 San Marcos residents.	
The Angel's Depot	Regular	To help fund the Senior Emergency Meal Box Program currently being provided free of charge each month to 60 prequalified San Marcos seniors.	\$10,000
The Boys & Girls Club of San Marcos	Regular	To help expand The Victory Project (formerly the Academic Success Program), an after-school program that provides extra/remedial support for youth in grades 2 <sup>nd</sup> – 5 <sup>th</sup> who have scored below basic or far below basic in math and reading on standardized testing. Serves 120 San Marcos residents.	\$10,000
Write Out Loud	Mini	To present 12 Kimishibai storytelling presentations by a professional actor/storyteller to San Marcos elementary school students in grades K-2. Serves 300 San Marcos residents.	\$1,440
			<b>Total Grants Requested: \$56,440</b>



**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

(Choose one) ☐ MINI-GRANT    ☒ REGULAR GRANT

(Choose one) ☐ GENERAL FUND GRANT    ☐ WILDLIFE FUND GRANT

Project Name: Twin Oaks Elementary Art Program Date Submitted:	Total # of people served: 750 Total # of San Marcos residents served: 750	Amount Requested: \$10,000.00
Non-Profit Organization Name and Address, Website  Twin Oaks Elementary Parent-Teacher Organization 1 Cassou Rd. San Marcos, CA 92069		Contact Person – Name, Title & Phone, email  Kirsten Tremble VP of Fundraising (858) 774-4814 <a href="mailto:ktremble@cox.net">ktremble@cox.net</a>
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The Twin Oaks Elementary Parent-Teacher Organization is requesting this grant to help fund our Art Program. The funds will be used to buy art supplies and provide experienced art teachers for the students of Twin Oaks Elementary.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>We believe that the Art Program is an essential part of a child's education, especially in the elementary school years. With all of the budget cuts and funding issues our schools are experiencing, it is solely up to the Twin Oaks Elementary PTO to fund all art activities and art experiences in our school.</p>		
<p>Please attach the following items.</p> <p><b><u>Both Mini-Grant &amp; Regular:</u></b></p> <ol style="list-style-type: none"><li>1. Budget for request (use SMCF Budget Worksheet)</li><li>2. Annual Operating budget for the organization or unit</li><li>3. Federal &amp; State Tax ID numbers</li><li>4. Board of Directors listing with affiliations</li><li>5. <b>Regular Grants Only:</b><ol style="list-style-type: none"><li>a. 1-2 page narrative</li><li>b. First 2 pages of Federal 990</li><li>c. Most recent year-end Statement or Audit including any management letters associated with Audit.</li><li>d. Optional: letters of support</li></ol></li></ol>		<p>Expected date project will begin: Sept. 2013</p> <p>And end: June 2014</p> <p>Date by which funds will be expended: June 2014</p> <hr/> <p>Send completed application to:</p> <p>San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069</p>

**SAN MARCOS COMMUNITY FOUNDATION**  
**Budget Worksheet**

Provide an itemized list of expenses for this project:

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

3 ea - Liquid Water Color Set of 10	\$ 90.00
70 ea - Prang Water Colors Sets	\$ 205.00
1 ea. - Water Color Glass set 144 tubes	\$ 65.00
12 ea. Acrylic Paint Bottle Qt.	\$ 200.00
15 ea. - Metallic Paints 4oz	\$ 120.00
10 ea. - Tempra Paint Gallon	\$ 225.00
1 ea. - Sulphite Drawing Paper Ream 500 sheet	\$ 120.00
1 ea. - Water Color Paper 500 Sheets	\$ 180.00
8 ea. - Sulphite Color Paper	\$ 120.00
800 ea. - Mini Canvas	\$ 750.00
6 ea. - Special Needs Easy Grip Easy Hold Brush Set 4	\$ 30.00
2 ea. - Royal Big Kid Brushes Set 72	\$ 150.00
2 ea. - Chubby Brushes Kinder 48	\$ 140.00
45 ea. - Watercolor Brushes Class Set	\$ 250.00
45 ea. - Watercolor Palette	\$ 135.00
1 ea. - Drawing and Sketching Class Set	\$ 151.00
35 ea. - Chalk Pastels Set 35 Half Sticks	\$ 265.00
2 ea. - Oil pastels 432	\$ 100.00
40 ea. - Water-Resistant Black Markers	\$ 35.00
70 ea. - Markers Class Set	\$ 120.00
8 ea. - Water Color Pencils Set of 36	\$ 560.00
45 ea. - Kids Aprons	\$ 315.00
5 ea. - Liquid Starch for Paper Mache	\$ 120.00
100 ea. - Foam Brushes	\$ 35.00
Art Teachers Salaries	\$12,000.00

**Total budget for this PROJECT: \$16,481.00**

**Grant Request Amount: \$10,000.00**

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

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

**Please list any other funding sources for this project.**

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

Twin Oaks Elementary Parent-Teacher Organization Fundraising Efforts \*\* Pending

Twin Oaks Elementary PTO 2013/2014 Budget							
Income		Budget	Actual	2012/2013	Expenses		
Carryover 8/15/2013	\$	28,453.41					
Carnival	\$	9,000.00	\$ 8,960.83	\$ 9,913.57	Music	\$ 16,000.00	\$ 8,000.00
Turkey Trot	\$	4,500.00	\$ 5,080.79	\$ 4,586.22	Technology	\$ 13,000.00	\$ 13,422.90
Gift Wrap	\$	4,500.00	\$ 3,962.65	\$ 4,481.66	Art	\$ 12,000.00	\$ 12,000.00
Restaurant Nights	\$	4,500.00	\$ 442.36	\$ 4,937.78	Art Supplies	\$ 600.00	\$ 401.42
Cookie Dough	\$	3,500.00	\$ 12.00	\$ 3,588.40	Noon Supervisor	\$ 5,000.00	\$ 4,000.00
One & Done	\$	3,000.00	\$ 2,600.00	\$ 3,055.00	Connect Ed PACE program	\$ 2,160.00	\$ 1,850.65
General Mills Boxtops	\$	2,000.00	\$ 1,375.72	\$ 2,068.86	Subscriptions (TFK)	\$ 1,300.00	\$ 1,399.14
School Store (Smencils)	\$	2,000.00	\$ 116.55	\$ 418.56	Duplo	\$ 1,100.00	\$ 490.32
Holiday store	\$	2,000.00	\$ 2,152.24	\$ 2,004.22	Reading/Student Awards	\$ 2,000.00	\$ 796.35
Picnic/Art Walk	\$	1,500.00		\$ 1,442.11	Library/Media	\$ 1,000.00	\$ 902.13
Teacher Experiences	\$	1,000.00		\$ 945.00	Assemblies	\$ 1,000.00	\$ 1,366.95
School Dance	\$	500.00		\$ 420.64	Track meet shirts	\$ 700.00	\$ 750.46
Birthday Marquee	\$	500.00	\$ 750.00		Teacher Curriculum	\$ 500.00	\$ 156.00
E-scripProgram	\$	400.00	\$ 210.38	\$ 454.38	Staff Appreciation	\$ 500.00	\$ 324.67
Ralphs	\$	350.00	\$ 402.54	\$ 386.59	Tax Returns	\$ 450.00	\$ 425.00
Target			\$ 1,079.34		Vinyl Signs	\$ 400.00	\$ 335.95
Early Release	\$	350.00	\$ 409.93	\$ 395.00	5th Grade Party	\$ 300.00	\$ 250.00
Movie Night	\$	200.00	\$ 826.25	\$ 16.95	Playground Equipment	\$ 250.00	\$ 350.00
Coffee	\$	200.00	\$ 84.26	\$ 225.75	Insurance PTO	\$ 200.00	\$ 155.00
Donations (Art)	\$	200.00	\$ 600.00	\$ 205.98	PTO Operating	\$ 100.00	\$ 111.95
T-shirts	\$	100.00	\$ 629.44	\$ (158.19)	Running Club	\$ 50.00	\$ 1,599.53
Recycling	\$	50.00	\$ 18.50	\$ 23.15	Tea & Tissues		\$ (21.86)
Yearbook			\$ (6,185.00)	\$ 545.02	Music Supplies (Recorders)		\$ 48.42
Applebee's			\$ 1,023.00		Football Friday		\$ 635.91
							\$ 15.09
Total Income	\$	40,350.00	\$ 24,551.78	\$ 39,956.65	Total Expenses	\$ 58,610.00	\$ 45,146.23
w/ carryover	\$	68,803.41					\$ 53,411.67
			\$ 7,858.96				

updated 2/26/2014



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

DEPARTMENT OF THE TREASURY

Date: JAN 21 2000

TWIN OAKS ELEMENTARY PARENT-TEACHER  
ORGANIZATION  
1 CASSOU RD  
SAN MARCOS, CA 92069

Employer Identification Number:  
33-0814839

DLN:

17053272025029

Contact Person:

MICHAEL A ROSS

ID# 95199

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

June 30

Form 990 Required:

Yes

Addendum Applies:

No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(2).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

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

Letter 947 (DO/CG)



TWIN OAKS ELEMENTARY PARENT-TEACHER

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

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so be sure your return is complete before you file it.

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

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form

TWIN OAKS ELEMENTARY PARENT-TEACHER

990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

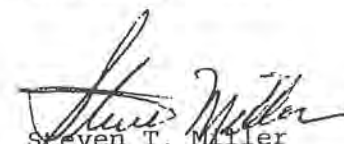
If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

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

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

  
Steven T. Miller  
Director, Exempt Organizations

# Twin Oaks ELEMENTARY

## Parent – Teacher Organization

1 Cassou Road  
San Marcos, CA 92069  
(760) 290-2588 Phone  
(760) 752-3155 Fax  
[www.TwinOaksElementary.org](http://www.TwinOaksElementary.org)

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## **BOARD OF DIRECTORS**

Gwen Snow: President

Maria Duckworth: Vice President

Trevyan Thompson: Treasurer

Sarah Boscia: Secretary

Cindy James: Co-VP of Fundraising

Kirsten Tremble: Co-VP of Fundraising

Megan Tomlin: VP of Activities

Suzanne Ernst: Communications Coordinator

Cesy Velez-Cruz: Volunteers Coordinator

\*\*\*All board members are parents of students at Twin Oaks Elementary and have no affiliations with other organizations

**Federal Tax ID #33-0814839**  
**California State Corp. #9801164**  
**State Charity Reg. #121011**

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The Twin Oaks Elementary Parent-Teacher Organization is an all-volunteer, non-profit organization run by the parents and teachers of students enrolled at Twin Oaks Elementary School in San Marcos, CA. The purpose of our organization is to act in support of the school, the children, the family and the community. We provide and facilitate communication between administrators, faculty and parents, we strive to stimulate an interest in sound education in our members and in the community, and our main contribution has been to generate funds to help support the school and the essential school programs that would not exist if not for the support of our organization. We believe that these programs are extremely important to the success of our students, and feel that they encourage pride and loyalty in our school and in our community.

One of these areas that we feel is essential to a well-rounded education for our students is participation in a fine arts program. Unfortunately, our school's budget has experienced many cuts over the years, and there is no money to fund some of the important programs that our students need. It has become the sole responsibility of the TOES PTO to raise money to fund programs such as art, music, and technology. We are constantly in search of new ways to raise money for these programs, which has become more and more challenging with the state of our country's economy over the past few years. Our board members work tirelessly on fundraising opportunities throughout the school year, but there are limitations in how much we can raise through our families and members of our community. We are a Title 1 school, and cater to a wide range of families - over 50% of which fall below the poverty level. It is becoming more difficult to keep up with the financial demands that these programs require, which has led us to petition your foundation for a Grant in order to guarantee that our students continue to receive the benefits of these important programs - especially our fine arts program.

The main goal of providing art instruction to these Elementary School students is to teach them self expression, and to facilitate creativity, concentration, motivation and teamwork through fine arts. Participating in fine arts also helps students to use creative thinking and higher order reasoning, which are vital skills when learning the Common Core. By providing dedicated art teachers and a wide variety of art mediums, each student is able to participate in art lessons on a regular basis throughout the school year. Lessons typically begin with a brief introduction to an artist and the technique developed by said artist, followed by basic technical instruction and then creation of art using the knowledge and skills they learned. The children are able to gain a deeper understanding and appreciation for art, while expressing their own inner artistic abilities. They participate in making sculptures, using ceramics, learning watercolor techniques and painting, while gaining an understanding of the seven elements of art: color, texture, space, form, shape, value and line. The knowledge and skills the children develop from these lessons will continue to be beneficial across many areas of their education. Research has proven over the years that students who studied the arts for four or more years scored 59 points higher on the verbal section of the SAT and 44 points higher on the math section than students with no experience in the arts (Brudnak,1997).

Not only does art help students in their academic work, kids have a tendency to love things like painting and sculpting so they are naturally motivated by art activities. Most children show a willingness and excitement when it comes to art, and are eager participants in learning about new techniques and art applications. Students also become proud and feel accomplished when their creations are displayed for other students, teachers and parents to admire. At Twin Oaks



Elementary, the teachers and staff proudly display students artwork in their classrooms, common areas such as the library and cafeteria, and in the front office year round for all to see. The Twin Oaks Elementary PTO also sponsors a Fine Arts Fair in the spring, to showcase artwork that students in every grade have worked hard on throughout the school year. We invite local artists and members of the community to join us for this special night, to showcase the progress our students have made, and to encourage support of our art program.

The National Art Education Association released an article by Elliot Eisner, author of *The Arts and the Creation of Mind* outlining 10 key lessons that children are taught through participation in art education. These lessons can prove invaluable to a child's education, and include things such as: good judgment about qualitative relationships, problem solving and understanding that there can be more than one solution or answer, perspective and interpretation of the world, the ability and willingness to surrender to unanticipated possibilities, understanding that small differences can have large effects, employing means through which images become real by utilizing materials, and that art allows feelings which cannot be said to be manifest in poetic capacities and can help a child discover feelings through experiences. These are all important lessons that have long-lasting benefits to our children.

Additionally, there have been many studies over the last 10 years about the potential benefits to having a sustained and comprehensive art program. A 2002 report by the Arts Education Partnership revealed that school children exposed to drama, music and dance are often more proficient at reading, writing, and math (Henry, 2002). The Center for Arts Education published a report in 2009 that suggests arts education may improve graduation rates (Israel, 2009). Another study of Missouri public schools in 2010 found that greater arts education led to fewer disciplinary infractions and higher attendance, graduation rates and test scores (Scheular, 2010). Likewise, in the article, *Learning In and Through the Arts*, it was found that teachers and students alike benefit from schools that have strong art climates. Not only were students at schools with high levels of art education earning higher scores on critical thinking tests, but teachers also seemed happier. Part of the increase in their satisfaction was a result of their charges, who were found to be generally more cooperative and expressive and enjoy a better rapport with educators. (Abeles, H., Burton, J.M., & Horowitz, R., 2000) Overall, it has been well documented that the addition of arts in education has positive and lasting effects on children.

We know that there are many organizations in need of funding for worthwhile projects, and we feel that ours ranks at the top of that list. The fine arts program at Twin Oaks Elementary School will benefit greatly by this Grant money, and we know that it will touch the lives of our students for years to come. We appreciate your consideration, and hope that we have persuaded your foundation to join with us as we invest in the children of San Marcos - the future of our community.

### References:

- Abeles, H., Burton, J.M., & Horowitz, R. (2000) Learning in and through the arts: The question of transfer. *Studies in Art Education, Vol. 41*(3), 228-257. Doi: 10.2307/1320379
- Brudnak, K.A. (1997). Thinking...through the arts. *Learning, 26*(2), 42-46. Retrieved from: <http://search.proquest.com/docview/213902944?accountid=12085>
- Henry, T. (2002, May 19). Study: Arts education has academic effect. *USA Today*. Retrieved from: <http://usatoday30.usatoday.com/news/education/2002-05-20-arts.htm>
- Israel, D. (2009) Staying in school arts education and New York city graduation rates. *The Center for Arts Education*. New York: NY. Retrieved from: [http://www.cae-nyc.org/sites/default/files/docs/CAE\\_Arts\\_and\\_Graduation\\_Report.pdf](http://www.cae-nyc.org/sites/default/files/docs/CAE_Arts_and_Graduation_Report.pdf)
- Scheuler, L. (2010) Art education makes a difference in Missouri schools. *Missouri Alliance for Arts Education*. St. Louis: MO. Retrieved from: <https://www.missouriartscouncil.org/graphics/assets/documents/b657d9fladfc.pdf>

Form **990-EZ****Short Form**  
**Return of Organization Exempt From Income Tax**

OMB No. 1545-1150

**2012**Department of the Treasury  
Internal Revenue Service

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

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

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

**Open to Public  
Inspection**

<b>A</b> For the 2012 calendar year, or tax year beginning <u>7/01</u> , 2012, and ending <u>6/30</u> , 2013	
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> <b>TWIN OAKS ELEMENTARY PTO</b> <b>1 CASSOU RD</b> <b>SAN MARCOS, CA 92069</b>
<b>D</b> Employer identification number <u>33-0814839</u>	
<b>E</b> Telephone number <u>760-290-2588</u>	
<b>F</b> Group Exemption Number, <u>                    </u>	
<b>G</b> Accounting Method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual Other (specify) <u>                    </u>	
<b>I</b> Website: <u>N/A</u>	
<b>J</b> Tax-exempt status (check only one) — <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
<b>K</b> Check <input type="checkbox"/> if the organization is not a section 509(a)(3) supporting organization or a section 527 organization and its gross receipts are normally not more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.	
<b>L</b> Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ <u>                    </u> ► \$ <u>94,793.</u>	

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

<b>REVENUE</b>	1	Contributions, gifts, grants, and similar amounts received. . . . .	1	3,205.
	2	Program service revenue including government fees and contracts. . . . .	2	36,107.
	3	Membership dues and assessments. . . . .	3	
	4	Investment income. . . . .	4	3.
	5a	Gross amount from sale of assets other than inventory. . . . .	5a	
	5b	Less: cost or other basis and sales expenses. . . . .	5b	
	5c	c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a). . . . .	5c	
	6	Gaming and fundraising events		
	a	Gross income from gaming (attach Schedule G if greater than \$15,000). . . . .	6a	
b	Gross income from fundraising events (not including \$ <u>                    </u> of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000). . . . .	6b	55,478.	
c	Less: direct expenses from gaming and fundraising events. . . . .	6c	31,621.	
d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c). . . . .	6d	23,857.	
7a	Gross sales of inventory, less returns and allowances. . . . .	7a		
b	Less: cost of goods sold. . . . .	7b		
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a). . . . .	7c		
8	Other revenue (describe in Schedule O). . . . .	8		
9	<b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8. . . . .	9	63,172.	
<b>EXPENSES</b>	10	Grants and similar amounts paid (list in Schedule O). . . . .	10	
	11	Benefits paid to or for members. . . . .	11	
	12	Salaries, other compensation, and employee benefits. . . . .	12	
	13	Professional fees and other payments to independent contractors. . . . .	13	
	14	Occupancy, rent, utilities, and maintenance. . . . .	14	
	15	Printing, publications, postage, and shipping. . . . .	15	90.
	16	Other expenses (describe in Schedule O) <u>SEE SCHEDULE O</u> . . . . .	16	60,069.
	17	<b>Total expenses.</b> Add lines 10 through 16. . . . .	17	60,159.
<b>NETS</b>	18	Excess or (deficit) for the year (Subtract line 17 from line 9). . . . .	18	3,013.
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return). . . . .	19	23,753.
	20	Other changes in net assets or fund balances (explain in Schedule O). . . . .	20	
	21	<b>Net assets or fund balances at end of year.</b> Combine lines 18 through 20. . . . .	21	26,766.

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

Form 990-EZ (2012)

Check if the organization used Schedule O to respond to any question in this Part II. ☐

Form 990-EZ (2012)



TAXABLE YEAR

2012

# California Exempt Organization Annual Information Return

FORM

199

Calendar Year 2012 or fiscal year beginning month 07 day 01 year 2012, and ending month 06 day 30 year 2013

Corporation/Organization Name

TWIN OAKS ELEMENTARY PTO

California corporation number

9801164

Address (suite, room, or PMB no.)

FEIN

1 CASSOU RD

33-0814839

City

State

ZIP Code

SAN MARCOS

CA

92069

- A** First Return ☐ Yes ☒ No
- B** Amended Return ☐ Yes ☒ No
- C** IRC Section 4947(a)(1) trust ☐ Yes ☒ No
- D** Final Return ☐ Dissolved ☐ Surrendered (Withdrawn)
- ☐ Merged/Reorganized Enter date: \_\_\_\_\_

- J** If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign, or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? ☐ Yes ☒ No
- If 'Yes,' complete and attach form FTB 3509.

**E** Check accounting method:

- 1 ☒ Cash 2 ☐ Accrual 3 ☐ Other

**F** Federal return filed?

- 1 ☐ 990T 2 ☐ 990 (PF) 3 ☐ Sch H (990)

- G** Is this a group filing for the subordinates/affiliates? ☐ Yes ☒ No

If 'Yes,' attach a roster. See instructions

- H** Is this organization in a group exemption? ☐ Yes ☒ No

If 'Yes,' What's the parent's name?

- I** Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? ☐ Yes ☒ No
- If 'Yes,' explain, and attach copies of revised documents.

- K** Is the organization exempt under R&TC Section 23701g? ☐ Yes ☒ No
- If 'Yes,' enter gross receipts from nonmember sources \$ \_\_\_\_\_

- L** If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable, and is supported primarily (50% or more) by public contributions, check box. No filing fee is required. ☒

- M** Is the organization a Limited Liability Company? ☐ Yes ☒ No

- N** Did the organization file Form 100 or Form 109 to report taxable income? ☐ Yes ☒ No

- O** Is the organization under audit by the IRS or has the IRS audited in a prior year? ☐ Yes ☒ No

CACA1112L 10/11/12

**Part I** Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8.	1	91,538.
	2	Gross dues and assessments from members and affiliates.	2	
	3	Gross contributions, gifts, grants, and similar amounts received.	3	3,205.
	4	Total gross receipts for filing requirement test. Add line 1 through line 3.	4	94,743.
	This line must be completed. If the result is less than \$50,000, see General Instruction B...			
	5	Cost of goods sold.	5	
	6	Cost or other basis, and sales expenses of assets sold.	6	
	7	Total costs. Add line 5 and line 6.	7	
Expenses	8	Total gross income. Subtract line 7 from line 4.	8	94,743.
	9	Total expenses and disbursements. From Side 2, Part II, line 18.	9	91,780.
Filing Fee	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8.	10	2,963.
	11	Filing fee \$10 or \$25. See General Instruction F.	11	
	12	Total payments.	12	
	13	Penalties and interest. See General Instruction J.	13	
	14	Use tax. See General Instruction K.	14	
	15	Balance due. Add line 11, line 13, and line 14. Then subtract line 12 from the result.	15	
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	Date	Telephone
Paid Preparer's Use Only	Preparer's signature	PAULA W. TRABER	Date	760-290-2588
	Firm's name (or yours, if self-employed) and address	PAULA W. TRABER, CPA 2156 ROCK GLEN ESCONDIDO, CA 92026	Check if self-employed <input checked="" type="checkbox"/>	PTIN P00103601
				FEIN 20-8296501
				Telephone (760) 744-4553
				May the FTB discuss this return with the preparer shown above? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Twin Oaks Elementary PTO 2012/2013 Budget			
	Income	Budget	Actual
Carryover 7/6/2012	\$	24,237.44	
Bookfair Fall	\$	3,500.00	\$ 1,360.07
Bookfair Spring	\$	2,000.00	\$ 2,023.56
Cookie Dough	\$	7,000.00	\$ 3,588.40
Early Release	\$	1,500.00	\$ 395.00
Donations	\$	50.00	\$ 205.98
Spirit Drive	\$	1,500.00	\$ 3,055.00
E-scripProgram	\$	300.00	\$ 454.38
General Mills Bxotops	\$	2,000.00	\$ 2,068.86
Gift Wrap	\$	10,000.00	\$ 4,481.66
Movie Night	\$	200.00	\$ 16.95
One for books	\$	200.00	\$ 108.00
Picnic/Art Walk	\$	1,000.00	\$ 1,442.11
Spring Photos	\$	50.00	\$ 1,884.25
Ralphs	\$	750.00	\$ 386.59
Recycling	\$	150.00	\$ 23.15
Restaurant Nights	\$	2,000.00	\$ 4,937.78
School Dance	\$	500.00	\$ 420.64
Smencils&Bookmarks	\$		\$ 418.56
T-shirts	\$	100.00	\$ (158.19)
Turkey Trot	\$	5,000.00	\$ 4,586.22
Yearbook	\$		\$ 545.02
Carnival	\$	9,000.00	\$ 9,913.57
holiday store(bingo)	\$		\$ 2,004.22
Coffee	\$		\$ 225.75
<b>Total Income</b>	<b>\$</b>	<b>46,800.00</b>	<b>\$ 42,395.28</b>
w/ carryover	\$	71,037.44	
<b>Money Market Acct.</b>	<b>\$</b>	<b>5,341.45</b>	<b>\$ 16,299.68</b>
	EXPENSES	Budget	Actual
5th Grade Party	\$	500.00	\$ 250.00
Running Club			\$ -21.86
Art Supplies	\$	250.00	\$ 265.94
Assemblies	\$	1,000.00	\$ 1,366.95
Duplo	\$	1,600.00	\$ 1,070.77
Insurance PTO	\$	150.00	\$ 170.00
Library/Media	\$	1,000.00	\$ 528.94
Music	\$	20,000.00	\$ 18,833.52
Noon Supervisor	\$	5,000.00	\$ 2,500.00
PACE program	\$	2,000.00	\$ 2,127.00
Peace/Safety Patrol	\$	200.00	\$ 2,100.00
Playground Equipment	\$	250.00	\$ 350.00
PTO Operating	\$	100.00	\$ 1,599.53
Reading/Student Awards	\$	2,000.00	\$ 2,956.60
Staff Appreciation	\$	500.00	\$ 324.67
Student Council	\$	250.00	\$ 224.08
Subscriptions	\$	1,500.00	\$ 732.55
Biz Town	\$	1,000.00	\$ 280.00
Tax Returns	\$	450.00	\$ 425.00
Teacher Curriculum	\$	500.00	\$ 375.30
Track meet shirts	\$	700.00	\$ 750.46
Technology	\$	21,000.00	\$ 15,447.67
Testing Materials	\$	5,000.00	\$ 21,000.00
art grant	\$	1,500.00	\$ 1,500.00
<b>Total Expenses</b>	<b>\$</b>	<b>64,950.00</b>	<b>\$ 50,333.04</b>
			<b>\$ 49,849.50</b>



# Twin Oaks

## ELEMENTARY

Twin Oaks Elementary School's philosophy is to provide its students with a rich elementary school experience. This experience not only involves rigorous academic programs, but also engages students with essential programs such as art and music. This commitment has been difficult to sustain due to the budgetary issues all schools have faced and the sanctions placed on schools under No Child Left Behind. Over the last few years, Twin Oaks has had to rely heavily on its Parent Teacher Organization (PTO) to support art and music programs. Our PTO recognizes the multitude of benefits a strong art program can provide a child and has tried to maintain the art program through funds they raise. Because of this, there is a large strain annually on their budget.

Research supports regular involvement in the arts increases academic performance and provides students with essential skills needed to be successful in school, such as motivation, concentration, and teamwork. As schools move toward the implementation of the Common Core State Standards (CCSS), the focus on creativity, critical thinking, communication and collaboration becomes essential. Each of these areas are addressed in a strong art program and will enormously benefit students in accessing the demands of the CCSS.

At Twin Oaks, we are fortunate to have two amazing part-time art instructors who have transformed how students engage and interact with art. The concern now lies in being able to maintain a high-quality program with very limited funds. Support from your grant would guarantee the students of Twin Oaks Elementary an enriching art experience throughout the school year.

Thank you so much for your consideration.




Steven Baum  
Principal





**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

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

<b>Project Name:</b> Wish Granting <b>Date Submitted:</b>	<b>Total # of people served:</b> 190 total (SD & Imperial Counties in FY13) <b>Total # of San Marcos residents served:</b> 7 San Marcos Wish Kids in FY13	<b>Amount Requested:</b> \$ 10,000
<b>Non-Profit Organization Name and Address, Website</b> Make-A-Wish Foundation of San Diego 2440 Hotel Circle N., Ste. 200 San Diego, CA 92108 sandiego.wish.org		<b>Contact Person – Name, Title &amp; Phone, email</b> Dana Vandersip Vice President of Development (619) 279-5202 dvandersip@wishesandiego.org
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The mission of Make-A-Wish San Diego is simple yet powerful: We grant the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength and joy. The children we serve range in age from 2 1/2 to 18. Our work is accomplished through a volunteer governing board of directors, a paid staff of 14, and more than 250 dedicated volunteers. It is our purpose to provide every eligible child in San Diego and Imperial Counties with a life-changing experience that is dramatically different from hospitals and treatments. We request \$10,000 to help underwrite the cost of granting wishes to children in the San Marcos community who will be referred for a wish in this current fiscal year (9/1/2013-8/31/2014).</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>A wish offers welcome respite for children and their families -- a time of normalcy, fun, joy and laughter that makes a significant impact on the child's and family's ability to cope with the heart-rending hand they've been dealt. Parents of Wish Kids report the process of dreaming of a wish gives their children the strength to take their medications and get through their treatments. Children report the wish provides light during their darkest days, and helps them start living again. The community is often deeply involved and also benefits, as evidenced by the news coverage received by San Francisco's "Batkid": <a href="http://www.wimp.com/boybatman/">http://www.wimp.com/boybatman/</a>. While few wishes become quite so famous as Batkid's, all wishes positively impact the connecting circles of a Wish Family's friends, family, schoolmates and coworkers.</p>		
<p>Please attach the following items.</p> <p><b><u>Both Mini-Grant &amp; Regular:</u></b></p> <ol style="list-style-type: none"><li>1. Budget for request (use SMCF Budget Worksheet)</li><li>2. Annual Operating budget for the organization or unit</li><li>3. Federal &amp; State Tax ID numbers</li><li>4. Board of Directors listing with affiliations</li><li>5. Signature of President or Authorized Officer on Application- <i>If using a fiscal sponsor, the signature must come from the President or an Authorized Officer of that organization.</i></li><li>6. <b>Regular Grants Only:</b><ol style="list-style-type: none"><li>a. 1-2 page narrative</li><li>b. First 2 pages of Federal 990</li><li>c. Most recent year-end Statement or Audit including any management letters associated with Audit.</li><li>d. Optional: letters of support</li></ol></li></ol>		<p><b>Expected date project will begin/end:</b></p> <p><b>Date by which funds will be expended:</b></p> <p><b>Signature of President or Authorized Officer</b></p> <div style="text-align: center;"> <i>Dana Vandersip</i> <b>VP of Development</b> Name, Title</div> <div style="text-align: right;"><b>3-19-14</b> Date</div>
		<p><b>Submit Via Mail, In Person or Via Email to:</b> San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): <a href="mailto:wkaserman@san-marcos.net">wkaserman@san-marcos.net</a></p>



## San Marcos Community Foundation Budget Worksheet

Each child's wish is different; therefore the projected actual budget varies. The average cost of a wish is \$8,000. Sample expenses include transportation, tickets, food, hotel, and merchandise, depending on the wish. San Marcos Community Foundation funds will only be spent on wish costs.

*Sample Disney World wish budget  
for Family of Four:*

	Projected Cost	In-Kind Value
Airfare (approx. \$320 p/ticket)	\$1,280.00	
Dining	\$1,100.00	
Souvenirs	\$230.00	
Rental Car (Avis)	\$356.00	\$435.00
Gas & Parking	\$100.00	
Tips	\$20.00	
Give Kids the World Support Fee	\$750.00	
GKTW (meals, lodging, extras)		\$1,517.00
Disney World Passes		\$861.00
Universal Studio Passes		\$498.00
SeaWorld Passes		\$245.00
Limo (\$63/hr x 4 hrs)	\$252.00	\$252.00
Disney Wish Kit		\$100.00
Wish Enhancements	\$100.00	
<b>Total</b>	<b>\$4,188.00</b>	<b>\$3,908.00</b>
<b>Projected Wish Total:</b>		<b>\$8,096.00</b>

*Sample Backyard Makeover wish budget:*

	Projected Cost	In-Kind Value
Play Structure	\$4,932.00	\$548.00
Delivery & Assembly	\$325.00	\$325.00
Taxes for Play Structure	\$394.00	
Rubber Mulch	\$1,239.00	\$121.00
Wish Day Meals	\$100.00	\$100.00
Wish Day Transportation	\$378.00	\$378.00
Wish Enhancement	\$100.00	
Wish Day Activity: Legoland		\$370.00
<b>Total</b>	<b>\$7,468.00</b>	<b>\$1,842.00</b>
<b>Projected Wish Total:</b>		<b>\$9,310.00</b>

**Total budget for this PROJECT: See above examples; we are requesting grant funds to help defray the cost of any San Marcos wishes granted in our current FY14 fiscal year**

**Grant Request Amount: \$ 10,000**

Is this a challenge grant? Could it be?

We are not requesting a challenge grant. However, after reviewing our database, we found 70 San Marcos individuals and corporations who donated a total of \$11,737 to Make-A-Wish San Diego in our FY13 (September 1, 2012 through August 31, 2013). Should the San Marcos Community Foundation wish to donate as a challenge grant, we would be pleased to reach out to our San Marcos donors to share that news and ask them to donate toward a match. We welcome suggestions on other donors to approach in San Marcos.

**Please list any other funding sources for this project.**

Make-A-Wish Foundation of San Diego has not sought funds specifically for Wish Kids from San Marcos from any other funding entity or individual. As you can see from the sample budgets above, we seek and receive in-kind support for all Disney Wishes and virtually all other types of wishes that make a significant difference in the cash cost of a wish. We also fund our wishes through a combination of support from corporations, foundations, and individuals, obtained through fundraising events, direct mail appeals, and face-to-face solicitations.

Make-A-Wish of San Diego  
Budget Draft for Fiscal Year 2013  
9/1/2013--8/31/2014  
Prepared by JS on 8/13/2013

	2014 Budget Cash		2014 Budget Accrual	
<b>Contribution Revenue</b>				
Direct Public Support	\$	779,500	\$	779,500
Corporate Gifts		368,500		368,500
Planned Giving		70,000		70,000
Indirect Public Support		110,000		110,000
In Kind Contributions	A	0	A	693,370
Internal Special Events		558,850		558,850
External Special Events		436,000		436,000
Grants		137,000		137,000
Total Contributions		<u>2,459,850</u>		<u>3,153,220</u>
<b>Earned Revenues</b>				
Wish Assist Income		50,000		50,000
Investment Gains		260,000		260,000
Total Earned Revenues		<u>310,000</u>		<u>310,000</u>
<b>Total Revenue and contributions</b>	\$	<u>2,769,850</u>	\$	<u>3,463,220</u>
<b># of wishes</b>		205		205
Direct cost per wish--cash		5,799		5,799
Direct cost per wish--in kind				3,345
Total cost of wish cash + in kind				9,144
<b>Expenses</b>				
Direct Cost of Wishes	\$	1,188,890	\$	1,188,890
In Kind Wish expenses	A	0	A	685,670
Personnel compensation		923,084		923,084
Employee Benefits		77,768		77,768
Payroll Taxes		76,116		76,116
Professional Fees		45,475		45,475
Office Supplies		16,000		16,000
Telephone and Internet		11,700		11,700
Postage and Shipping		12,500		12,500
Occupancy/Storage/Utilities		106,476		106,476
Equipment Lease and R&M		15,639		15,639
Printing and video		26,900		26,900
Travel Expenses		26,250		26,250
Donor care and event expenses		55,150		55,150
Membership Dues		3,500		3,500
National Membership Dues		95,000		95,000
Workman's Compensation Ins.		9,000		9,000
Miscellaneous Expenses		29,130		29,130
Depr. and Amortization Exp.	B	0	B	29,240
Total Expenses	\$	<u>2,718,578</u>	\$	<u>3,433,488</u>
<b>Net deficit</b>	\$	<u>51,272</u>	\$	<u>29,732</u>

A In Kind donations included in the accrual budget but excluded from the cash budget

B Depreciation expense is excluded from the cash budget but included in the accrual budget

## Make-A-Wish San Diego Board of Directors 2013-14

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Shelley Woodrow, VP, Cox Media



## **Request for Support from the San Marcos Community Foundation**

### **Narrative**

#### **Introduction**

Make-A-Wish San Diego® requests the San Marcos Community Foundation directly impact the well-being of children from San Marcos who are battling a life-threatening medical condition, by helping to underwrite the direct cost of wishes we grant from September 1, 2013 to August 31, 2014. We request \$10,000 for that purpose.

As described in our application form, our mission is to grant the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength and joy. So that no eligible child has to wait for their wish, we count on benefactors from our community to provide the necessary funding. An average wish costs \$8,000, and this year, we expect to grant at least 205 wishes, including approximately 7 wishes to kids from San Marcos.

#### **The San Marcos Community**

So far this year, we've granted or are in the process of granting wishes to the following 9 kids from San Marcos:

- Jade, age 8, cancer. Her Wish to go to Disney World was granted in December 2013.
- Alex, age 8, unknown neurological condition. He was granted his wish to go on a Hong Kong shopping spree for superhero action figures was granted in September.
- Kathryn, age 2 ½, leukemia. She wishes to go to Disney World and Give Kids the World.
- Briana, age 16, cancer. She wishes to go to Tahiti with her family.
- Grace, age 5, heart condition. She wishes to go to Disney World to meet Ariel.

Four additional San Marcos children so far this year have been referred to us for whom we are awaiting eligibility approval. The child's physician is responsible for determining eligibility based on medical condition.

Since the year 2000 (when we converted to a new database), we have granted



wishes to 45 children from San Marcos. The annual breakdown is as follows:

2013	4
2012	7
2011	4
2010	5
2009	4
2008	6
2007	1
2006	1
2005	5
2004	1
2003	1
2002	1
2001	3
2000	2

These numbers reflect children who had their wishes *come true*. The wish process begins with a referral, which must happen before a child turns 18, and ends with the wish, with no deadline for a wish to be completed.

### **The Power of a Wish**

While a wish on its own is not a cure, 75% of medical professionals surveyed believed that the wish has the ability to affect a child's physical health. In addition, 89% of wish parents surveyed told us that the wish experience restored their families and 99% said that the wish had a positive effect on their child's willingness to comply with treatments.

All of the families of the children who receive a wish benefit from the experience. Because we include them in every step of the process, more than 10,000 family members have been able to *share the power of a wish*® since 1983. We find that the wish has a "ripple effect," positively touching the lives of many people who play even the most minor role – from restaurant servers, store clerks, grandparents and friends, and even those who hear about the wish in the media or from someone they know. This is what we refer to as *the power of a wish*.

### **Conclusion**

Make-A-Wish will continue to positively impact the San Marcos community through our ongoing granting of wishes to children in the community. We are grateful for the San Marcos Community Foundation's consideration of a \$10,000 grant to help underwrite these wishes.

Form **990****Return of Organization Exempt From Income Tax****2012**Department of the Treasury  
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)Open to Public  
Inspection

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

**A** For the 2012 calendar year, or tax year beginning **SEP 1, 2012** and ending **AUG 31, 2013**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>Make-A-Wish Foundation of San Diego</b>		<b>D</b> Employer identification number <b>33-0039466</b>
	Doing Business As		<b>E</b> Telephone number <b>(858) 707-9474</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>G</b> Gross receipts \$ <b>6,582,933.</b>
	<b>2440 Hotel Circle North</b>	<b>200</b>	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City, town, or post office, state, and ZIP code <b>San Diego, CA 92108</b>		<b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>F</b> Name and address of principal officer: <b>Christopher Sichel</b> <b>same as C above</b>			<b>H(c)</b> Group exemption number
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
<b>J</b> Website: <b>www.wishsandiego.org</b>			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			<b>L</b> Year of formation: <b>1984</b> <b>M</b> State of legal domicile: <b>CA</b>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>The Make-A-Wish Foundation of San Diego grants the wishes of children with life-threatening</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>19</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>19</b>
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b>	<b>16</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>240</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
		<b>2,149,000.</b>	<b>2,747,939.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>59,100.</b>	<b>52,375.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>159,217.</b>	<b>278,546.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>102,588.</b>	<b>84,862.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>2,469,905.</b>	<b>3,163,722.</b>
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>1,341,469.</b>	<b>1,818,490.</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b>	<b>0.</b>
<b>Expenses</b>	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>927,058.</b>	<b>964,571.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b>	<b>0.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	<b>419,010.</b>	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>500,404.</b>	<b>492,672.</b>
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>2,768,931.</b>	<b>3,275,733.</b>
	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>-299,026.</b>	<b>-112,011.</b>
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
		<b>5,668,413.</b>	<b>5,659,732.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>680,462.</b>	<b>702,976.</b>
<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>4,987,951.</b>	<b>4,956,756.</b>	

**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.

<b>Sign Here</b>	Signature of officer		Date
	<b>Christopher Sichel, CEO</b>		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date
	<b>Melody S Thornton</b>	<b>Melody S Thornton</b>	
	Firm's name	Firm's EIN	PTIN
	<b>MS Thornton CPA</b>	<b>01-0805059</b>	<b>P00012351</b>
	Firm's address	Phone no.	
	<b>PO Box 1059</b> <b>Cardiff, CA 92007</b>	<b>619-990-2832</b>	

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

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

The Make-A-Wish Foundation of San Diego grants the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength, and joy.

**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 \$ 2,451,981. including grants of \$ 1,818,490. ) (Revenue \$ 52,375. )  
 Make-A-Wish San Diego grants the wishes of children between the ages of 2.5 and 18 who have been determined to have a life-threatening medical condition and qualify for our wish program. A total of 190 wishes were granted during the year. Total cost of wishes granted for the fiscal year were \$1,838,785. Of this amount, \$589,759 was contributed by various vendors who provided In-Kind contributions of services such as travel and travel services, transportation, lodging and other services, and use of facilities to complete a child's wish. For financial statement purposes, these amounts are included as contribution revenue and granted wish expense. For form 990, however, the IRS requires that \$22,582 of contributed services and use of facilities be excluded from both revenue and expense.

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

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

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

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

**4e** Total program service expenses **2,451,981.**



**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	<input checked="" type="checkbox"/>	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	<input checked="" type="checkbox"/>	
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		<input checked="" type="checkbox"/>
4 <b>Section 501(c)(3) organizations.</b> 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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	
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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<input checked="" type="checkbox"/>	
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	<input checked="" type="checkbox"/>	
<b>23</b> 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? <i>If "Yes," complete Schedule J</i>	<input checked="" type="checkbox"/>	
<b>24a</b> 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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		<input checked="" type="checkbox"/>
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		<input checked="" type="checkbox"/>
<b>b</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? <i>If "Yes," complete Schedule L, Part I</i>		<input checked="" type="checkbox"/>
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		<input checked="" type="checkbox"/>
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		<input checked="" type="checkbox"/>
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		<input checked="" type="checkbox"/>
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	<input checked="" type="checkbox"/>	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		<input checked="" type="checkbox"/>
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		<input checked="" type="checkbox"/>
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		<input checked="" type="checkbox"/>
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		<input checked="" type="checkbox"/>
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		<input checked="" type="checkbox"/>
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?		<input checked="" type="checkbox"/>
<b>b</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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		<input checked="" type="checkbox"/>
<b>37</b> 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? <i>If "Yes," complete Schedule R, Part VI</i>		<input checked="" type="checkbox"/>
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	<input checked="" type="checkbox"/>	

Note. All Form 990 filers are required to complete Schedule O.

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	6	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	16	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> 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	<b>Section 501(c)(12) organizations.</b> 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	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> 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	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	



**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

**Section A. Governing Body and Management**

	1a	1b	2	3	4	5	6	7a	7b	8a	8b	9	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year	19													
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.														
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent		19												
<b>2</b> 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?														X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?														X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?														X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?														X
<b>6</b> Did the organization have members or stockholders?														X
<b>7a</b> 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?														X
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?														X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:														
<b>a</b> The governing body?										X				
<b>b</b> Each committee with authority to act on behalf of the governing body?										X				
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O														X

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

	10a	10b	11a	12a	12b	12c	13	14	15a	15b	16a	16b	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates?														X
<b>b</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?														
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?			X											
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.														
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13				X										
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?				X										
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done				X										
<b>13</b> Did the organization have a written whistleblower policy?				X										
<b>14</b> Did the organization have a written document retention and destruction policy?				X										
<b>15</b> 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?														
<b>a</b> The organization's CEO, Executive Director, or top management official				X										
<b>b</b> Other officers or key employees of the organization														X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).														
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?														X
<b>b</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?														

**Section C. Disclosure**

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

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **John Sleeper - (858) 707-9474**  
**2440 Hotel Circle North #200, San Diego, CA 92108**

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Craig Nichols Chair	5.00	X		X				0.	0.	0.
(2) Jane McAuliffe Vice Chair	1.00	X		X				0.	0.	0.
(3) Jarrod Dillon Secretary	1.00	X		X				0.	0.	0.
(4) Melody Thornton Treasurer	2.00	X		X				0.	0.	0.
(5) Jeff Davids Board Member	1.00	X						0.	0.	0.
(6) Tom Drake Board Member	1.00	X						0.	0.	0.
(7) Keith Eck Board Member	1.00	X						0.	0.	0.
(8) Matt Greene Board Member	1.00	X						0.	0.	0.
(9) George H. Kaelin III Board Member	1.00	X						0.	0.	0.
(10) Richard Kelley Board Member	1.00	X						0.	0.	0.
(11) Kurt Kicklighter Board Member	1.00	X						0.	0.	0.
(12) Gary Meads Board Member	1.00	X						0.	0.	0.
(13) Dan Novak Board Member	1.00	X						0.	0.	0.
(14) Denny O'Leary Board Member	1.00	X						0.	0.	0.
(15) Irene Oberbauer Past Chair	3.00	X						0.	0.	0.
(16) Gary Palmer Board Member	1.00	X						0.	0.	0.
(17) Katherine K. Pothier Board Member	1.00	X						0.	0.	0.



**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 line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Karen Sedgwick Tyler Board Member	1.00	X						0.	0.	0.
(19) Jim Steeg Board Member	1.00	X						0.	0.	0.
(20) Christopher J. Sichel President & CEO	45.00			X				154,465.	0.	23,476.
<b>1b Sub-total</b>								154,465.	0.	23,476.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								154,465.	0.	23,476.

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 **1**

	Yes	No
3 Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		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	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		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
NONE		

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 to any question 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, 513, or 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns	<b>1a</b>					
	<b>b</b> Membership dues	<b>1b</b>					
	<b>c</b> Fundraising events	<b>1c</b>	357,494.				
	<b>d</b> Related organizations	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	2,390,445.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$		620,795.				
	<b>h Total.</b> Add lines 1a-1f			2,747,939.			
<b>Program Service Revenue</b>	<b>2 a</b> Wish Assist Fees	Business Code	900099	52,375.	52,375.		
	<b>b</b>						
	<b>c</b>						
	<b>d</b>						
	<b>e</b>						
	<b>f</b> All other program service revenue						
	<b>g Total.</b> Add lines 2a-2f			52,375.			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts)			159,309.			159,309.
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties						
	<b>6 a</b> Gross rents	(i) Real	(ii) Personal				
	<b>b</b> Less: rental expenses						
	<b>c</b> Rental income or (loss)						
	<b>d</b> Net rental income or (loss)						
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses						
	<b>c</b> Gain or (loss)						
	<b>d</b> Net gain or (loss)			119,237.			119,237.
	<b>8 a</b> Gross income from fundraising events (not including \$ 357,494. of contributions reported on line 1c). See Part IV, line 18	<b>a</b>	210,252.				
	<b>b</b> Less: direct expenses	<b>b</b>	186,312.				
	<b>c</b> Net income or (loss) from fundraising events			23,940.			23,940.
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>	63,326.				
<b>b</b> Less: direct expenses	<b>b</b>	2,404.					
<b>c</b> Net income or (loss) from gaming activities			60,922.			60,922.	
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>a</b>						
<b>b</b> Less: cost of goods sold	<b>b</b>						
<b>c</b> Net income or (loss) from sales of inventory							
<b>Miscellaneous Revenue</b>			Business Code				
<b>11 a</b>							
<b>b</b>							
<b>c</b>							
<b>d</b> All other revenue							
<b>e Total.</b> Add lines 11a-11d							
<b>12 Total revenue.</b> See instructions.				3,163,722.	52,375.	0.	363,408.

**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 to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	50,000.	50,000.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	1,768,490.	1,768,490.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	181,097.	100,201.	34,825.	46,071.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	655,621.	269,414.	208,019.	178,188.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	61,509.	29,130.	16,180.	16,199.
10 Payroll taxes	66,344.	28,145.	18,828.	19,371.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	12,405.	1,969.	10,436.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	38,646.		38,646.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	3,230.		3,230.	
12 Advertising and promotion	27,508.			27,508.
13 Office expenses	116,147.	36,498.	15,460.	64,189.
14 Information technology				
15 Royalties				
16 Occupancy	118,348.	55,090.	33,518.	29,740.
17 Travel	15,979.	6,195.	3,106.	6,678.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	19,933.	5,395.	4,452.	10,086.
20 Interest				
21 Payments to affiliates	94,224.	74,624.	8,298.	11,302.
22 Depreciation, depletion, and amortization	24,919.	11,712.	6,977.	6,230.
23 Insurance	6,936.	3,260.	1,942.	1,734.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Volunteer Program	10,603.	10,603.		
b Membership Dues	3,794.	1,255.	825.	1,714.
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	3,275,733.	2,451,981.	404,742.	419,010.
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)

**Part X Balance Sheet**Check if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash - non-interest-bearing	213,759.	1	176,335.
	2 Savings and temporary cash investments	170,102.	2	43,165.
	3 Pledges and grants receivable, net	96,745.	3	92,406.
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	29,824.	9	30,334.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 134,183.		
	b Less: accumulated depreciation	10b 90,371.	10c	43,812.
	11 Investments - publicly traded securities	4,856,434.	11	4,999,010.
	12 Investments - other securities. See Part IV, line 11	129,697.	12	134,249.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	121,411.	15	140,421.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	5,668,413.	16	5,659,732.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses	160,169.	17	186,222.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	36,130.	23	27,525.
	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	484,163.	25	489,229.
	26 <b>Total liabilities.</b> Add lines 17 through 25	680,462.	26	702,976.
	<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>		
27 Unrestricted net assets		4,915,990.	27	4,900,251.
28 Temporarily restricted net assets		71,961.	28	56,505.
29 Permanently restricted net assets			29	
<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 <b>Total net assets or fund balances</b>		4,987,951.	33	4,956,756.
34 <b>Total liabilities and net assets/fund balances</b>		5,668,413.	34	5,659,732.

Form 990 (2012)



**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,163,722.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,275,733.
3	Revenue less expenses. Subtract line 2 from line 1	3	-112,011.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,987,951.
5	Net unrealized gains (losses) on investments	5	80,816.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,956,756.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		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 in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2012)



**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Name of the organization

**Make-A-Wish Foundation of San Diego**

Employer identification number

**33-0039466**

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I      b ☐ Type II      c ☐ Type III - Functionally integrated      d ☐ Type III - Non-functionally integrated
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		
- (ii) A family member of a person described in (i) above? \_\_\_\_\_
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? \_\_\_\_\_
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

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

Schedule A (Form 990 or 990-EZ) 2012

**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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,921,617.	2,139,060.	1,778,809.	1,782,725.	2,747,939.	10,370,150.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 <b>Total.</b> Add lines 1 through 3	1,921,617.	2,139,060.	1,778,809.	1,782,725.	2,747,939.	10,370,150.
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)						68,768.
6 <b>Public support.</b> Subtract line 5 from line 4.						10,301,382.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	1,921,617.	2,139,060.	1,778,809.	1,782,725.	2,747,939.	10,370,150.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	153,280.	147,035.	121,707.	175,415.	159,309.	756,746.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	365,980.	381,321.	472,029.	660,520.	273,578.	2,153,428.
11 <b>Total support.</b> Add lines 7 through 10						13,280,324.
12 Gross receipts from related activities, etc. (see instructions)					12	52,375.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	77.57 %
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	74.85 %
16a <b>33 1/3% support test - 2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b <b>33 1/3% support test - 2011.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a <b>10% -facts-and-circumstances test - 2012.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>10% -facts-and-circumstances test - 2011.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2012

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> 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 .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</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 .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.) .....						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) .....						

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ..... ☐

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>		%
<b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15 .....	<b>16</b>		%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>		%
<b>18</b> Investment income percentage from 2011 Schedule A, Part III, line 17 .....	<b>18</b>		%

**19a 33 1/3% support tests - 2012.** 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 - 2011.** 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 ..... ☐

## 2012

\*\*\* Not Open to Public Inspection \*\*\*

223171 05-01-12



**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

**2012**

Name of the organization

Employer identification number

Make-A-Wish Foundation of San Diego

33-0039466

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 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, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

☒ For a section 501(c)(3) organization 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) and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to 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. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), 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 Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**LHA** For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2012)



Name of organization

Employer identification number

Make-A-Wish Foundation of San Diego

33-0039466

**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		\$ 612,798.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 106,579.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		\$ 92,845.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5		\$ 41,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6		\$ 52,352.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

Make-A-Wish Foundation of San Diego

33-0039466

**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
7		\$ 58,686.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8		\$ 129,615.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9		\$ 100.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10		\$ 61,362.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11		\$ 60,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

Make-A-Wish Foundation of San Diego

33-0039466

**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
4	Travel, M&E, Supplies, Frequent Flyer Miles	\$ 91,196.	08/31/13
6	Bowl games tickets, luncheon tickets	\$ 52,352.	12/26/12
7	Travel, lodging	\$ 58,686.	08/31/13
9	Gift Card	\$ 100.	08/01/13
10	Theme Park Tickets, Cruise Ship Tickets	\$ 61,362.	08/31/13
		\$	

Name of organization

Employer identification number

Make-A-Wish Foundation of San Diego

33-0039466

**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. 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.) ▶ \$

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(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," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Name of the organization

Make-A-Wish Foundation of San Diego

Employer identification number

33-0039466

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate 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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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 8/17/06, and not on a historic structure listed in the National Register	2d

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, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, 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" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (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 SFAS 116 (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) Revenues included in 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 SFAS 116 (ASC 958) relating to these items:

a Revenues included in 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 are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs  
 b ☐ Scholarly research e ☐ Other \_\_\_\_\_  
 c ☐ Preservation for future generations

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" to 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
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

**Part V Endowment Funds.** Complete if the organization answered "Yes" to 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	129,697.	128,914.	117,976.	113,640.	100,000.
b Contributions					
c Net investment earnings, gains, and losses	10,672.	5,888.	10,938.	4,336.	13,969.
d Grants or scholarships					
e Other expenditures for facilities and programs	5,459.				329.
f Administrative expenses	661.	5,105.			
g End of year balance	134,249.	129,697.	128,914.	117,976.	113,640.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☒ 100.00 %  
 b Permanent endowment ☐ %  
 c Temporarily restricted endowment ☐ %

The percentages in 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:

- (i) unrelated organizations  
 (ii) related organizations

	Yes	No
3a(i)	X	
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** 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				
b Buildings				
c Leasehold improvements				
d Equipment		134,183.	90,371.	43,812.
e Other				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				43,812.

Schedule D (Form 990) 2012

**Part VII Investments - Other Securities.** 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. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(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. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) .....	
(2) .....	
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
(10) .....	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Accrued Pending Wish Costs	463,727.
(3) Due to Related Entities	25,502.
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
(10) .....	
(11) .....	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	
	489,229.

2. FIN 48 (ASC 740) Footnote. 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 FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	3,236,053.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	80,816.
b	Donated services and use of facilities	2b	30,161.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	110,977.
3	Subtract line 2e from line 1	3	3,125,076.
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	38,646.
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	38,646.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	3,163,722.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	3,267,248.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	30,161.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	30,161.
3	Subtract line 2e from line 1	3	3,237,087.
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	38,646.
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	38,646.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	3,275,733.

**Part XIII Supplemental Information**

Complete this part to 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.

Part V, line 4: The intended use of the endowment funds is to support

the organization's mission to grant wishes to children with

life-threatening medical conditions.

Part X, Line 2: The Foundation is a not-for-profit organization exempt from federal and California taxes under provisions of the Internal Revenue Code Section 501(c)(3) and Section 23701d of the California Revenue and Taxation Code. However, the Foundation remains subject to income taxes on

Schedule D (Form 990) 2012



**Part XIII** Supplemental Information (continued)

any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole.

The Foundation follows the provisions of ASC Topic 740, Income Taxes, which 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, and provides guidance on de-recognition, classification, interest and penalties, disclosure, and transition. Management believes that no such uncertain tax position requiring accrual or disclosure exists for the Foundation at August 31, 2013 or 2012.

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 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. ▶ See separate instructions.**

OMB No. 1545-0047

2012

### Open To Public Inspection

Name of the organization

Make-A-Wish Foundation of San Diego

Employer identification number

33-0039466

## Part I

**Fundraising Activities.** Complete if the organization answered "Yes" to 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

- 2 a** 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 ten 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?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
<b>Total</b> .....						

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.

[illegible]

**Part II Fundraising Events.** Complete if the organization answered "Yes" to 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 Tuna Challenge	(b) Event #2 Roll Out the Barrel	(c) Other events 2	(d) Total events (add col. (a) through col. (c))
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts .....	215,817.	154,486.	197,443.	567,746.
	2 Less: Contributions .....	140,679.	97,980.	118,835.	357,494.
	3 Gross income (line 1 minus line 2) .....	75,138.	56,506.	78,608.	210,252.
Direct Expenses	4 Cash prizes .....				
	5 Noncash prizes .....	46,859.			46,859.
	6 Rent/facility costs .....		19,819.	13,927.	33,746.
	7 Food and beverages .....	42,387.	38,161.	25,159.	105,707.
	8 Entertainment .....				
	9 Other direct expenses .....				
	10 Direct expense summary. Add lines 4 through 9 in column (d) .....				186,312.
	11 Net income summary. Combine line 3, column (d), and line 10 .....				23,940.

**Part III Gaming.** Complete if the organization answered "Yes" to 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 col. (a) through col. (c))
Revenue	1 Gross revenue .....			46,176.	46,176.
	2 Cash prizes .....				
Direct Expenses	3 Noncash prizes .....				
	4 Rent/facility costs .....				
	5 Other direct expenses .....			2,404.	2,404.
	6 Volunteer labor .....	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes 100.00 % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) .....				2,404.
	8 Net gaming income summary. Combine line 1, column d, and line 7 .....				43,772.

9 Enter the state(s) in which the organization operates gaming activities: **CA**a Is the organization licensed to operate gaming activities in each of these states? ☒ Yes ☐ No

b If "No," explain: \_\_\_\_\_

10a 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 operate 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 operated in:
- |                               |     |          |
|-------------------------------|-----|----------|
| a The organization's facility | 13a | .00 %    |
| b An outside facility         | 13b | 100.00 % |
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ John SleeperAddress ▶ 2440 Hotel Circle North #200 - San Diego, CA 92108

- 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

## 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 ▶ \$ 47,112.

**Part IV** **Supplemental Information.** Complete this part to 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 complete this part to provide any additional information (see instructions).

## Part III, Line 17b

## Distributions Required Under State Law

In accordance with Section 320.5 of the California Penal Code, eligible tax-exempt nonprofit organizations are required to distribute at least 90% of the gross gaming proceeds for charitable purposes. The foundation utilized \$52,347 for its own charitable purposes.



Name of the organization

Part I	General Information on Grants and Assistance
--------	--

Employer identification number  
33-0039466

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

**2. Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.**

**Part II**

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

[illegible]

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

**3** Enter total number of other organizations listed in the line 1 table

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

Schedule I (Form 990) (2012)

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Wishes Granted	190	1,180,995.	585,208. FMV		Travel, Meals & Entertainment, Supplies

**Part IV** Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Schedule I, Part I, Line 2: The grant to the Make-A-Wish Foundation of Utah was provided as part of the National Make-A-Wish Foundation Wish Fulfillment Fund. The grant was paid directly to MAW Utah and no additional monitoring was deemed necessary.

**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" to Form 990,  
Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

**Make-A-Wish Foundation of San Diego**

Employer identification number

**33-0039466**

**Part I Questions Regarding Compensation**

	Yes	No								
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <table border="0"><tr><td><input type="checkbox"/> First-class or charter travel</td><td><input type="checkbox"/> Housing allowance or residence for personal use</td></tr><tr><td><input type="checkbox"/> Travel for companions</td><td><input type="checkbox"/> Payments for business use of personal residence</td></tr><tr><td><input type="checkbox"/> Tax indemnification and gross-up payments</td><td><input type="checkbox"/> Health or social club dues or initiation fees</td></tr><tr><td><input type="checkbox"/> Discretionary spending account</td><td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td></tr></table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<b>b</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	<b>1b</b>									
<b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	<b>2</b>									
<b>3</b> Indicate which, if any, of the following the filing 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. <table border="0"><tr><td><input type="checkbox"/> Compensation committee</td><td><input type="checkbox"/> Written employment contract</td></tr><tr><td><input type="checkbox"/> Independent compensation consultant</td><td><input checked="" type="checkbox"/> Compensation survey or study</td></tr><tr><td><input checked="" type="checkbox"/> Form 990 of other organizations</td><td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td></tr></table>	<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<b>4</b> During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:										
<b>a</b> Receive a severance payment or change-of-control payment?	<b>4a</b>	<b>X</b>								
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?	<b>4b</b>	<b>X</b>								
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?	<b>4c</b>	<b>X</b>								
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.										
<b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</b>										
<b>5</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:										
<b>a</b> The organization?	<b>5a</b>	<b>X</b>								
<b>b</b> Any related organization?	<b>5b</b>	<b>X</b>								
If "Yes" to line 5a or 5b, describe in Part III.										
<b>6</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:										
<b>a</b> The organization?	<b>6a</b>	<b>X</b>								
<b>b</b> Any related organization?	<b>6b</b>	<b>X</b>								
If "Yes" to line 6a or 6b, describe in Part III.										
<b>7</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	<b>7</b>	<b>X</b>								
<b>8</b> Were any amounts reported in 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	<b>8</b>	<b>X</b>								
<b>9</b> If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	<b>9</b>									

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

Schedule J (Form 990) 2012





Part III	Supplemental Information
----------	--------------------------

Complete this part to 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.

This image shows a blank sheet of white paper with vertical ruling lines. The lines are evenly spaced and run from the top to the bottom of the page. There are no margins, text, or other markings on the paper.

**SCHEDULE M**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

► **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**  
► **Attach to Form 990.**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

Name of the organization

**Make-A-Wish Foundation of San Diego**

Employer identification number

**33-0039466**

**Part I** **Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ( Lodging, trav )	X	120	228,796.	Retail Value
26 Other ► ( Frequent Flye )	X	302	95,696.	Retail Value
27 Other ► ( Wish Goods )	X	130	56,061.	Retail Value
28 Other ► ( Sporting tick )	X	4	40,226.	Retail Value

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** **0**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	X	
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2012)

**Part II Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.**Part I, Other Types of Property:**Bowl Game lunch, sweatshirts

(a) Check if applicable = X

(b) Number of Contributions = 600

(c) Revenue Reported on Form 990, Part VIII \$ 12631.

(d) Method of determining revenue: Retail Value

Computer equipment, games, toys

(a) Check if applicable = X

(b) Number of Contributions = 3

(c) Revenue Reported on Form 990, Part VIII \$ 8056.

(d) Method of determining revenue: Retail Value

Hot Tub

(a) Check if applicable = X

(b) Number of Contributions = 1

(c) Revenue Reported on Form 990, Part VIII \$ 5644.

(d) Method of determining revenue: Retail Value

Party Wish, In-Kind

(a) Check if applicable = X

(b) Number of Contributions = 3

(c) Revenue Reported on Form 990, Part VIII \$ 5500.

(d) Method of determining revenue: Retail Value

Shopping/Gift Cards

(a) Check if applicable = X

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

(b) Number of Contributions = 22

(c) Revenue Reported on Form 990, Part VIII \$ 1800.

(d) Method of determining revenue: Retail Value

Schedule M, Part I, Column (b): The number of contributions was estimated for many of the smaller items. The organization has specific records for all of the large items.

Schedule M, Line 32b: Car and truck donations are made to an organization called Car Donation Foundation who accepts the donation, sells the vehicle and then donates the cash to Make-A-Wish Foundation of San Diego.



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

OMB No. 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

Make-A-Wish Foundation of San Diego

Employer identification number  
33-0039466

Form 990, Part I, Line 1, Description of Organization Mission:

medical conditions to enrich the human experience with hope, strength  
and joy.

Form 990, Part VI, Section B, line 11: The foundation's treasurer prepared  
the return. The completed return was presented to the finance committee for  
their review and approval. Subsequent to the committee's approval, the 990  
was presented to all voting board members prior to filing with the Internal  
Revenue Service.

Form 990, Part VI, Section B, Line 12c: The Foundation maintains a  
conflict of interest and ethics statement as provided by the Make-A-Wish  
Foundation of America for each officer, employee, board member, and  
volunteer. Such statements must be signed upon date of hire, election, or  
commencement of volunteer service, and at least annually thereafter. The  
signed statements are then submitted to and reviewed by the volunteer  
coordinator if they are from volunteers and the CEO if from staff and board  
members. Review of the statements is monitored by the Chief Executive  
Officer. The procedures for addressing any conflicts of interest of which  
the CEO becomes aware include, but are not limited to the following: (1)  
determining the nature of the conflict via verbal or written communication  
with the interested person; (2) fully disclosing conflicting interest to  
the board; (3) the conflicted person recuses himself/herself from  
deliberations and decisions regarding the transaction; and (4) taking  
appropriate actions warranted by the conflict as recommended by the board  
up to and including termination of service.

Name of the organization

Make-A-Wish Foundation of San Diego

Employer identification number

33-0039466

Form 990, Part VI, Section B, Line 15a: For 2012 compensation, the CEO's compensation was determined by the Board of Directors, consisting of independent persons in December 2012. It was reviewed against National Benchmarking salary studies and by Southern California salary surveys. The board's discussions and decisions were contemporaneously documented. Documentation includes the terms of the transaction and the date it was approved, the members present during deliberations and those who voted on it, and a description of the comparability data relied upon and how it was obtained.

Form 990, Part VI, Section C, Line 19: The organization includes the most current Audited Financial Statements, and the Public Disclosure Copy of Form 990 on its website.



**MAKE-A-WISH FOUNDATION<sup>®</sup> OF SAN DIEGO, INC.**

Financial Statements

August 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

**MAKE-A-WISH FOUNDATION<sup>®</sup> OF SAN DIEGO, INC.**

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KPMG LLP  
Suite 700  
20 Pacifica  
Irvine, CA 92618-3391

## **Independent Auditors' Report**

The Board of Directors  
Make-A-Wish Foundation<sup>®</sup> of San Diego, Inc.:

We have audited the accompanying financial statements of Make-A-Wish Foundation<sup>®</sup> of San Diego, Inc. (the Foundation), which comprise the statements of financial position as of August 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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



*Opinion*

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of Make-A-Wish Foundation<sup>®</sup> of San Diego, Inc. as of August 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

KPMG LLP

Irvine, California  
December 13, 2013

**MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.**

Statements of Financial Position

August 31, 2013 and 2012

<b>Assets</b>	<b>2013</b>	<b>2012</b>
Cash and cash equivalents	\$ 176,335	213,760
Investments	5,042,175	5,026,536
Due from related entities	134,502	90,989
Prepaid expenses	30,334	29,824
Contributions receivable, net	92,406	96,745
Other assets	5,919	30,422
Property and equipment, net	43,812	50,440
Beneficial interest in assets held by others	134,249	129,697
Total assets	<u>\$ 5,659,732</u>	<u>5,668,413</u>
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued expenses	\$ 186,222	160,169
Accrued pending wish costs	463,727	462,613
Due to related entities	25,502	21,550
Other liabilities	27,525	36,130
Total liabilities	<u>702,976</u>	<u>680,462</u>
Commitments and contingencies		
Net assets:		
Unrestricted	4,900,251	4,915,990
Temporarily restricted	56,505	71,961
Total net assets	<u>4,956,756</u>	<u>4,987,951</u>
Total liabilities and net assets	<u>\$ 5,659,732</u>	<u>5,668,413</u>

See accompanying notes to financial statements.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Statement of Activities

Year ended August 31, 2013

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>
Revenues, gains, and other support:			
Public support:			
Contributions	\$ 2,229,981	56,505	2,286,486
Grants	134,120	—	134,120
Total public support	<u>2,364,101</u>	<u>56,505</u>	<u>2,420,606</u>
Internal special events	631,072	—	631,072
Less costs of direct benefits to donors	<u>(188,716)</u>	<u>—</u>	<u>(188,716)</u>
Special events, net	442,356	—	442,356
Investment income, net	320,716	—	320,716
Other income	52,375	—	52,375
Net assets released from restrictions	<u>71,961</u>	<u>(71,961)</u>	<u>—</u>
Total revenues, gains, and other support	<u>3,251,509</u>	<u>(15,456)</u>	<u>3,236,053</u>
Expenses:			
Program services:			
Wish granting	<u>2,474,563</u>	<u>—</u>	<u>2,474,563</u>
Total program services	<u>2,474,563</u>	<u>—</u>	<u>2,474,563</u>
Support services:			
Fundraising	420,227	—	420,227
Management and general	<u>372,458</u>	<u>—</u>	<u>372,458</u>
Total support services	<u>792,685</u>	<u>—</u>	<u>792,685</u>
Total expenses	<u>3,267,248</u>	<u>—</u>	<u>3,267,248</u>
Change in net assets	(15,739)	(15,456)	(31,195)
Net assets, beginning of year	<u>4,915,990</u>	<u>71,961</u>	<u>4,987,951</u>
Net assets, end of year	<u>\$ 4,900,251</u>	<u>56,505</u>	<u>4,956,756</u>

See accompanying notes to financial statements.



# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Statement of Activities

Year ended August 31, 2012

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>
Revenues, gains, and other support:			
Public support:			
Contributions	\$ 1,899,992	20,960	1,920,952
Grants	80,930	—	80,930
Total public support	<u>1,980,922</u>	<u>20,960</u>	<u>2,001,882</u>
Internal special events	647,908	18,500	666,408
Less costs of direct benefits to donors	<u>(257,230)</u>	<u>—</u>	<u>(257,230)</u>
Special events, net	390,678	18,500	409,178
Investment income, net	219,113	—	219,113
Other income	71,767	—	71,767
Net assets released from restrictions	<u>266,100</u>	<u>(266,100)</u>	<u>—</u>
Total revenues, gains, and other support	<u>2,928,580</u>	<u>(226,640)</u>	<u>2,701,940</u>
Expenses:			
Program services:			
Wish granting	<u>2,180,179</u>	<u>—</u>	<u>2,180,179</u>
Total program services	<u>2,180,179</u>	<u>—</u>	<u>2,180,179</u>
Support services:			
Fundraising	350,910	—	350,910
Management and general	<u>376,992</u>	<u>—</u>	<u>376,992</u>
Total support services	<u>727,902</u>	<u>—</u>	<u>727,902</u>
Total expenses	<u>2,908,081</u>	<u>—</u>	<u>2,908,081</u>
Change in net assets	20,499	(226,640)	(206,141)
Net assets, beginning of year	<u>4,895,491</u>	<u>298,601</u>	<u>5,194,092</u>
Net assets, end of year	<u>\$ 4,915,990</u>	<u>71,961</u>	<u>4,987,951</u>

See accompanying notes to financial statements.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Statements of Cash Flows

Years ended August 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Change in net assets	\$ (31,195)	(206,141)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	24,919	25,114
Net realized and unrealized gains on investments and beneficial interests	(210,724)	(83,199)
Change in discount to present value of contributions receivable	—	(2,127)
Change in pending wish liability due to attrition	(8,808)	(50,532)
Changes in assets and liabilities:		
Contributions receivable	4,339	152,205
Due from related entities	(43,513)	(29,141)
Prepaid expenses	(510)	(3,687)
Other assets	24,503	50,255
Accounts payable and accrued expenses	26,052	29,666
Accrued pending wish costs	9,923	(80,627)
Due to related entities	3,952	(1,300)
Other liabilities	(8,605)	(43,887)
Net cash used in operating activities	<u>(209,667)</u>	<u>(243,401)</u>
Cash flows from investing activities:		
Purchases of investments	(3,203,964)	(2,604,271)
Proceeds from sales of investments	3,388,378	2,905,800
Purchases of property and equipment	(18,291)	(1,806)
Distribution of assets held at community foundation	6,119	5,729
Net cash provided by investing activities	<u>172,242</u>	<u>305,452</u>
Net increase (decrease) in cash and cash equivalents	<u>(37,425)</u>	<u>62,051</u>
Cash and cash equivalents, beginning of year	<u>213,760</u>	<u>151,709</u>
Cash and cash equivalents, end of year	<u>\$ 176,335</u>	<u>213,760</u>
Supplemental cash flow information:		
Contributed services	\$ 9,866	61,998
In-kind contributions	781,877	578,844

See accompanying notes to financial statements.

**MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.**

Statement of Functional Expenses

Year ended August 31, 2013

	Program services	Support services			Total
	Wish granting	Fundraising	Management and general	Total support services	
\$	1,788,785	—	—	—	1,788,785
Direct costs of wishes	426,890	259,829	277,852	537,681	964,571
Salaries, taxes, and benefits	4,466	28,874	3,601	32,475	36,941
Printing, subscriptions, and publications	1,969	27,508	15,436	42,944	44,913
Professional fees	48,145	25,560	28,662	54,222	102,367
Rent and utilities	5,560	5,606	3,294	8,900	14,460
Postage and delivery	6,195	6,678	3,106	9,784	15,979
Travel	5,395	10,086	4,452	14,538	19,933
Meetings and conferences	23,638	5,907	4,642	10,549	34,187
Office supplies	5,121	3,216	3,052	6,268	11,389
Communications	6,945	4,180	4,856	9,036	15,981
Repairs and maintenance	3,260	1,734	1,942	3,676	6,936
Insurance	1,255	1,714	825	2,539	3,794
Membership dues	50,000	—	—	—	50,000
Grants and scholarships	10,603	—	—	—	10,603
Volunteer program	74,624	11,302	8,298	19,600	94,224
National partnership dues	—	21,803	5,463	27,266	27,266
Miscellaneous	11,712	6,230	6,977	13,207	24,919
Depreciation and amortization	2,474,563	420,227	372,458	792,685	3,267,248

See accompanying notes to financial statements.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Statement of Functional Expenses

Year ended August 31, 2012

	Program services	Support services			Total
	Wish granting	Fundraising	Management and general	Total support services	
\$	1,460,904	—	—	—	1,460,904
Direct costs of wishes	435,717	231,765	259,576	491,341	927,058
Salaries, taxes, and benefits	663	21,797	2,181	23,978	24,641
Printing, subscriptions, and publications	—	11,672	38,785	50,457	50,457
Professional fees	48,415	25,752	28,842	54,594	103,009
Rent and utilities	5,550	2,952	3,307	6,259	11,809
Postage and delivery	9,066	4,823	5,401	10,224	19,290
Travel	9,523	5,066	5,673	10,739	20,262
Meetings and conferences	32,405	16,821	4,098	20,919	53,324
Office supplies	3,819	2,032	2,276	4,308	8,127
Communications	6,514	3,465	3,881	7,346	13,860
Repairs and maintenance	3,029	1,611	1,804	3,415	6,444
Insurance	1,233	656	735	1,391	2,624
Membership dues	50,000	—	—	—	50,000
Grants and scholarships	16,144	—	—	—	16,144
Volunteer program	80,434	13,580	10,446	24,026	104,460
National partnership dues	4,960	2,639	2,955	5,594	10,554
Miscellaneous	11,803	6,279	7,032	13,311	25,114
Depreciation and amortization					
\$	2,180,179	350,910	376,992	727,902	2,908,081

See accompanying notes to financial statements.



## MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

### Notes to Financial Statements

August 31, 2013 and 2012

#### (1) Organization

Make-A-Wish Foundation® of San Diego, Inc. (the Foundation) is a California not-for-profit corporation, organized for the purpose of granting wishes to children with life-threatening medical conditions. The Foundation is an independently operating chapter of Make-A-Wish Foundation® of America (National Organization), which operates to develop and implement national programs in public relations and fund-raising for the benefit of all local chapters. In addition, the local chapter is obligated to comply with a chapter agreement with the National Organization and such guidelines, resolutions, and policies as may be adopted by the National Organization's board of directors.

#### (2) Summary of Significant Accounting Policies

##### (a) Basis of Presentation

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

##### (b) Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents held in money market funds at August 31, 2013 and 2012 totaled \$2,395 and \$2,377, respectively.

##### (c) Investments

Investments are recorded at fair value. Investment income, including unrealized gains and losses on investments, is recorded as increases or decreases in unrestricted net assets unless its use is limited by donor-imposed restrictions or law.

##### (d) Contributions Receivable

Contributions receivable are unconditional promises to give and are recorded at fair value in the period the promises are made by donors. Contributions receivable are discounted using fair value rates. Contributions are written off when deemed uncollectible.

##### (e) Property and Equipment, Net

Property and equipment having a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt. Depreciation on property and equipment is provided on a straight-line basis over the estimated useful lives of the assets, generally three to five years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances indicate a long-lived asset may be impaired, the asset value will be reduced to fair value. Fair value is determined through various valuation techniques including quoted market values and third-party independent appraisals, as considered necessary.

## MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

### Notes to Financial Statements

August 31, 2013 and 2012

#### (f) *Fair Value Measurements*

The Foundation follows the provisions of Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. ASC Topic 820 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. ASC Topic 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Foundation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets (or liabilities) that the reporting entity has the ability to access at the measurement date.
- Level 2 Inputs: Prices for a similar asset (or liability), other than quoted prices included in Level 1 inputs, that are observable for the asset (or liability), either directly or indirectly. If the asset (or liability) has a specified term, a Level 2 input must be observable for substantially the full term of the asset (or liability).
- Level 3 Inputs: Unobservable inputs for the asset (or liability) used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or liability) at the measurement date.

#### (g) *Net Assets*

The Foundation's net assets and changes therein are classified and reported as follows:

- **Permanently restricted net assets** – Net assets subject to donor-imposed restrictions that the principal be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for unrestricted purposes.
- **Temporarily restricted net assets** – Net assets subject to restrictions imposed by donor or law that may be met either by actions of the Foundation or the passage of time.
- **Unrestricted net assets** – Net assets that are not subject to donor-imposed restrictions or law.

#### (h) *Revenue Recognition*

Unconditional promises to give are recorded as contributions revenue when the promise is received. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions, grants, and bequests are recognized as either temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period as the contribution is received, the Foundation records the contribution and the expense as unrestricted. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation received in-kind contributions of assets and services that are included in the accompanying statements of activities. Such in-kind contributions were reported as follows:

	<u>2013</u>	<u>2012</u>
Contributions:		
Wish related	\$ 641,090	479,691
Professional services	9,866	3,305
	<u>\$ 650,956</u>	<u>482,996</u>
Special event revenue:		
Internal special events	\$ 140,787	157,846

An internal special event is an event coordinated and staffed by chapter personnel rather than a separate support group or organization. It is designed to attract and involve large numbers of people for the purpose of raising awareness, additional funding, and cultivating future donors. Internal special event in-kind amounts are donated items recorded at fair market value that are used in facilitating the event. Examples of such donated items are generally food, beverage, facility costs, and auction items.

Program or supporting services expenses are recorded at fair value and totaled \$650,956 and \$482,996 in 2013 and 2012, respectively, with the difference representing donated property, equipment, investments, and special events direct donor benefit costs.

Wish-related in-kind contributions consisted of the following:

	<u>2013</u>	<u>2012</u>
Computer equipment, games, and toys	\$ 8,056	11,947
Cruises	1,847	8,448
Lodging	188,735	40,147
Theme parks	169,600	122,801
Transportation	155,063	100,384
Other wish-related donations	117,789	195,964
Total	<u>\$ 641,090</u>	<u>479,691</u>

## MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

### Notes to Financial Statements

August 31, 2013 and 2012

(i) ***Income Taxes***

The Foundation is a not-for-profit organization exempt from federal income and California taxes under the provisions of Internal Revenue Code Section 501(c)(3) and Section 23701d of the California Revenue and Taxation Code. However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole.

The Foundation follows the provisions of ASC Topic 740, *Income Taxes*, which 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, and provides guidance on derecognition, classification, interest and penalties, disclosure, and transition. Management believes that no such uncertain tax position requiring accrual or disclosure exists for the Foundation at August 31, 2013 or 2012.

(j) ***Functional Expenses***

The Foundation has three functions: wish granting, fundraising, and management and general. Definitions of these functions are as follows:

**Wish Granting**

Activities performed by the Foundation that grant wishes to children with life-threatening medical conditions.

**Fundraising**

Activities performed by the Foundation to generate funds and/or resources to support its programs and operations. During the fiscal years ended August 31, 2013 and 2012, the Foundation incurred no significant joint costs for activities that include fundraising appeals.

**Management and General**

All costs not identifiable with a single program or fundraising activity, but indispensable to the conduct of such programs and activities and to the Foundation's existence, are included as management and general expenses. This includes expenses for the overall direction of the Foundation, business management, general record-keeping, budgeting, financial reporting, and activities relating to these functions such as salaries, rent, supplies, equipment, and other expenses.

Expenses that benefit more than one function of the Foundation are allocated among the functions based generally on the amount of time spent by employees on each function.

(k) ***Management Estimates***

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial



**MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.**

Notes to Financial Statements

August 31, 2013 and 2012

statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of property and equipment, investment valuation, valuation of contributions receivable, accrued pending wish costs, net of attrition on accrued pending wish costs, and whether an allowance for uncollectible contributions receivable is required.

*(1) Reclassifications*

Certain reclassifications have been made to the 2012 financial statement information to conform to the 2013 financial statement presentation.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

### (3) Fair Value Measurements

The following tables present the placement in the fair value hierarchy of assets and liabilities that are measured at fair value on a recurring basis at August 31, 2013 and 2012:

Description	August 31, 2013	Fair value measurements at August 31, 2013 using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Investments:				
Recurring:				
Mutual funds:				
International equity	\$ 531,248	531,248	—	—
Global	152,109	152,109	—	—
Equities	985,412	985,412	—	—
Real estate	142,813	142,813	—	—
Asset allocation	333,376	333,376	—	—
Commodities	359,209	359,209	—	—
Bonds	1,102,984	1,102,984	—	—
Exchange-traded funds:				
Domestic equity	260,485	260,485	—	—
International equity	443,576	443,576	—	—
Debt securities:				
U.S. agency	57,755	—	57,755	—
Corporate	430,285	—	430,285	—
Structured notes	199,758	—	199,758	—
Money market fund	43,165	43,165	—	—
Beneficial interest in assets held by others	134,249	—	—	134,249
Total recurring	\$ 5,176,424	4,354,377	687,798	134,249
Nonrecurring:				
Contributions receivable	\$ 92,406	—	—	92,406

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

Description	August 31, 2012	Fair value measurements at August 31, 2012 using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Recurring:				
Investments:				
Mutual funds:				
International equity	\$ 468,503	468,503	—	—
Equities	330,634	330,634	—	—
Real estate	195,436	195,436	—	—
Asset allocation	305,958	305,958	—	—
Commodities	372,093	372,093	—	—
Bonds	995,735	995,735	—	—
Exchange-traded funds:				
Domestic equity	237,101	237,101	—	—
International equity	364,666	364,666	—	—
Equity securities:				
U.S. corporate equity securities	725,179	725,179	—	—
Foreign equity securities	40,259	40,259	—	—
Debt securities:				
U.S. agency	60,231	—	60,231	—
Corporate	439,757	—	439,757	—
Structured notes	320,882	—	320,882	—
Money market fund	170,102	170,102	—	—
Beneficial interests in assets held by others	129,697	—	—	129,697
Total recurring	\$ 5,156,233	4,205,666	820,870	129,697
Nonrecurring:				
Contributions receivable	\$ 96,745	—	—	96,745

For the valuation of investments categorized as Level 1 at August 31, 2013 and 2012, the Foundation used unadjusted market prices for identical assets.

For the valuation of structured notes and corporate and U.S. agency debt securities at August 31, 2013 and 2012, the Foundation used significant other observable inputs, particularly dealer market prices for similar investments as of the valuation date or dates surrounding the valuation date (Level 2).

# **MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.**

## Notes to Financial Statements

August 31, 2013 and 2012

Contributions receivable are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy. In subsequent periods, the discount rate is unchanged and the allowance for uncollectible contributions is reassessed and adjusted if necessary. Amortization of the discounts is recorded as additional contribution revenue.

For the valuation of beneficial interest in assets held by others at August 31, 2013 and 2012, the Foundation's interest is valued using net asset value, a practical expedient to determine fair value. These funds are not redeemable in the near term (Level 3).

The following tables present a rollforward of activity for investments measured at fair value using significant unobservable inputs (Level 3) for the years ended August 31, 2013 and 2012:

	<b>Fair value measurements using significant unobservable inputs (Level 3)</b>	
	<b>2013</b>	<b>2012</b>
Beginning balance	\$ 129,697	128,914
Total gains or losses (realized/unrealized) included in changes in net assets	10,671	6,512
Withdrawals	(6,119)	(5,729)
Ending balance	\$ 134,249	129,697
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to investments still held at the reporting date	\$ 10,671	6,512

Total investment income, gains, and losses for the years ended August 31, 2013 and 2012 consist of the following:

	<b>2013</b>	<b>2012</b>
Interest and dividend income	\$ 159,309	168,903
Net realized and unrealized gains	200,053	83,199
Less investment expenses	(38,646)	(32,989)
Investment income, net	\$ 320,716	219,113



# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

### (4) Contributions Receivable

Contributions receivable include pledges of in-kind contributions for the years ended August 31, 2013 and 2012. The following is a summary of the Foundation's contributions receivable at August 31, 2013 and 2012:

	2013	2012
Total amounts due in:		
One year	\$ 92,406	96,745
Two to five years	—	—
Gross contributions receivable	92,406	96,745
Less discount to present value	—	—
Contributions receivable, net	\$ 92,406	96,745

### (5) Beneficial Interest in Assets Held by Others

In November 2008, the Foundation transferred \$100,000 to The San Diego Foundation (TSDF). Distributions of income earned from TSDF are to be made semiannually, in March and September, or upon request after an allocation period, in amount determined by TSDF's board of directors based on earnings as defined in the agreement, to support the mission of the Foundation. See note 3 for fair value information on beneficial interest in assets held by others.

### (6) Transactions with Related Entities

The Foundation received the following distributions from the National Organization for the years ended August 31:

	2013	2012
Corporate, online, whitemail, and general contributions	\$ 601,115	427,183
Adopt A Wish	10,000	—
Gifts and travel reimbursements	251	—
Scholarships	—	465
Other	1,432	2,373
Total distributions received	\$ 612,798	430,021

These amounts are recorded in the statement of activities as public support revenue.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

The Foundation paid to the National Organization the following amounts for the years ended August 31:

	2013	2012
Partnership dues	\$ 94,224	104,460
Other	12,747	19,891
Total amounts paid	\$ 106,971	124,351

Chapters who assist with the organization and granting of wishes from other chapters are paid a “fee for service” called the wish assist fee. Under this program, the Foundation received \$52,375 and \$59,155 for the years ended August 31, 2013 and 2012, respectively, which is recorded in the accompanying statements of activities as other income.

Amounts due from and to related entities are as follows:

	2013	2012
Balance at August 31:		
Due from National Organization	\$ 92,866	53,016
Due from other chapters	41,636	37,973
Total due from related entities	\$ 134,502	90,989
Due to other chapters	\$ 25,502	21,550
Total due to related entities	\$ 25,502	21,550

Amounts due from the National Organization represent contributions remitted to the National Organization that are identified for the Foundation’s use but were not yet transferred to the Foundation as of year-end. Amounts due from other chapters represent amounts paid in assisting other chapters with their wish granting. Amounts due to other chapters represent amounts owed to other chapters who have assisted in the granting of wishes for the Foundation.

During 2013 and 2012, the Foundation received contributions, both cash and in-kind, from board members totaling \$51,119 and \$34,322, respectively. There are no outstanding contribution receivables from board members for the year ended August 31, 2013 and 2012.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

### (7) Property and Equipment, Net

Property and equipment as of August 31, 2013 and 2012 consist of the following:

	<u>2013</u>	<u>2012</u>
Computer equipment and software	\$ 57,923	40,467
Office furniture	76,260	75,425
	134,183	115,892
Less accumulated depreciation and amortization	(90,371)	(65,452)
Property and equipment, net	<u>\$ 43,812</u>	<u>50,440</u>

Depreciation and amortization expense totaled \$24,919 and \$25,114 for the years ended August 31, 2013 and 2012, respectively.

### (8) Accrued Pending Wish Costs

The Foundation accrues for estimated costs of reportable pending wishes as unconditional promises to give when five certain, measurable wish criteria are met. Prior to meeting these five criteria, the wish is considered a conditional promise to give due to the inherent uncertainties surrounding these criteria and is, therefore, not accrued as a pending wish liability. Reportable pending wish criteria include:

1. Receiving a referral
2. Obtaining the required medical eligibility form
3. Contact with the wish family has occurred to determine the prospective wish
4. Determination that the wish falls within the National Organization's wish granting policy
5. The wish is expected to be granted within the next 12 months.

As of August 31, 2013 and 2012, the Foundation had 58 and 72 reportable pending wishes, respectively.

The Foundation as part of its estimate of accrued pending wish costs considers attrition on pending wish costs. An attrition rate is calculated by the Foundation by analyzing the trend of wishes that have been accrued for using the five criteria discussed above but have not been able to be completed within the past twelve months due to factors outside the control of the chapter such as the death of a child, the move of the family out of the chapter's territory or loss of contact with the family.

### (9) Leases

The Foundation is obligated under an operating lease for office space, which expires on September 30, 2015. Total rent expense for this operating lease for the years ended August 31, 2013 and 2012 totaled \$102,367 and \$103,009, respectively.

# MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.

## Notes to Financial Statements

August 31, 2013 and 2012

Future minimum lease payments under operating leases having remaining terms in excess of one year are as follows:

Year ending August 31:		
2014	\$	100,825
2015		100,825
2016		8,402
2017		<u>—</u>
Total minimum lease payments	\$	<u>210,052</u>

### (10) Endowments

The Foundation follows the provisions of ASC Topic 958, Section 205-45, *Reporting Endowment Funds*. These provisions provide 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 also require disclosures about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The Foundation's endowment consists of one individual fund held by a community foundation in an original amount of \$100,000 established to support the Foundation and includes funds designated by the board of directors to function as endowments. Net assets associated with these endowment funds are classified and reported as unrestricted net assets.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment while seeking to maintain the purchase power of the endowment assets. The current long-term return objective is to produce, after investment expenses, a minimum annual compound total rate of return of 4.5% in excess of the rate of inflation. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Foundation 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 Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent constraints.

The Foundation has a policy of appropriating for distribution each year the amount distributed to them from the community foundation that holds the investment. For the years ended August 31, 2013 and 2012, such appropriations totaled \$6,119 and \$5,729, respectively. See note 3 for rollforward activity on endowment.



**MAKE-A-WISH FOUNDATION® OF SAN DIEGO, INC.**

Notes to Financial Statements

August 31, 2013 and 2012

**(11) Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for the following purposes for the years ended August 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Wish granting	\$ 56,505	20,961
Time restrictions	—	51,000
Total temporarily restricted net assets	<u>\$ 56,505</u>	<u>71,961</u>

**(12) Retirement Plan**

The Foundation has a defined contribution retirement plan (the Plan). Employees are eligible for participation in the Plan after reaching 21 years of age and upon completion of one year of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain Internal Revenue Code limitations. The Foundation makes contributions up to 4% of the employee's gross salary. Foundation contributions to the Plan for the years ended August 31, 2013 and 2012 were \$23,328 and \$23,612, respectively.

**(13) Concentrations of Credit Risk**

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash, cash equivalents, and investments. The Foundation places its cash and investments with high credit quality financial institutions and generally limits the amount of credit exposure not to exceed the FDIC insurance coverage limit of \$250,000. From time to time, throughout the year, the Foundation's cash balances may exceed the amount of the FDIC insurance coverage.

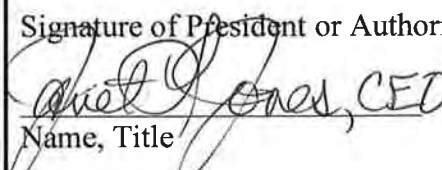
**(14) Subsequent Events**

The Foundation has evaluated subsequent events from the statement of financial position date through December 13, 2013, the date at which the financial statements were available to be issued.



SAN MARCOS COMMUNITY FOUNDATION  
Grant Cover Page

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

Project Name: Hospice Care & Grief Counseling Services	Total # of people served: 7,234 FY'13	Amount Requested: \$ 10,000
Date Submitted: March 20, 2014	Total # of San Marcos residents served: 390 FY '13	
Non-Profit Organization Name and Address, Website The Elizabeth Hospice Foundation "NEW ADDRESS" 500 La Terraza Blvd., Ste. 130 Escondido, CA 92025 <a href="http://www.elizabethhospice.org">www.elizabethhospice.org</a>	Contact Person – Name, Title & Phone, email Vatei Campbell "NEW CONTACT" Fund Development Manager 760.796.3723 <a href="mailto:Vatei.campbell@ehospice.org">Vatei.campbell@ehospice.org</a>	
<p>Briefly describe your request for funds (to be expanded upon in narrative for regular grant): This grant will support our direct Hospice &amp; Grief Counseling Services for residents of San Marcos. Our comprehensive medical, psychosocial and palliative care provides comfort and strength to families—from all ages and socioeconomic groups. We provide care wherever the patient calls home—whether it is a personal residence or nursing facility. It is our commitment to care for all who need our services, regardless of insurance status or ability to pay. In addition, this grant will support our underfunded and unfunded needs, including our extensive array of bereavement and grief counseling.</p> <p>Hospice care includes managing the patient's pain and symptoms, assisting with emotional and spiritual aspects of dying; providing medications, medical supplies and equipment; and providing bereavement support to surviving family, friends and caregivers. We also provide grief counseling and education opportunities to all in the community, whether or not they have had a personal patient affiliation with The Elizabeth Hospice.</p> <p>Briefly describe the significance of your request to the San Marcos community: Between FY'12 and FY'13, our average daily census grew by 18%, increasing from 415 patients to 490 per day. The average number of patients in San Marcos grew by 22%. With this increased demand for services, comes an increase in direct costs for our organization.</p> <p>Your support will enable The Elizabeth Hospice to meet our commitment to providing care to all who need us, ensuring that the residents of San Marcos will have access to compassionate end-of-life care and our extensive bereavement programs to help them move forward with their lives after a loss.</p>		
Please attach the following items. <b>Both Mini-Grant &amp; Regular:</b> 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations <b>5. Regular Grants Only:</b> a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Signature of President or Authorized Officer on Application e. Optional: letters of support		Expected date project will begin/end:  Date by which funds will be expended:  Signature of President or Authorized Officer  CEO 3/19/2014 Name, Title Date  Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): <a href="mailto:wkaserman@san-marcos.net">wkaserman@san-marcos.net</a>



## The Elizabeth Hospice

**History and Mission:** The Elizabeth Hospice the oldest and largest nonprofit hospice care provider for children and adults in San Diego County. Along with our Center for Compassionate Care, we have been the leading provider of end-of-life care, bereavement counseling, and grief and loss support for the San Diego Community for nearly 36 years.

**Our mission is to enhance the quality of life for those nearing the end of life's journey and for those who grieve.** We provide the highest quality individualized medical, emotional and spiritual support to the terminally ill and their families, *regardless of gender, age, ethnicity, religion, disease, insurance status, or ability to pay.* Since 1978, we have provided care to more than 85,000 patients and families.

Hospice care is available 24 hours a day, 7 days a week and is provided in whatever place the patient calls home—whether it be a personal residence, assisted living facility, or skilled nursing facility. We help seriously ill patients live the remainder of their lives as fully as possible, in peace and comfort, surrounded by their loved ones. While the majority of our patients are seniors, our comprehensive care and services support patients and loved ones of all ages, including our youth. Today, with a staff of over 300 and 350 active volunteers, we care for about 500 patients, along with their families, each day.

**Programs for Funding:** This grant would fund ***Hospice Care & Grief Counseling Services*** for residents of San Marcos. Our comprehensive medical, psychosocial, and palliative care provides comfort and strength to patients and families—from all ages and socioeconomic backgrounds. Your support will enable us to meet our commitment to provide our end-of-life services to all who need our care, regardless of their ability to pay or insurance status. This grant will also support our programs and services that are underfunded or unfunded, including our extensive array of bereavement and grief counseling services.

Services and programs benefiting from this grant include hospice physicians, nurses, social workers, chaplains, home health aides, personal medical supplies, prescriptions, and equipment, as well as encompass grief and bereavement counseling for our patient's families and/or caregivers through our Center for Compassionate Care for up to 13 months after the patient's death. Our counseling services are also available to the entire community—not only to those affiliated with our Elizabeth Hospice patients.

Our specialized services include: 1) *Physical and medical care; pain and symptom management;* 2) *Grief Counseling & Bereavement Services for patients, their families, and the entire community;* 3) *Community Education;* and 4) *Hospice Volunteer Program.*

Patients are assigned an Interdisciplinary Team, which includes: physicians, nurses, home health aides, chaplains, social workers, counselors, homemakers, and volunteers. The team provides pain and symptom management; emotional, psychosocial and spiritual support through the illness; medication, equipment, and supplies to assure their optimal comfort; caregivers are offered direction and guidance; and bereavement care and counseling is offered family and loved ones.

Page 1 of 2

[www.elizabethhospice.org](http://www.elizabethhospice.org)



## The Elizabeth Hospice

Our Center for Compassionate Care strives to address the daily issues that may impact their quality of life by providing resources, information, education, guidance, and support to help with physical changes, as well as the emotional challenges, adjustments, and stresses that come with illness and grief. Support is available through: 1) *One-on-One Counseling*; 2) *General or Special-topic Support Groups*; 3) *On-Campus Group Support at K-12 Schools*; 4) *Camp Erin San Diego – Annual Children's Grief Camp for ages 6 - 17*; 5) *Community Workshops and Outreach Programs*; 6) *Resource Materials*.

**Use of Funds:** A \$10,000 grant will help us provide crucial hospice services to uninsured, underinsured and/or indigent patients and their families. This includes hospice physicians, nurses, social workers, chaplains, home health aides, personal medical supplies, prescriptions, and equipment. Furthermore, the grant will support grief and bereavement counseling for the patient's family and/or caregivers, along with counseling for the community, including programs tailored for our youth.

**Population Served:** While we provide hospice care for any person regardless of their age, the majority of our patients are Senior Citizens. Our services far exceed what is required by Medicare or other insurance providers. Our counseling clients also include children, teens, and adults. In FY'13 (July 1, 2012-June 30, 2013), 170 patients (about 6.5%) of our hospice patients were from San Marcos. Our Center for Compassionate Care also provided private counseling to 43 individuals from San Marcos, while 16 other residents attended support groups, and 11 school-age children participated in our youth counseling programs during this period. An additional 220 more residents received bereavement calls and mailings. Not included are residents who may participate in one of our many educational opportunities because these attendees are not tracked by residence/zip code.

The Elizabeth Hospice is proud to be the oldest and largest nonprofit provider of hospice care in the community, with an average daily census of close to 500 patients since FY'12. In fact, between FY'12 and FY'13, our average daily census grew by 19% (increasing from 413 to 490 patients). The average number of patients in San Marcos grew by 22% during that same period. In FY'14 through December 31, 2013, we have cared for 1,374 patients, of which 60 were from San Marcos.

**Program Goals:** With support from The San Marcos Community Foundation, you will help us provide: 1) *highest quality hospice care to everyone in need, regardless of their insurance status or other ability to pay*; 2) *Increase the number of terminally ill patients dying at home, surrounded by loved ones, rather than dying in a hospital or dying alone*; and a 3) *comprehensive array of bereavement counseling services for all in the community—from the youngest child to the most senior*.

**Expected Results:** 1) An honorable, dignified end-of-life experience for every resident who utilizes our services; 2) Reduction in the negative consequences associated with the loss of a loved one; 3) A healthier and safer community of individuals adapting to major life events through lifelong coping skills garnered through our hospice and bereavement services; 4) A community more educated about the true meaning of hospice and the wide array of services offered by The Elizabeth Hospice.

# SAN MARCOS COMMUNITY FOUNDATION

## Budget Worksheet

Provide an itemized list of expenses for this project

(example: 72 bicycle helmets at \$7.80 each including tax = \$561,60)

**Budget based on estimated % of FY'14 patients from San Marcos (4%) on service through 12.31.13**

Professional Salaries & Related Expenses	\$ 1,061,754
Facility, Rent, and Maintenance Related	\$ 34,941.60
Medical Supplies - Durable & Consumables	\$ 198,623
Consulting	\$ 15,269
Equipment & Supplies	\$ 2,569
Printing, Publications, and Postage	\$ 1,991
Telecommunications	\$ 21,062
Counseling & Community Programs	\$ 48,982

**Total budget for this PROJECT:** \$ 1,385,191

**Grant Request Amount:** \$ 10,000

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

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

**Please list any other funding sources for this project.**

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

\$ 10,000	(Name of Source)	Legacy Endowment Community Foundation	**	C
\$ 10,000	(Name of Source)	Tippett Foundation	**	C
\$ 5,000	(Name of Source)	Disabled American Veterans	**	C
\$ 7,500	(Name of Source)	The Moyer Foundation	**	C
\$ 5,000	(Name of Source)	The French Fund & Masserini Trust	**	C
\$ 2,500	(Name of Source)	Rincon Band of Luiseno Indians	**	C
\$ 2,500	(Name of Source)	Rotary of Escondido	**	C
\$ 1,500	(Name of Source)	New York Life Insurance	**	C
\$ 1,000	(Name of Source)	Senior Enterprises	**	C
TBD	(Name of Source)	The Country Friends	**	C

*There are other funders, both committed and pending.*





## The Elizabeth Hospice

### 2014 Operating Budget (525 Census)

#### **HOSPICE PROGRAM:**

##### ***Operating Revenue***

Medicare	32,978,806.40
MediCal	1,919,024.47
Commercial Insurance	1,362,587.97
Other	620,776.71
Revenue Adjustments	(723,897.87)
<i>Total</i>	<u>36,157,297.68</u>

##### ***Non-Operating Revenue***

Interest & Other Income	1,837.44
Gain/Loss on Disposal of Assets	-
Mgt Fee Inc. - Charged to FDN	316,591.44
Unfunded Charity Care - Charged to FDN	278,578.08
Other	-
<i>Total</i>	<u>597,006.96</u>

##### ***Operating Expenses:***

###### ***Payroll-Related***

Salaries	19,543,496.39
Contract Labor	1,066,415.51
Benefits	5,933,950.19
<i>Total</i>	<u>26,543,862.09</u>

###### ***Patient-Related***

DME	1,013,650.89
Ambulance	26,689.06
Dietary	7,770.74
Lab & Imaging	29,021.27
Outpatient	53,675.87
Medications	1,026,413.74
Medical Supplies	636,801.64
Mileage	445,669.60
Other Patient Expenses	224,686.35
Therapies	128,445.87
Pass-Throughs	1,372,742.31
<i>Total</i>	<u>4,965,567.34</u>

#### **CENTER FOR COMPASSIONATE CARE PROGRAM**

Counseling Services	671,586.60
Community Outreach	190,042.33
Camp Erin	132,968.85
<i>Total CCC Program Expense</i>	<u>994,597.78</u>

Facility-Related Expenses	
Electricity & Gas	49,964.76
Maintenance	24,011.64
Rent	465,955.32
Service Contracts	52,922.76
Facility Related/Moving Costs	155,913.24
Other	124,772.28
<i>Total</i>	<u>873,540.00</u>
Administrative Expenses	
Bank Charges	4,892.76
Bereavement Program	229,950.00
Computer	323,618.04
Consulting	218,127.84
Continuing Education	73,503.48
Dues & Subscription	55,725.48
Equipment	27,401.16
Functions & Events	12,493.56
General Supplies	36,823.56
Insurance	95,272.56
Legal & Accounting	134,394.72
Marketing	103,941.36
Meeting Expense	81,505.92
Mileage - Non Patient Related	201,489.36
Other	61,556.88
Postage & Printing	49,763.76
Recruitment	44,051.64
Telephone, Answering Svc	202,941.36
Training/Training Materials	69,530.28
<i>Total</i>	<u>2,026,983.72</u>
Depreciation Expense	444,558.84
<i>Total Hospice Program Expense</i>	35,849,109.77
<b>Operating Revenue - Hospice Programs</b>	<u>36,754,304.64</u>
Net Revenue (Loss)	<u><u>905,194.87</u></u>



# The Elizabeth Hospice

## The Elizabeth Hospice, Foundation – Board of Trustees

**FY 2014 - Term Year July 1, 2013 to June 30, 2014**

Revised 08.01.2013

Foundation, Board of Trustees			Occupation
1.	Theodore Davis	Investment Committee Chair	Retired, Sr. Vice President Legal Division Union Bank of California
2.	John Forst	Immediate Past Chair	President, Design Fabrication, Inc.
3.	Michael Hartney, JD	Chair-elect, Foundation	Attorney, Corday & Hartney, PLC
4.	Faye Hines		Broker, ERA Property Movers
5.	Dan Laframboise	<b>Chairman</b>	President, DL Wealth Management Group
6.	Bruce McCarty	Audit Committee Chair	Vice President Financial Services Manager, First Citizens Bank
7.	Jack Raymond		Chief Executive Officer, The Raymond Companies
Corporate Officers			Staff; The Elizabeth Hospice, Inc.
Jan	Jones	President	President/CEO (RN, BSN, FAAMA)
Kiprian	Skavinski	Treasurer	CFO, Director of Finance
Cheryl	Farst	Corporate Secretary	Executive Assistant

### **Board Terms**

Term Year defined as July 1 to June 30 each year, term equals 3 years with a maximum 2 terms.

### **FY2014 Slate**

Total Trustees at the start of the new term; July 1, 2013 – 7 persons

- 4 persons on Foundation board only
- 3 persons on Foundation and Corporate boards (Faye, Michael, John)

[www.elizabethhospice.org](http://www.elizabethhospice.org)



The Elizabeth Hospice

**THE ELIZABETH HOSPICE INC.  
ELIZABETH HOSPICE FOUNDATION**

**CONSOLIDATED BALANCE SHEET  
(UNAUDITED)  
As of JANUARY 31, 2014**

**ASSETS**

**CURRENT ASSETS**

Cash & Cash Equivalents	\$ 720,065
Accounts Receivable, net of allowances	\$ 3,916,063
Prepaid & Other Current Assets	\$ 59,530
Investments	<u>\$ 9,299,889</u>

**TOTAL CURRENT ASSETS** \$ 13,995,547

**PROPERTY & EQUIPMENT**

Office Equipment	\$ 1,087,280
Furniture & Fixtures	\$ 520,286
Building	\$ 5,174,748
Land	\$ 1,239,235
Construction in Progress	\$ 42,988
Accumulated Depreciation	<u>\$ (2,123,105)</u>
	\$ (1,096,514)

**TOTAL PROPERTY & EQUIPMENT** \$ 5,941,432

**OTHER ASSETS** \$ 322,036

**TOTAL ASSETS** \$ 20,259,015



The Elizabeth Hospice

**CONSOLIDATED STATEMENT OF OPERATIONS**  
**(UNAUDITED)**  
**FOR THE MONTH ENDING JANUARY 31, 2014**

	<b>MTD Actual</b>
<b>Operating Revenue</b>	2,784,772
<b>Contributions &amp; Fundraising</b>	153,296
<b>Total Revenue</b>	<u>2,938,068</u>
<b>Operating Expenses</b>	
Payroll	2,580,842
Patient Related	439,800
Facility Related	97,131
Administrative Expenses	177,487
<b>Total</b>	<u>3,295,260</u>
Depreciation	42,901
<b>Total Expenses</b>	<u>3,338,161</u>
<b>Operating Income (Loss)</b>	(400,093)
<b>Non-Operating Income (Expense)</b>	
Interest Expense	(4,960)
Investment Expense	(18,854)
Interest Income	151,313
Unrealized Gain from Investments	(259,436)
Realized Gain from Investments	(25,127)
Gain/Loss on Disposal of Assets	-
Other Income - Non Operating	654
<b>Total Non-Operating</b>	<u>(156,410)</u>
<b>Net Income (Loss)</b>	<u><u>\$ (556,503)</u></u>



**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)  
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047  
**2012**  
Open to Public  
Inspection

**A For the 2012 calendar year, or tax year beginning 07/01/12, and ending 06/30/13**

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

**C Name of organization**  
**THE ELIZABETH HOSPICE FOUNDATION**  
**Doing Business As**  
**Number and street (or P.O. box if mail is not delivered to street address)**  
**500 LA TERRAZA BLVD, SUITE 130**  
**City, town or post office, state, and ZIP code**  
**ESCONDIDO CA 92025-3876**

**D Employer identification number**  
**82-0549103**  
**E Telephone number**  
**760-737-2050**  
**G Gross receipts** **2,736,972**

**F Name and address of principal officer:**  
**JANET JONES**  
**500 LA TERRAZA BLVD, SUITE 130**  
**ESCONDIDO CA 92025-3876**

**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No  
**H(b)** Are all affiliates included? ☐ Yes ☐ No  
If "No," attach a list. (see instructions)

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

**J Website:** **WWW.ELIZABETHHOSPICE.ORG**

**H(c)** Group exemption number ▶

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

**L Year of formation:** **2002** **M State of legal domicile:** **CA**

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>SUPPORT, PROMOTE, AND STRENGTHEN THE DELIVERY OF CARE AND SERVICES PROVIDED BY THE ELIZABETH HOSPICE, INC. TO THE TERMINALLY ILL AND THEIR FAMILIES.</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>3</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>3</b>
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b>	<b>0</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>3</b>
		<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34		<b>7b</b>	<b>0</b>
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>599,571</b>	<b>1,727,084</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>303,900</b>	<b>367,387</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>903,471</b>	<b>2,094,471</b>
	<b>12</b> Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>903,471</b>	<b>2,094,471</b>
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	<b>251,440</b>	<b>124,995</b>
<b>Expenses</b>	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		<b>0</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		<b>0</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		<b>0</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>521,066</b>		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<b>767,817</b>	<b>844,223</b>
	<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<b>1,019,257</b>	<b>969,218</b>
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>-115,786</b>	<b>1,125,253</b>
	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>11,877,845</b>	<b>13,049,013</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>4,999,939</b>	<b>4,319,617</b>
		<b>6,877,906</b>	<b>8,729,396</b>

**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.

<b>Sign Here</b>	Signature of officer		Date	
	<b>KIPRIAN SKAVINSKI</b> Type or print name and title		<b>CFO</b>	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if PTIN self-employed
	<b>PAUL REDFERN, CPA</b>	<b>PAUL REDFERN, CPA</b>	<b>10/31/13</b>	<b>P00743084</b>
	Firm's name ▶ <b>REDFERN &amp; COMPANY</b>	Firm's EIN ▶ <b>20-8295356</b>		
	Firm's address ▶ <b>631 3RD ST STE 102 ENCINITAS, CA 92024-6776</b>	Phone no. <b>760-634-1120</b>		

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 to any question in this Part III ☐**1** Briefly describe the organization's mission:**SUPPORT, PROMOTE, AND STRENGTHEN THE DELIVERY OF CARE AND SERVICES PROVIDED BY THE ELIZABETH HOSPICE, INC. TO THE TERMINALLY ILL AND THEIR FAMILIES.****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 \$ **156,470** including grants of \$ **124,995** ) (Revenue \$ )  
**OBTAIN AND PROVIDE FUNDS AND FUNDING RESOURCES IN SUPPORT OF THE ELIZABETH HOSPICE'S PROGRAMS AND SERVICES.****4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4d** Other program services. (Describe in Schedule O.)

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

**4e Total program service expenses** **156,470**

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)  
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047  
**2012**  
Open to Public  
Inspection

**A For the 2012 calendar year, or tax year beginning 07/01/12, and ending 06/30/13**

<b>B</b> Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <div style="text-align: center; font-weight: bold;">THE ELIZABETH HOSPICE, INC.</div> Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite <div style="display: flex; justify-content: space-between;"> <span><b>500 LA TERRAZA BLVD, SUITE 130</b></span> <span></span> </div> City, town or post office, state, and ZIP code <div style="display: flex; justify-content: space-between;"> <span><b>ESCONDIDO</b></span> <span><b>CA 92025-3876</b></span> </div>	<b>D</b> Employer identification number <div style="text-align: center; font-weight: bold;">95-3275679</div> <b>E</b> Telephone number <div style="text-align: center; font-weight: bold;">760-737-2050</div>
<b>F</b> Name and address of principal officer: <div style="text-align: center; font-weight: bold;">JANET JONES</div> <div style="text-align: center; font-weight: bold;">500 LA TERRAZA BLVD, SUITE 130</div> <div style="text-align: center; font-weight: bold;">ESCONDIDO CA 92025-3876</div>		<b>G</b> Gross receipts \$ <b>34,471,493</b>  <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)  <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 <b>J</b> Website: ▶ <b>WWW.ELIZABETHHOSPICE.ORG</b>		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1985</b> <b>M</b> State of legal domicile: <b>CA</b>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <div style="text-align: center; font-weight: bold;">TO ENHANCE THE QUALITY OF LIFE FOR THOSE NEARING THE END OF LIFE'S JOURNEY AND FOR THOSE WHO GRIEVE THROUGH RESPONSIVE MEDICAL, EMOTIONAL, AND SPIRITUAL SUPPORT.</div>															
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. <b>3</b> Number of voting members of the governing body (Part VI, line 1a) <span style="float: right;"><b>3 12</b></span> <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) <span style="float: right;"><b>4 12</b></span> <b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a) <span style="float: right;"><b>5 387</b></span> <b>6</b> Total number of volunteers (estimate if necessary) <span style="float: right;"><b>6 340</b></span> <b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 <span style="float: right;"><b>7a 0</b></span> <b>b</b> Net unrelated business taxable income from Form 990-T, line 34 <span style="float: right;"><b>7b 0</b></span>															
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h) <b>9</b> Program service revenue (Part VIII, line 2g) <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) <b>12</b> Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">Prior Year</th> <th style="width:50%;">Current Year</th> </tr> </thead> <tbody> <tr> <td><b>251,440</b></td> <td><b>124,995</b></td> </tr> <tr> <td><b>28,791,542</b></td> <td><b>34,345,758</b></td> </tr> <tr> <td><b>651</b></td> <td><b>740</b></td> </tr> <tr> <td></td> <td><b>0</b></td> </tr> <tr> <td><b>29,043,633</b></td> <td><b>34,471,493</b></td> </tr> </tbody> </table>	Prior Year	Current Year	<b>251,440</b>	<b>124,995</b>	<b>28,791,542</b>	<b>34,345,758</b>	<b>651</b>	<b>740</b>		<b>0</b>	<b>29,043,633</b>	<b>34,471,493</b>		
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**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.

<b>Sign Here</b>	Signature of officer <div style="text-align: center; font-weight: bold; font-size: 1.2em;">KIPRIAN SKAVINSKI</div> Type or print name and title	Date <div style="text-align: center; font-weight: bold;">CFO</div>
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>PAUL REDFERN, CPA</b> Preparer's signature <b>PAUL REDFERN, CPA</b> Date <b>10/31/13</b> Check <input type="checkbox"/> if self-employed PTIN <b>P00743084</b> Firm's name ▶ <b>REDFERN &amp; COMPANY</b> Firm's EIN ▶ <b>20-8295356</b> Firm's address ▶ <b>631 3RD ST STE 102</b> <b>ENCINITAS, CA 92024-6776</b> Phone no. <b>760-634-1120</b>	

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 to any question in this Part III

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

**TO ENHANCE THE QUALITY OF LIFE FOR THOSE NEARING THE END OF LIFE'S JOURNEY AND FOR THOSE WHO GRIEVE THROUGH RESPONSIVE MEDICAL, EMOTIONAL, AND SPIRITUAL SUPPORT.**

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

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

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

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

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ) (Expenses \$ **30,220,664** including grants of\$ ) (Revenue \$ **34,345,758** )

**FOUNDED IN 1978, THE ELIZABETH HOSPICE (TEH) IS THE OLDEST AND LARGEST HOSPICE PROGRAM IN SAN DIEGO COUNTY. TEH IS DEDICATED TO ENHANCING THE QUALITY OF LIFE FOR THOSE NEARING THE END OF LIFE'S JOURNEY AND FOR THOSE WHO GRIEVE. THE PROGRAMS OFFERED TO THE COMMUNITIES OF SAN DIEGO AND SOU RIVERSIDE COUNTY INCLUDE EXPERT ADULT, PEDIATRIC AND PERINATAL HOSPICE CARE. PALLIATIVE CARE SERVICES ARE AVAILABLE THROUGH OUR UNIQUELY QUALIFIED STAFF OF PROFESSIONALS. THE CENTER FOR COMPASSIONATE CARE OFFER BEREAVEMENT SUPPORT, COUNSELING SERVICES AND COMMUNITY EDUCATION - REACHIN CAREGIVERS AND COMMUNITY MEMBERS OF ALL AGE GROUPS. ALTHOUGH COVERED BY MEDICARE, MEDI-CAL AND MOST PRIVATE INSURANCES, SERVICES ARE PROVIDED REGARDLESS OF ONE'S ABILITY TO PAY. MANY OF THE EXPANDED AND UNDERFUNDED**

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

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

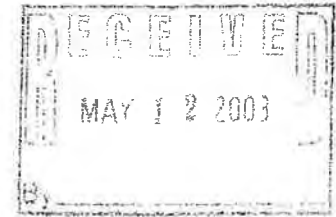
**4e** Total program service expenses ► **30,220,664**



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

In reply refer to  
755:6 :EMM

May 9, 2003



THE ELIZABETH HOSPICE FOUNDATION  
THE ELIZABETH HOSPICE  
150 W CREST ST  
ESCONDIDO CA 92025-1706

Purpose : CHARITABLE  
Code Section : 23701d  
Form of Organization : Corporation  
Accounting Period Ending: December 31  
Organization Number : 2494170

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

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

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

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

You are not required to file state franchise or income tax returns unless you have income subject to the unrelated business income tax under Section 23731 of the Code. In this event, you are required to

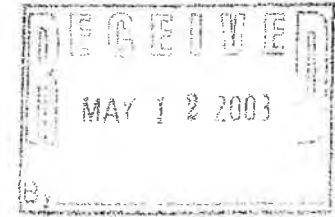




STATE OF CALIFORNIA  
FRANCHISE TAX BOARD  
PO BOX 1286  
RANCHO CORDOVA CA 95741-1286

In reply refer to  
755:G :EMM

May 9, 2003



THE ELIZABETH HOSPICE FOUNDATION  
THE ELIZABETH HOSPICE  
150 W CREST ST  
ESCONDIDO CA 92025-1706

Purpose : CHARITABLE  
Code Section : 23701d  
Form of Organization : Corporation  
Accounting Period Ending: December 31  
Organization Number : 2494170

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May 9, 2003  
THE ELIZABETH HOSPICE FOUNDATION  
ENTITY ID : 2494170  
Page 2

file Form 109 (Exempt Organization Business Income Tax Return) by the 15th day of the 5th month (4 1/2 months) after the close of your annual accounting period.

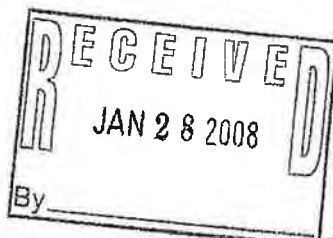
Please note that an exemption from federal income or other taxes and other state taxes requires separate applications.

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

E DIALA  
EXEMPT ORGANIZATIONS  
BUSINESS ENTITIES SECTION  
TELEPHONE (916) 845-4186

EO :

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



DEPARTMENT OF THE TREASURY

Date:

**JAN 23 2008**

ELIZABETH HOSPICE FOUNDATION  
150 W CREST ST  
ESCONDIDO, CA 92025

Employer Identification Number:

82-0549103

DLN:

17053005738008

Contact Person:

SHAWNDEA KREBS

ID# 31072

Contact Telephone Number:

(877) 829-5500

Public Charity Status:

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

Dear Applicant:

Our letter dated April 2003, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

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

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

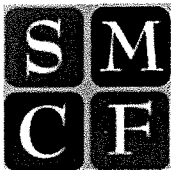
If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements

Letter 1050 (DO/CG)



SAN MARCOS COMMUNITY FOUNDATION  
Grant Cover Page

RECEIVED

APR 01 2013

(Choose one) ☐ MINI-GRANT ☒ REGULAR GRANT  
(Choose one) ☒ GENERAL FUND GRANT ☐ WILDLIFE FUND GRANT

Project Name: Hospice Care & Grief Counseling Services Date Submitted:	Total # of people served: 5,338 Total # of San Marcos residents served: 349	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website The Elizabeth Hospice 150 W. Crest Street Escondido, CA 92025 <a href="http://www.elizabethhospice.org">www.elizabethhospice.org</a>		Contact Person – Name, Title & Phone, email Ruth Frazier Director, Fund Development 760-796-3722 <a href="mailto:ruth.frazier@ehospice.org">ruth.frazier@ehospice.org</a>
<p>Briefly describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>This grant will support our direct Hospice &amp; Grief Counseling Services for residents of San Marcos. We care for patients regardless of their insurance status and in whatever place they call home (residence, skilled nursing facility, etc.) Our care includes managing the patient's pain and symptoms; assisting with emotional and spiritual aspects of dying; providing medications, medical supplies and equipment; and providing bereavement care and counseling to surviving family, friends, and caregivers. We also provide grief counseling and educational opportunities to anyone in the community, whether or not their loved one was our patient or not.</p>		
<p>Briefly describe the significance of your request to the San Marcos community:</p> <p>Not all costs associated with hospice care and bereavement counseling are covered by Medicare or private insurance. This means that we must seek community support in order to meet the needs of all who seek. We never turn anyone away because of a lack of insurance or other financial means. Our average daily census has risen by 68% since Fiscal Year '09 and the number of people served in San Marcos rose by 31%. In this current FY, beginning July 1, 2012, we are 17% ahead of where we were last year at this time (in terms of number of San Marcos residents served year to date.) With this increase in demand for services comes an increase in direct costs to our organization. We need your help in order to meet the needs of the residents of San Marcos, ensuring that everyone has access to compassionate end-of-life care and the healing of bereavement counseling.</p>		
Please attach the following items. <b>Both Mini-Grant &amp; Regular:</b> 1. Budget for request (use SMCF Budget Worksheet) 2. Annual Operating budget for the organization or unit 3. Federal & State Tax ID numbers 4. Board of Directors listing with affiliations <b>5. Regular Grants Only:</b> a. 1-2 page narrative b. First 2 pages of Federal 990 c. Most recent year-end Statement or Audit including any management letters associated with Audit. d. Optional: letters of support		Expected date project will begin: July 1, 2013 And end: June 30, 2014 Date by which funds will be expended: June 30, 2014  Send completed application to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069

# SAN MARCOS COMMUNITY FOUNDATION

## Budget Worksheet

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

Professional Salaries & Related Expenses	\$ 1,473,285
Facility, Rent, and Maintenance Related	\$ 38,772
Medical Supplies - Durable & Consumables	\$ 314,740
Consulting	\$ 15,213
Equipment & Supplies	\$ 5,057
Printing, Publications, and Postage	\$ 3,568
Telecommunications	\$ 37,223
Counseling & Community Programs	\$ 72,955
	\$
	\$
	\$
	\$
<b>Total budget for this PROJECT:</b>	<b>\$ 1,960,813</b>

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

Is this a challenge grant? No

Could it be? No

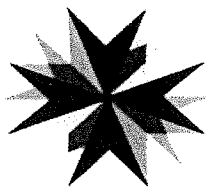
**Please list any other funding sources for this project.**

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

\$10,000	(Name of source)	Home Instead Senior Care Foundation	**	C
\$10,000	(Name of source)	Legacy Endowment Comm. Foundation	**	C
\$10,000	(Name of source)	Tippett Foundation	**	C
\$15,000	(Name of source)	S.L. Gimbel Foundation	**	C

There are other funders, both committed and pending.





**FY '13 OPERATING BUDGET**

**EXPENSES**

---

Payroll Related

Salaries	\$	15,587,899
Contract Labor	\$	829,186
Benefits	\$	4,629,838
<i>Subtotal</i>	<b>\$</b>	<b>21,046,923</b>

Patient Related

DME	\$	857,197
Ambulance	\$	22,618
Dietary	\$	3,235
Lab & Imaging	\$	31,345
Outpatient	\$	30,045
Medications	\$	1,162,985
Medical Supplies	\$	476,975
Mileage	\$	420,128
Other Patient Expenses	\$	98,715
Therapies	\$	44,880
Pass-Throughs	\$	1,348,169
<i>Subtotal</i>	<b>\$</b>	<b>4,496,292</b>

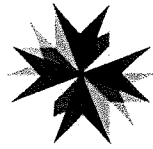
Counseling & Community Programs

Counseling Services	\$	719,681
Community Outreach	\$	131,562
<i>Subtotal</i>	<b>\$</b>	<b>851,243</b>

Facility Related

Electricity & Gas	\$	47,985
Maintenance	\$	30,056
Rent	\$	111,331
Service Contracts	\$	52,809
Facility Related Moving Costs	\$	124,885
Other Facility Related	\$	186,813
<i>Subtotal</i>	<b>\$</b>	<b>553,879</b>

Administrative Expenses		
Bank Charges	\$	2,038
Bereavement Program	\$	190,968
Computer	\$	353,176
Consulting	\$	217,326
Continuing Education	\$	72,528
Dues & Subscriptions	\$	61,721
Equipment	\$	46,560
Functions & Events	\$	9,743
General Supplies	\$	25,691
Insurance	\$	94,971
Legal & Accounting	\$	96,570
Marketing	\$	238,925
Meeting Expense	\$	122,932
Mileage - Non-Patient	\$	166,647
Other	\$	187,942
Postage & Printing	\$	50,970
Recruitment	\$	38,699
Telephone & Answering Services	\$	178,582
Training/Training Materials	\$	91,365
<i>Subtotal</i>	\$	<b>2,247,354</b>
Depreciation Expense	\$	<b>264,000</b>
<b>Total Expenses</b>	<b>\$</b>	<b>29,459,691</b>



The Elizabeth Hospice

**2013**

**BOARD OF DIRECTORS**

NAME	PROFESSION
Ron Klingensmith, Chair	CPA, Klingensmith, Kinkaid & Keith CPAs
John Forst	Owner, Design Fabrication
Andrea Klein	Community Member (retired)
Denise Boren	Ph.D., RN, Director, School of Nursing, California State University San Marcos
Bette Finegan	Community Member (retired)
Larry Eddingfield	Reverend, Community Member (retired)
Sharon Hamill	Ph.D., Professor of Psychology, California State University - San Marcos
Michael Hartney	Attorney, Partner, Corday & Hartney
Faye Hines	Broker
Gary Kloehn	Community Member (retired)
Dan Laframboise	President, DL Wealth Management Group
Bridget Pompa-Hogan	CPA, Partner, Covell & Hogan CPAs
Chris Weissmann	Vice President – Branch Manager, Certified Healthcare Banker, City National Bank
Guy Anastasia	Service Officer, Disabled American Veterans

[www.elizabethhospice.org](http://www.elizabethhospice.org)

THE ELIZABETH HOSPICE, INC. | 150 W. CREST STREET | ESCONDIDO, CA 92025  
(760) 737-2050 | TOLL FREE (800) 797-2050

**History and Mission:** The Elizabeth Hospice was founded as an all-volunteer program in 1978 at a time when few people knew the word hospice. Fewer still recognized its potential to alleviate suffering, but one nurse, Betty Bulen, held a vision of what this philosophy of care could mean to her community. Since opening our doors 35 years ago, services have been provided to more than 83,000 patients and families. Today, with a staff of 375 and 340 active volunteers, we are caring for nearly 500 patients, along with their families, each day.

Our mission is to enhance the quality of life for those nearing the end of life's journey and for those who grieve. Our vision is aspiring to a world in which every life ends with compassion, dignity, and peace.

We strive to enable patients to live out their lives at home, with family and friends, pain-free and with personal dignity. As founder Betty Bulen says, "*We encourage people to live, really live, before they die. People think that hospice is about dying, but it's really about celebrating life.*"

**Programs for Funding:** We provide the highest quality individualized medical, emotional, spiritual, and social support to patients and their families, regardless of gender, ethnicity, religion, disease, insurance status, or ability to pay. This grant would fund our **Hospice Care & Grief Counseling Services** for residents of **San Marcos**.

The purpose of hospice is to affirm life and view death as a natural process. Hospice helps terminally ill patients live the remainder of their lives as fully as possible, with the end life being one of peace and comfort surrounded by their loved ones. Hospice care is provided in whatever place the patient calls home—whether it be personal residence, assisted living facility, skilled nursing facility, or nursing home.

The Elizabeth Hospice and our Center for Compassionate Care (CCC) assign a highly skilled and compassionate team to each patient. This Interdisciplinary Team includes physicians, nurses, home health aides, chaplains, social workers, counselors, homemakers, and volunteers. Hospice care includes managing the patient's pain and symptoms; assisting the patient with the emotional, psychosocial and spiritual aspects of dying; providing needed drugs, medical supplies and equipment; instructing the family on how to care for the patient; and providing bereavement care and counseling to surviving family, friends, and caregivers. Hospice care is available 24 hours a day, 7 days a week.

Furthermore, our experts provide grief and loss counseling to children, teens, and adults. Counseling is offered to everyone in the community, whether or not their loved one was our patient or not – and we provide these services at no cost. Individual counseling for hospice families is offered for 13 months following the passing of their loved one. Our compassionate team will help individuals understand the grieving process, learn ways to manage grief, and find the strength to cope and heal in a supportive setting.

Types of counseling include 1) One-on-one - Individual grief counseling; 2) Drop-in Grief Groups – Support groups, with multiple day/time options, located throughout our entire service area, for families of patients and community members; 3) Journey Through Grief - Focusing on the needs of the newly bereaved to help them know what to expect and find the

help they need; 4) Special Topic Support Groups –8-week support groups addressing specific losses or needs, such as Widowers, Coping with the Holidays, and Perinatal Loss.; 5) On-Campus Counseling for K-12 schools and one University campus helping youth cope with the challenges of serious illness and death.

**Program Goals:** 1) To provide the highest quality hospice care to everyone in need, regardless of their insurance status or other ability to pay; 2) To increase the number of terminally ill patients dying at home, surrounded by loved ones, rather than dying in a hospital, or dying alone; 3) To provide anticipatory loss and bereavement services for families of hospice patients, with increased emphasis on children impacted by these patients; 4) To provide a comprehensive array of bereavement counseling services for all in the community.

**Expected Results:** 1) An honorable, dignified end-of-life experience for every resident who utilizes our services; 2) Reduction in the negative consequences associated with the loss of a loved one; 3) A healthier and safer community of individuals adapting to major life events through lifelong coping skills garnered through our hospice and bereavement services; 4) A community more educated about the true meaning of hospice and the wide array of services offered by The Elizabeth Hospice.

**Population Served:** While we provide hospice care for any person regardless of their age, the majority of our patients are Senior Citizens. Our counseling clients also include children, teens, and adults. Last year, The Elizabeth Hospice served **157** hospice patients, about **8%** of our total patients; and **192** counseling clients from **San Marcos**, about **6%** of all our counseling clients. Not included are residents who may participate in one of our many educational opportunities because these attendees are not tracked by residence/zip code.

In the past two years we have experienced tremendous growth in the number of patients served. Since FY '09 our average daily patient census has risen by **68%**; and in San Marcos, the total number of patients served has increased by **31%** during that same three year period. In this current FY, beginning July 1, 2012, we are **17%** ahead of where we were last year at this time (in terms of number of San Marcos residents served year to date.)

**Use of Funds:** A \$10,000 grant will help us provide crucial hospice services to uninsured, underinsured and/or indigent patients and their families. This includes hospice physicians, nurses, social workers, chaplains, home health aides, personal medical supplies, prescriptions, and equipment. Furthermore, the grant will support grief and bereavement counseling for the patient's family and/or caregivers, along with counseling for the community, and our On-Campus Counseling program above.





The Elizabeth Hospice

**San Marcos Community Foundation**

**Post-Grant Report**

(Reporting Period: June 1, 2013 – October 31, 2013)

**Report Date:** November 22, 2013

**Submitted by:** Vatei Campbell

**Grant Amount:** \$4,000

**Grant Received:** May 21, 2013

**Purpose of Grant:** Hospice Care & Grief Counseling Services

**Contact:** Vatei Campbell, Fund Development Manager

**Phone:** 760.796.3723

**Email:** Vatei.Campbell@ehospice.org

The Elizabeth Hospice provides individualized medical, emotional, spiritual, and social support for patients and their families to anyone in need—*regardless of gender, ethnicity, religion, disease, insurance status, or ability to pay*. Services include: 1) Physical and medical care; pain and symptom management; 2) Grief Counseling & Bereavement Services—for *patients, their families, and their community*; 3) Community Education; and 4) Hospice Volunteer Program.

**Project Results:** In the five months (June–October) since receiving this grant, our average daily census was 479. During this period, The Elizabeth Hospice provided its compassionate hospice care services to 111 people from San Marcos. In addition to 78 hospice patients from San Marcos, individual and group bereavement counseling was provided to 24 family members of our patients and members from the San Marcos community at large.

Furthermore, our Center for Compassionate Care collaborates closely with Cal State University San Marcos (CSUSM) each year by providing annual training on campus about Grief & Loss to Residential Advisors, dorm staff, Clinical Psychology students—reaching 37 during their last training. Bereavement Counselor, Paula Bunn, also participated in a discussion panel last year for 75 students studying for careers in mental health. Our Community Outreach Coordinator, Jennifer Marsh and Volunteer Manager, Gisela Sannar, also taught a class about Death & Dying to 30 CSUSM students.

**Use of Funds:** All funds have been expended. The \$4,000 grant was used to support our work in the San Marcos community. In particular, funds were used for personal medical supplies, durable medical equipment for patients, counseling services and materials, and for our expert staff which includes physicians, nurses, social workers, chaplains, and home health aides. The average length of stay for our patients is 74 days with a \$90 average daily cost per patient.

**Program Evaluation**

We all deserve a dignified end-of-life experience. Our expert hospice care allows patients to live out their lives wherever they call “home”—*pain-free and with personal dignity*—surrounded by family and friends. Loved ones and caregivers may also use our programs to manage their grief and transition into a life with a renewed outlook. For the past 35 years, our vision remains to aspire to a world in which every life ends in compassion, dignity, and peace.

**Signed By:** Jan Jones, President/CEO

**Signature:**

**Date:** 11/25/2013

[www.elizabethhospice.org](http://www.elizabethhospice.org)

THE ELIZABETH HOSPICE, INC. | 150 W. CREST STREET | ESCONDIDO, CA 92025

760.737.2050 | TOLL FREE 1.800.797.2050



**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

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

<b>Project Name:</b> Textbooks for the Future <b>Date Submitted:</b> 3/27/14	<b>Total # of people served:</b> 2000 <b>Total # of San Marcos residents served:</b> 300	<b>Amount Requested:</b> \$5,000
<b>Non-Profit Organization Name and Address, Website</b> Palomar College Foundation 1140 West Mission Road San Marcos, CA 92069 760.744.1150 <a href="http://www.palomar.edu/foundation">www.palomar.edu/foundation</a>		<b>Contact Person – Name, Title &amp; Phone, email</b> Debbie King, Assistant Director 760.744.1150 x2735 Dking1@palomar.edu
<p><u>Briefly describe your request for funds (to be expanded upon in narrative for regular grant):</u></p> <p>San Marcos students comprise about 14% of the Palomar College student body, and a substantial percentage of these students cannot afford the full cost of the textbooks they need to succeed. The Palomar College Foundation does not want to see <i>any</i> student denied his/her chance at future success for lack of a college textbook. The Foundation's Textbook Assistance Program makes a difference every day of every semester by enabling thousands of students to have access to the books they need. We accomplish this with community support, by either subsidizing access to books through direct rental by students or through purchase and placement in the library of special reserve copies that can be used on a short-term, in-library basis.</p>		
<p><u>Briefly describe the significance of your request to the San Marcos community:</u></p> <p>The San Marcos students at Palomar College today are the teachers and engineers and technicians and nurses and entrepreneurs of the community in the future. These students <i>are</i> the community's future. Support of the Textbook Assistance Program is an investment that returns dividends as a vibrant, successful community now and in coming years. By assuring equal access to vital resources, the Textbook Assistance Program removes a barrier and makes success accessible to all.</p>		
<p>Please attach the following items.</p> <p><b>Both Mini-Grant &amp; Regular:</b></p> <ol style="list-style-type: none"><li>1. Budget for request (use SMCF Budget Worksheet)</li><li>2. Annual Operating budget for the organization or unit</li><li>3. Federal &amp; State Tax ID numbers</li><li>4. Board of Directors listing with affiliations</li></ol> <p><b>5. Regular Grants Only:</b></p> <ol style="list-style-type: none"><li>a. 1-2 page narrative</li><li>b. First 2 pages of Federal 990</li><li>c. Most recent year-end Statement or Audit including any management letters associated with Audit.</li><li>d. Signature of President or Authorized Officer on Application</li><li>e. Optional: letters of support</li></ol>		<p><b>Expected date project will begin/end:</b> 5/1/14-4/30/15</p> <p><b>Date by which funds will be expended:</b> 4/30/15</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"><p><b>Signature of President or Authorized Officer</b></p><div style="display: flex; justify-content: space-between;"><div> Name, Title Richard Talmo, Executive Dir.</div><div style="text-align: right;">3/27/14 Date</div></div></div> <p><b>Submit Via Mail, In Person or Via Email to:</b> San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): <a href="mailto:wkaserman@san-marcos.net">wkaserman@san-marcos.net</a></p>



## Textbooks for the Future

Opportunity—real opportunity—doesn't have limits.

The goal of the Palomar College Foundation's Textbook Assistance Program is to remove textbook cost as a barrier to opportunity, thus enabling *every* student to have access to success.

It is the *community's* loss if a student—who might have been San Marcos' next outstanding science teacher, or gifted nurse, or successful entrepreneur—fails educationally not because he or she lacked the will to get an education but rather because that student lacked a way to get a required textbook.

Can a book stand between a student and success? Can a book really be a barrier? It can when a student is already struggling financially, comes from a family that has no uncommitted financial resources, works one and sometimes two jobs just to be able to attend school, and faces costs for a single book that often exceed \$100 and can go as high as \$300. Many courses require more than one book, and most students are taking multiple courses in any semester. Annual costs can amount to \$1500 or more.

The cost of textbooks is far from inconsequential. Unfortunately, for too many students the consequence is that they drop out, or reduce their course load to what they can afford rather than what they can achieve. From 10-15% of the students will not enroll in or will drop out of a class because they cannot afford the required textbook.

Almost 14% of the Palomar College students are San Marcos residents. Many more work in San Marcos, or have family there. Many of these students are the first in their families to attempt higher education. They have overcome many obstacles just to be in a position to enroll in college. We as a foundation seek to encourage and sustain them by seeing that they have the basic resources required for success. Their individual success becomes the community's success. Their future *is* the community's future.

There is nothing more basic to their academic functioning than having the textbooks they need. They will spend many more hours with the textbook than the professor or their peers. They will learn from it, review it, consult it. In it they will find more than just questions and answers; they will find a source of inspiration, a vision of what could be. Whether the course is English or science, nursing or business, the textbook *is* that course—and the future to which the course can lead—to the student.

We estimate that about 4000 Palomar College students need textbook assistance in any year; about 600 of these are likely to be San Marcos residents. We cannot currently help all those who need help. We seek to expand our capacity—currently about 2000 students a year—with an ultimate goal of never having to decline an application.

The foundation provides both direct textbook grants, enabling students to rent textbooks (where publishers offer such an option); and grants funds to the college library which purchases key textbooks for the most popular courses and makes them available on a two-hour reserve (in-library) basis. Though this two-pronged strategy enables us to help the maximum number of students, we must annually decline many applications, and we know that many others do not apply because they feel their chances of funding are slight.

It is impossible to predict who will excel and be the leaders and builders of San Marcos. That is why it is vitally important that *everyone* have access to education, without being limited by financial constraints. There is a financial and human toll when economics becomes the filter with which we screen out those who receive the advantages of higher education. The foundation's Textbook Assistance Program strives to eliminate that screen, to the benefit of countless individuals *and* to the ultimate benefit of San Marcos and surrounding communities.

And that is just the *beginning* of the story, not the end. Each Palomar College graduate is a source of vision and inspiration for brothers and sisters and nieces and nephews and friends. Each graduate becomes economically more viable, and thus likely to earn more and do more for the San Marcos community. Education and the opportunities it brings make graduates economic engines of success and catalysts for the success of others. Their efforts and economic triumphs will create jobs and help strengthen the community. As local residents, locally educated, these graduates are likely to *remain* in San Marcos and contribute to its future success.

The Palomar Community College Foundation is proud to have helped create thousands of futures since 2009, when it began the Textbook Assistance Program. Each year, we commit nearly \$100,000 to equalizing access through this program. The total investment to date, by the Palomar College Foundation and from other donors, is more than half a million dollars. It's an investment that has opened the door of opportunity to more than 14,000 students, many of them from San Marcos.

It's an achievement of which we are proud, and one for which we now seek your support.

**SAN MARCOS COMMUNITY FOUNDATION  
Budget Worksheet**

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

**Textbook assistance to 2,500 Palomar College students  
for fall 2014 and spring 2015.** **\$100,000**

(includes library reserves support and direct textbook rental  
assistance) \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**Total budget for this PROJECT:**

**\$100,000**

**Grant Request Amount:**

**\$5,000**

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

Is this a challenge grant?      NO

Could it be?

**Please list any other funding sources for this project.**

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

\$50,000      President's Associates

**\*\*C**

\$6,000      Scott and Elizabeth Christensen Foundation

**\*\*C**

\$10,000      Emma Paquin

**\*\*C**

\$5,000      Misc Private donors

**\*\*C**



**PALOMAR COLLEGE FOUNDATION**  
**Organizational Budget 2014**

**Personnel**

College Funded Salaries & Benefits	\$476,426
Foundation Funded Salaries & Benefits	\$196,400
<b>Sub Total</b>	<b>\$672,826</b>

**Operations \***

Cultivation Events	\$8,800
Stewardship Gifts/Communications	\$10,314
Printing/Duplication	\$17,500
Postage	\$8,000
Travel/Mtgs/Seminars/Misc	\$11,000
Office Supplies/Equipment	\$6,000
Professional Services/Support	\$19,050
Software/Support	\$18,600
Memberships/Prof. Affiliations	\$8,850
Fundraising Collateral Materials	\$5,250
Direct Mail/Telemarketing	\$5,250
<b>Sub Total</b>	<b>\$118,614</b>

<b>Total Operational Cost</b>	<b>\$791,440</b>
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\* Budgeted expenses covered by Foundation funds

**PALOMAR COLLEGE FOUNDATION**

Federal Tax ID # 95-6094128

State Tax ID# 352-5078-6



U. S. TREASURY DEPARTMENT  
INTERNAL REVENUE SERVICE

DISTRICT DIRECTOR  
P. O. BOX 231  
LOS ANGELES 53, CALIFORNIA

November 29, 1963

IN REPLY REFER TO  
Form 2954  
Code 414 :JFS  
LA-EO-63-235

Palomar College Development Foundation  
c/o Palomar College  
San Marcos, California

Gentlemen:

PURPOSE
Educational
FORM 990A REQUIRED
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
ACCOUNTING PERIOD END- ING
December 31, 1963

Based upon the evidence submitted, it is held that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code, as it is shown that you are organized and operated exclusively for the purpose shown above. Any questions concerning taxes levied under other subtitles of the Code should be submitted to us.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code and are required to file Form 990-T for the purpose of reporting unrelated business taxable income. Any changes in your character, purposes or method of operation should be reported immediately to this office for consideration of their effect upon your exempt status. You should also report any change in your name or address. Your liability for filing the annual information return, Form 990A, is set forth above. That return, if required, must be filed after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of section 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such Act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to this office.

This is a determination letter.

Very truly yours,

*R. A. Riddell*

R. A. Riddell  
District Director



June 10, 1980

In reply refer to  
344:RTF:KY:ea

Palomar College Development  
Foundation  
c/o Palomar College  
San Marcos, CA 92069

Purpose : Educational  
Form of Organization : Corporation  
Accounting Period Ending: December 31  
Organization Number : 0388376

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

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

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

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

Robert Lute, Manager  
Exempt Organization Section  
Telephone (916) 355-0392

cc: R. L. McNeil

FTB 4204-ATS (11-75)

**PALOMAR COLLEGE FOUNDATION**  
**Board of Directors 2014**

**Marc McGuire, Board Chair**

President, The Irish Setters Inc.  
San Marcos, CA

**Matilda Rough, Chair-Elect**

President, M&M Escrow Company  
San Marcos, CA

**Robert Maag, Past-Chair**

SVP/Relationship Manager, Pacific Commerce Bank  
San Diego, CA

**John Masson, Treasurer**

President, Masson & Associates Inc.  
Escondido, CA

**Charles Salter, Secretary**

Attorney at Law  
Vista, CA

**Chief Judge Anthony Brandenburg**

Inter-Tribal Court of Southern California  
Valley Center, CA

**David Engblom**

Vice President, Banc of California  
San Marcos, CA

**Dr. Luene Corwin**

Retired Educator/Community Leader  
Vista, CA

**Barbara Swearingen**

Community Leader  
Carlsbad, CA

*Updated: March 2014*



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

OMB No. 1545-0047

**2012**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

**A** For the 2012 calendar year, or tax year beginning , 2012, and ending , 20

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>PALOMAR COLLEGE FOUNDATION</b>		<b>D</b> Employer identification number 95-6094128
	Doing Business As		
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1140 W. MISSION ROAD		<b>E</b> Telephone number (760) 744-1150
	City, town, or post office, state, and ZIP code SAN MARCOS, CA 92069		
	<b>F</b> Name and address of principal officer: <b>RICHARD D. TALMO</b> 1140 WEST MISSION ROAD SAN MARCOS, CA 92069		<b>G</b> Gross receipts \$ 1,638,999.
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions).	
<b>J</b> Website: WWW.PALOMAR.EDU/FOUNDATION		<b>H(c)</b> Group exemption number ▶	
<b>K</b> Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input checked="" type="checkbox"/> Other ▶ NON-PROFIT E		<b>L</b> Year of formation: 1959 <b>M</b> State of legal domicile: CA	

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: THE PALOMAR COLLEGE FOUNDATION, WITH THE SUPPORT OF THE COMMUNITY, SECURES SUPPLEMENTAL FUNDING, OTHER RESOURCES, AND PROVIDES PROGRAM SUPPORT FOR THE BENEFIT OF PALOMAR COMMUNITY COLLEGE AND ITS STUDENTS.		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>17.</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>17.</b>
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b>	<b>0</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>0</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	1,556,178.	1,248,179.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	184,046.	219,946.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-21,994.	-62,630.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,718,230.	1,405,495.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	1,380,295.	1,108,605.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	17,487.	0
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶	0	0
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	0	0
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	187,061.	275,412.
<b>Net Assets or Fund Balances</b>	<b>19</b> Revenue less expenses. Subtract line 18 from line 12	1,584,843.	1,384,017.
	<b>20</b> Total assets (Part X, line 16)	133,387.	21,478.
	<b>21</b> Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20.	5,636,252.	6,030,403.
		63,138.	129,168.
		5,573,114.	5,901,235.

**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.

<b>Sign Here</b>	Signature of officer		Date		
	Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>BRIAN HADLEY</b>	Preparer's signature <i>Brian Hadley</i>	Date <b>6/27/13</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00067183</b>
	Firm's name ▶ <b>WILKINSON HADLEY KING &amp; CO., LLP</b>	Firm's EIN ▶ <b>52-2354566</b>	Phone no. <b>619-447-6700</b>		
	Firm's address ▶ <b>218 W. DOUGLAS AVENUE EL CAJON, CA 92020</b>				

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

Yes ☐ No ☒

For Paperwork Reduction Act Notice, see the separate instructions.

JSA  
2E1010 1 000Form **990** (2012)

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PAGE 1



**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III ☐

1 Briefly describe the organization's mission:

THE PALOMAR COLLEGE FOUNDATION, WITH THE SUPPORT OF THE COMMUNITY,  
 SECURES SUPPLEMENTAL FUNDING, OTHER RESOURCES, AND PROVIDES PROGRAM  
 SUPPORT FOR THE BENEFIT OF PALOMAR COMMUNITY COLLEGE AND ITS  
 STUDENTS.

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 \$ 1,199,726. including grants of \$ 1,108,605. ) (Revenue \$ 1,248,179. )  
 GRANTS, ALLOCATIONS AND SCHOLARSHIPS FOR THE BENEFIT OF THE  
 STUDENTS AT PALOMAR COMMUNITY COLLEGE.

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

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

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

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

4e Total program service expenses 1,199,726.

**PALOMAR COLLEGE FOUNDATION**  
**FINANCIAL STATEMENTS**  
**FOR YEARS ENDED**  
**DECEMBER 31, 2012 AND 2011**

**PALOMAR COLLEGE FOUNDATION  
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## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors  
Palomar College Foundation**

We have audited the accompanying statement of financial position of Palomar College Foundation, a non-profit organization, as of December 31, 2012 and 2011 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Palomar College Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Palomar College Foundation as of December 31, 2012 and 2011 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

El Cajon, California  
May 30, 2013



**PALOMAR COLLEGE FOUNDATION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>ASSETS</b>		
Current Assets:		
Cash In Banks	\$ 229,183	\$ 210,700
Investments	2,473,083	2,579,595
Total Current Assets	<u>2,702,266</u>	<u>2,790,295</u>
Non-current Assets:		
Property and Equipment, Net	<u>6,595</u>	<u>8,416</u>
Other Assets:		
Endowment Investments	3,010,030	2,615,375
Investments Held Under Split-Interest Agreements	<u>311,512</u>	<u>222,166</u>
Total Other Assets	<u>3,321,542</u>	<u>2,837,541</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 6,030,403</u></u>	<u><u>\$ 5,636,252</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable	\$ 16,805	\$ -
Accrued Expenses	-	3,849
Payable to Beneficiaries	<u>15,464</u>	<u>14,672</u>
Total Current Liabilities	<u>32,269</u>	<u>18,521</u>
Long-term Liabilities:		
Payable to Beneficiaries, Net of Current Portion	<u>96,899</u>	<u>44,617</u>
<b>TOTAL LIABILITIES</b>	<u>129,168</u>	<u>63,138</u>
<b>NET ASSETS</b>		
Unrestricted	729,792	677,015
Temporarily Restricted	2,288,609	2,013,265
Permanently Restricted	<u>2,882,834</u>	<u>2,882,834</u>
<b>TOTAL NET ASSETS</b>	<u>5,901,235</u>	<u>5,573,114</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 6,030,403</u></u>	<u><u>\$ 5,636,252</u></u>

The accompanying notes are an integral part of this statement

**PALOMAR COLLEGE FOUNDATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2012**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 45,876	\$ 832,867	\$ -	\$ 878,743
Campaign Revenue	95,823	-	-	95,823
Contributions From Fund Raising Events	201,650	222,837	-	424,487
Donated Services and Facilities	476,426	-	-	476,426
Grants	-	20,000	-	20,000
Investment Return	142,737	378,908	-	521,645
Increase in Value of Beneficial Interests in Remainder Trusts	-	4,944	-	4,944
Net Assets Released From Restrictions, Satisfaction of Program Restrictions	1,184,212	(1,184,212)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>2,146,724</b>	<b>275,344</b>	<b>-</b>	<b>2,422,068</b>
<b>EXPENSES</b>				
Program Services:				
Grants/Allocations	699,159	-	-	699,159
Scholarships	409,446	-	-	409,446
Special Events	233,504	-	-	233,504
Total Program Services	1,342,109	-	-	1,342,109
Supporting Services:				
Clerical Support	24,278	-	-	24,278
Software, Support and Training	27,357	-	-	27,357
Printing and Duplicating	11,375	-	-	11,375
Consulting Fees	47,004	-	-	47,004
Travel and Conference	6,595	-	-	6,595
Audit and Tax Preparation	10,360	-	-	10,360
Office Expenses	25,066	-	-	25,066
Investment Fees	26,986	-	-	26,986
Other Operating Expenses	43,036	-	-	43,036
Supplemental Wage Expense	18,573	-	-	18,573
Donated Services and Facilities	476,426	-	-	476,426
Strategic Plan Expenses	26,162	-	-	26,162
Board and Committee Meetings	6,799	-	-	7,480
Depreciation	1,821	-	-	1,821
Total Supporting Services	751,838	-	-	751,838
<b>TOTAL EXPENSES</b>	<b>2,093,947</b>	<b>-</b>	<b>-</b>	<b>2,093,947</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>52,777</b>	<b>275,344</b>	<b>-</b>	<b>328,121</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>677,015</b>	<b>2,013,265</b>	<b>2,882,834</b>	<b>5,573,114</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 729,792</b>	<b>\$ 2,288,609</b>	<b>\$ 2,882,834</b>	<b>\$ 5,901,235</b>

The accompanying notes are an integral part of this statement

**PALOMAR COLLEGE FOUNDATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2011**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 19,402	\$ 645,675	\$ 583,034	\$ 1,248,111
Contributions From Fund Raising Events	461,620	-	-	461,620
Donated Services and Facilities	491,630	-	-	491,630
Grants	2,400	35,000	-	37,400
Investment Return	(2,382)	48,085	-	45,703
Increase in Value of Beneficial Interests in Remainder Trusts	-	7,596	-	7,596
Net Assets Released From Restrictions, Satisfaction of Program Restrictions	1,013,512	(1,013,512)	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	1,986,182	(277,156)	583,034	2,292,060
<b>EXPENSES</b>				
Program Services:				
Grants/Allocations	970,454	-	-	970,454
Scholarships	409,841	-	-	409,841
Special Events	212,947	-	-	212,947
Total Program Services	1,593,242	-	-	1,593,242
Supporting Services:				
Salaries	17,487	-	-	17,487
Software, Support and Training	32,738	-	-	32,738
Printing and Duplicating	5,516	-	-	5,516
Consulting Fees	21,295	-	-	21,295
Travel and Conference	7,720	-	-	7,720
Audit and Tax Preparation	10,700	-	-	10,700
Office Expenses	20,732	-	-	20,732
Investment Fees	20,273	-	-	20,273
Other Operating Expenses	39,310	-	-	39,310
Supplemental Wage Expense	19,716	-	-	19,716
Donated Services and Facilities	491,630	-	-	491,630
Board and Committee Meetings	7,480	-	-	7,480
Depreciation	1,581	-	-	1,581
Total Supporting Services	696,178	-	-	696,178
<b>TOTAL EXPENSES</b>	2,289,420	-	-	2,289,420
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(303,238)	(277,156)	583,034	2,640
<b>NET ASSETS, BEGINNING OF YEAR</b>	980,253	2,290,421	2,299,800	5,570,474
<b>NET ASSETS, END OF YEAR</b>	\$ 677,015	\$ 2,013,265	\$ 2,882,834	\$ 5,573,114

The accompanying notes are an integral part of this statement

**PALOMAR COLLEGE FOUNDATION  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 328,121	\$ 2,640
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,821	1,581
(Gain) Loss on Investments	(321,463)	138,343
Increase in Value of Beneficial Interests in Remainder Trusts	(4,944)	(7,596)
Distribution of Investments Under Split-Interest Agreements	16,020	20,020
Changes in Operating Assets and Liabilities:		
Accounts Receivable	-	50,740
Accounts Payable	16,805	
Accrued Expenses	(3,849)	1,520
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	32,511	207,248
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds From Sale of Investments	\$ 262,618	\$ 403,334
Purchase of Investments	(276,646)	(617,739)
Purchase of Furniture	-	(7,888)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	(14,028)	(222,293)
<b>NET INCREASE (DECREASE) IN CASH</b>	18,483	(15,045)
<b>CASH AT BEGINNING OF YEAR</b>	210,700	225,745
<b>CASH AT END OF YEAR</b>	\$ 229,183	\$ 210,700

The accompanying notes are an integral part of this statement

**PALOMAR COLLEGE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2012 AND 2011**

**A. Organization and Summary of Significant Accounting Policies:**

*Nature of Activities*

Palomar College Foundation (Foundation) is a California nonprofit organization established in 1959 to secure supplemental funding and other resources for the benefit of the students and faculty of Palomar Community College District (District). The Foundation's programs include student scholarships, faculty grants, donor-designated funds, and special projects. The Foundation receives contributions to support the students and programs of the District.

*Basis of Accounting*

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities. Revenues are recorded in the accounting period they become both measurable and available. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered).

*Use of Estimates*

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

*Basis of Presentation*

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

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

*Cash and Cash Equivalents*

For the purpose of the statement of financial position and the statement of cash flows, the Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents.



**PALOMAR COLLEGE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Continued)**

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

*Revenue Recognition*

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

*Investments*

Investments are carried at market value and realized and unrealized gains and losses are reflected in the change in net assets in the statements of activities. The fair value of equity and debt securities is based on the quoted market price of the underlying securities. Investments acquired by gift are recorded at their market value at the date of the gift.

*Income Taxes*

The Foundation 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 Foundation may be subject to tax on income which is not related to its exempt purpose. No such unrelated business taxable income was reported and, therefore, no provision for income taxes has been made. The Foundation is not a private foundation.

*Property and Equipment*

Acquisitions of property and equipment of \$500 or more are capitalized and are recorded at cost. Donated property and equipment are recorded at fair market value at the date of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from five to seven years.

*Charitable Gift Annuities*

Charitable gift annuities are established in connection with split-interest agreements, in which the donors or third-party beneficiaries receive specified distributions during the term of the agreements. All gift annuities are negotiated between the Foundation and the donor/annuitant, and based on the rate tables approved by the California Insurance Commissioner for gift annuity agreements. The assets are included in investments held under split-interest agreements and the liabilities for the net present value of the annuity payments are included in payable to beneficiaries in the statements of financial position.

**PALOMAR COLLEGE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Continued)**

**B. Cash:**

Cash balances on hand and in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by financial institutions is entirely insured or collateralized.

Cash consists of the following:

	2012	2011
Checking	\$ 205,534	\$ 187,715
Certificates of deposit/other accounts	23,649	22,985
	<u>\$ 229,183</u>	<u>\$ 210,700</u>

**C. Investments:**

Investments consists of the following:

	2012	2011
Mutual funds:		
Marketable securities	\$ 4,469,295	\$ 3,831,800
Real estate	233,035	233,325
Trust funds	540,892	500,943
Money market funds	551,403	851,068
	<u>\$ 5,794,625</u>	<u>\$ 5,417,136</u>

Investment return and its classification for the year ended December 31, 2012 included in the statement of activities is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 97,381	\$ 102,801	\$ -	\$ 200,182
Realized gain on investments	11,591	8,173	-	19,764
Unrealized gain on investments	54,240	267,934	-	322,174
Unrealized loss on investments	(20,475)	-	-	(20,475)
	<u>\$ 142,737</u>	<u>\$ 378,908</u>	<u>\$ -</u>	<u>\$ 521,645</u>

Investment return and its classification for the year ended December 31, 2011 included in the statement of activities is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 83,329	\$ 100,717	\$ -	\$ 184,046
Unrealized gain on investments	-	15,853	-	15,853
Unrealized loss on investments	(85,711)	(68,485)	-	(154,196)
	<u>\$ (2,382)</u>	<u>\$ 48,085</u>	<u>\$ -</u>	<u>\$ 45,703</u>

**PALOMAR COLLEGE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Continued)**

**C. Investments (Continued)**

*Investment Accounting Policy*

The Foundation's general policy is to report money market investments and short-term participating interest-earning investment contracts at cost with all other investments being reported at fair value unless a legal contract exists which guarantees a higher value.

All funds of the Foundation are invested in a prudent manner with the intention to pursue a long-term investment objective of consistent capital growth through priority objectives of a) preservation of capital, b) liquidity sufficient for annual spending, and c) long-term income growth. Diversification policy states that no security shall exceed 2% of the portfolio (excluding treasury and agency securities commingled fund vehicles) and bond quality shall be a minimum weighted average fixed income rating of "A" grade with bond maturity having an average duration not to exceed seven years.

The Foundation's policy for endowments and endowed scholarship funds states that the endowed principal will be invested in those assets which have the highest statistical probability of preserving, in real rather than nominal terms, the corpus, while generating the maximum possible rate of return. Investment parameters include a) investing the funds on a long-term basis (five years or more), consistent capital growth, preserving the principal, and accepting minimal market risk.

**D. Accounts Receivable:**

There are no significant receivables which are not scheduled for collection within one year of year end. There were no significant accounts receivable noted as of the years ended December 31, 2012 and December 31, 2011.

**E. Property and Equipment:**

Property and equipment consist of the following:

	2012	2011
Furniture and equipment	\$ 30,982	\$ 30,982
Less accumulated depreciation	<u>(24,387)</u>	<u>(22,566)</u>
	\$ 6,595	\$ 8,416

**F. Functional Allocation of Expenses:**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**PALOMAR COLLEGE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
**(Continued)**

**G. Restrictions on Net Assets:**

Temporarily restricted net assets consist of the following:

	2012	2011
Departmental funds	\$ 728,455	\$ 641,457
Internal scholarships	692,683	561,093
Auxiliary organization funds	234,482	284,561
Foundation endowment #1	309,332	279,880
Charitable remainder trusts	200,144	139,630
Minkoff soccer field	34,759	34,759
Arboretum Hubbell structure	88,754	72,245
	<u>\$ 2,288,609</u>	<u>\$ 2,013,625</u>

Permanently restricted net assets consist of the following:

	2012	2011
Endowment funds	\$ 2,317,800	\$ 2,317,800
Scholarship funds	565,034	565,034
	<u>\$ 2,882,834</u>	<u>\$ 2,882,834</u>

**H. Related Party Transactions:**

The District is the primary beneficiary of the Foundation. To assist the Foundation in carrying out its purpose, the Foundation has a master agreement with the District whereby the District provides administrative support to the Foundation. The District pays 100% of the salaries and benefits of the Executive Director, Advancement Office and College Foundation Coordinator, and Accountant. In addition, the District pays 75% of the salaries and benefits of the Scholarship Coordinator and provides free use of facilities.

Donated services and facilities for the year ended December 31, 2012 and for the year ended December 31, 2011 was \$476,426 and \$491,630, respectively. These amounts are included as donated services and facilities and as operating expenses in the statements of activities for the years ended December 31, 2012 and 2011.

**I. Split-Interest Agreements:**

The Foundation receives contributions under charitable gift annuities. The Foundation agrees to pay a stated amount annually to the beneficiaries as long as they live, at which time, the remaining assets are available for use by the Foundation. Total assets held under split-interest agreements as of December 31, 2012 and 2011 are \$311,512 and \$222,166, respectively, and the actuarial present value of the Foundation's interest in the gift annuities are \$199,149 and \$162,877 respectively. At December 31, 2012, the amounts payable to beneficiaries are \$112,363, of which \$15,464 is current and \$96,899 is long-term. At December 31, 2011, the amounts payable to beneficiaries are \$59,289 of which \$14,672 is current and \$44,617 is long-term. Payable to beneficiaries is the present value of the expected future cash flows to be paid to the beneficiaries.

**PALOMAR COLLEGE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2012 AND 2011  
(Continued)**

**J. Endowment Funds:**

Donors may designate current and future donations to the Foundation's endowment funds. Principal and income is governed by the terms of the endowment. The principal of each endowment is restricted in perpetuity until the occurrence of a specified event or for a specified period and the income is either restricted or available for current use. When restrictions on the principal fund balance end, the resources are transferred from the endowment fund to either the undesignated funds or a specific designated fund, in accordance with the terms of the gift or bequest. Income from the endowment funds is recorded in either designated or undesignated funds, depending on whether the donor has placed restrictions on the use of income.

As of December 31, 2012, the Foundation had one endowment account whereby the endowment fund balance was below the initial preserved principal amount; however, the Foundation has sufficient unrestricted funds that allow for temporary loan transfers to all 'underwater' endowments which will increase the fund balance to the initial preserved principal amount. The total endowment balance below the initial preserved principal amount for all accounts inclusive is \$2,277 as of December 31, 2012.

As of December 31, 2011, the Foundation had three endowment accounts whereby the endowment fund balance was below the initial preserved principal amount; however, the Foundation has sufficient unrestricted funds that allow for temporary loan transfers to all 'underwater' endowments which will increase the fund balance to the initial preserved principal amount. The total endowment balance below the initial preserved principal amount for all accounts inclusive is \$21,432 as of December 31, 2011.

**K. Subsequent Events:**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through May 30, 2013, the date the financial statements were available to be issued.





**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

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

<b>Project Name: Senior Emergency Meal Boxes</b>  <b>Date Submitted: 4-2-14</b>	<b>Total # of people served: 1,066</b>  <b>Total # of San Marcos residents served: 65</b>	<b>Amount Requested: \$ 10,000</b>
<b>Non-Profit Organization Name and Address, Website</b>  <b>The Angel's Depot</b> 1497 Poinsettia Ave., Suite 158 Vista, CA 92081 www.theangelsdepot.org		<b>Contact Person – Name, Title &amp; Phone, email</b>  <b>Susan Hall</b> Founder & Executive Director Office: (760) 599-7093    Mobile: (760) 613-9996 susanhall@theangelsdepot.org

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

**The Angel's Depot** respectfully requests a **\$10,000** grant to support the **Senior Emergency Meal Box Program** currently being provided, free of charge, each month to **60 desperately poor, prequalified San Marcos Seniors** whose **average monthly income is \$802**. **Senior Emergency Meal Boxes** are distributed each month to the San Marcos Senior Center under the supervision of Volunteer Program Manager, Karen Alvarez, a San Marcos resident. Each **Senior Emergency Meal Box** weighs 24 pounds and contains specially formulated food to make 21 easily prepared meals, breakfasts, lunches, dinners and snacks for one week. Food choices are high in protein, fiber, folates with modest sugar to meet the nutritional needs of seniors who are at-risk for malnutrition and living with food insecurity (not knowing when they will next have food). This population of seniors routinely chooses between purchasing food and medicine and dangerously rationing both to survive until their next Social Security check arrives. San Marcos Seniors served are **6%** of the total seniors served countywide, at an annual cost of **\$50,415** of The Angel's Depot **\$840,250** Annual Budget for 2014

To qualify for a Senior Emergency Meal Box, seniors must be 60 years of age or 55+ years old with permanent disability; their income must be no more than \$1,000 per month; they must have no more than \$10,000 in assets (most live month-to-month); they must be receiving Social Security, SSI or Disability; they must be residents of San Marcos; they must show a photo I.D., proof of residence and proof of income. This program was developed as a food lifeline to help impoverished seniors survive between Social Security checks.

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

The San Marcos impoverished senior population who receive **FREE Senior Emergency Meal Boxes** each month are of the generations who fought our wars, paid taxes and built this great country for us. They cannot afford the fees charged by programs such as Meals on Wheels. The average age of a San Marcos senior receiving a Senior Emergency Meal Box is 73 years old and 77.6% of those served are women. Many recipients served suffered an income collapse when their husbands died. Most women are too old and fragile to work or have no modern workforce skills and lack transportation to get to and from a job if they are lucky enough to find a job and well enough to work. The possibility of these seniors living a better life is bleak. Since April 2007, when the **San Marcos Senior Center** became a Distribution Site for the Senior Emergency Meal Box Program, The Angel's Depot has provided **4,969 Emergency Meal Boxes** containing food for **104,349 easily prepared senior meals**, using **119,256 pounds of food**, free of charge, to San Marcos seniors living in poverty.

Please attach the following items.

**Both Mini-Grant & Regular:**

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

**5. Regular Grants Only:**

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

Expected date project will begin/end:

Date by which funds will be expended:

Signature of President or Authorized Officer

*Susan Hall* *4-1-14*

Name, Title

Date

*SUSAN HALL, FOUNDER & EXEC DIR*  
*SEC OF THE BOARD*

Submit Via Mail, In Person or Via Email to:

San Marcos Community Foundation

c/o City of San Marcos

1 Civic Center Drive

San Marcos, CA 92069

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

**SAN MARCOS COMMUNITY FOUNDATION**  
**Budget Worksheet**

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

<u>Salaries &amp; Wages (including Benefits)</u>	\$ <u>20,460</u>
<u>Consultant/Professional Services</u>	\$ <u>2,070</u>
<u>Office &amp; Warehouse Rent</u>	\$ <u>3,624</u>
<u>Utilities</u>	\$ <u>450</u>
<u>Telephone</u>	\$ <u>330</u>
<u>Office Supplies &amp; Postage</u>	\$ <u>2,196</u>
<u>Equipment</u>	\$ <u>480</u>
<u>Printing &amp; Copying</u>	\$ <u>1,500</u>
<u>Travel/Mileage &amp; Vehicle Maintenance</u>	\$ <u>1,560</u>
<u>Program Food &amp; Boxes</u>	\$ <u>10,920</u>
<u>Other: Insurance</u>	\$ <u>1,425</u>
<u>Other: Fundraising &amp; Marketing</u>	\$ <u>5,400</u>
<b>Total budget for this PROJECT:</b>	<b>\$ <u>50,415</u></b>

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

Is this a challenge grant?      No                              Could it be?

**Please list any other funding sources for this project.**

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

\$ <u>100,000</u> (Name of source) <u>Walmart Foundation</u>	<b>**</b> <u>C</u>
\$ <u>25,000</u> (Name of source) <u>Caesar's Foundation</u>	<b>**</b> <u>C</u>
\$ <u>30,000</u> (Name of source) <u>Rancho Santa Fe Foundation</u>	<b>**</b> <u>C</u>
\$ <u>25,000</u> (Name of source) <u>Weingart Foundation</u>	<b>**</b> <u>P</u>





## 2014 OPERATING BUDGET FINAL

### PROJECTED EXPENSES

#### INSURANCE

Accident Liability	\$ 500
Directors/Officer Liability	\$ 1,650
General Liability & Auto	\$ 7,000
Property Liability	\$ 700
Umbrella Policy	\$ 2,900
Worker's Comp	\$ 11,000

#### OPERATIONS

Advertising & Marketing	\$ 7,000
Audits & Bank Fees	\$ 7,000
Capital Equipment	\$ 8,000
Chamber/Membership Dues	\$ 3,000
Community Participation	\$ 3,000
Donor/Volunteer Retention	\$ 8,600
Emergency Funds	\$ 6,000
Food - Senior Meal Boxes	\$ 168,000
Fundraising/Events	\$ 80,000
Office Equipment Maint.	\$ 1,000
Office Supplies/Paper	\$ 15,000
Phones/FAX	\$ 5,500
Postage/Bulk Mail	\$ 7,000
Printing/Copying	\$ 25,000
Subscriptions	\$ 4,500
Travel/Meetings/Mileage	\$ 10,000
Utilities	\$ 3,500
Vehicle Gas/Maintenance	\$ 15,000
Warehouse Rent/CAM	\$ 57,200
Warehouse Storage Rent	\$ 3,200
Warehouse Supplies/Boxes	\$ 14,000
Warehouse Security/Repairs	\$ 4,000

#### STAFFING

Payroll for Six Employees	\$ 274,000
Payroll Taxes	\$ 30,000
Outside Consultants/Labor	\$ 20,000
Employee Health Insurance	\$ 32,000
Employee Retention	\$ 5,000

**PROJECTED EXPENSES: \$ 840,250**

### PROJECTED REVENUE

**ANNUAL S.O.S. CAMPAIGN: \$ 40,000**

**FOUNDATION GRANTS: \$ 327,250**

Previous Funders: Caesar's Foundation, The California Wellness Foundation, The Rincon Band of Luiseno Indians, NRG Energy, Leichtag Foundation, Genentech Foundation, Seth Sprague Charitable Foundation, Walmart Foundation, Howard Charitable Foundation, Nordson Foundation, TriCity Medical Center, VONS Foundation, Sempra Energy Foundation, AT&T Foundation, SCAN Foundation, Rancho Santa Fe Foundation, Weingart Foundation.

**FUNDRAISING EVENTS: \$ 115,000**

\*\*\* 8th Annual "Angel's Day at the Races"

\*\*\* 9th Annual "Holiday Gala Evening"

Previous Sponsors: Harrah's Rincon Casino, Sun Wireless, Datron, Wal-Mart, Anderson Direct Mktg., AT&T, SDG&E, PCH Litho, Humana, CHM Hotels, BluFi Lending, Holiday Travel of America, Joe Bradley Auctioneers, Grand Pacific Resorts.

**GOVERNMENT GRANTS: \$ 168,000**

Local City CDBG Funds

**INDIVIDUAL DONATIONS: \$ 80,000**

**CORPORATE GRANTS/SPONSORSHIPS:**

**\$ 65,000**

**MISCELLANEOUS INCOME: \$ 5,000**

**IN-KIND FOOD DRIVES: \$ 40,000**

**PROJECTED REVENUE: \$ 840,250**

**Expense Breakdown: Program: 63%**

**Administration: 23%**

**Fundraising: 14%**



Department of the Treasury  
Internal Revenue Service

P.O. Box 2508  
Cincinnati OH 45201

In reply refer to: 0248167571  
Apr. 06, 2012 LTR 4168C E0  
20-2723243 000000 00

00019895  
BODC: TE

THE ANGELS DEPOT  
% SUSAN HALL  
1497 POINSETTIA AVE STE 158  
VISTA CA 92081-8542

019588

Employer Identification Number: 20-2723243  
Person to Contact: MS. LEE  
Toll Free Telephone Number: 1-877-829-5500

Dear TAXPAYER:

This is in response to your Mar. 28, 2012, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in JULY 2005.

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

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

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



0248167571  
Apr. 06, 2012 LTR 4168C E0  
20-2723243 000000 00  
00019896

THE ANGELS DEPOT  
% SUSAN HALL  
1497 POINSETTIA AVE STE 158  
VISTA CA 92081-8542

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

Sincerely yours,



S. A. Martin, Operations Manager  
Accounts Management Operations



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

In reply refer to  
755:G :RW

June 12, 2007

THE ANGEL'S DEPOT  
SUSAN HALL  
1851 LITAC COURT  
CARLSBAD CA 92009

Purpose : CHARITABLE  
Code Section : 23701d  
Form of Organization : Corporation  
Accounting Period Ending: December 31  
Organization Number : 2589426

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

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

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

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

You are not required to file state franchise or income tax returns



## 2014 Board of Directors

### **Officers of the Board**

#### **Al Pfeltz**

President of the Board

Founding Board Member

#### **Owner, Sun Wireless**

Office Address: 4887 Ronson Court, San Diego, CA 92111

Personal Mobile: (760) 889-0778

Office: [al@sunmicrowave.com](mailto:al@sunmicrowave.com)

#### **Dale Ganzow**

1<sup>st</sup> Vice President of the Board

#### **Sales Manager, San Diego Business Journal**

Office Address: 4909 Murphy Canyon Rd., Suite 200, San Diego, CA 92123

Office Phone: (858) 277-4832

Office Email: [d ganzow@sdbj.com](mailto:d ganzow@sdbj.com)

#### **Al Guerin**

2<sup>nd</sup> Vice President of the Board

Founding Board Member

#### **Assistant Sheriff, San Diego County Sheriff's Department, Retired**

Home Address Confidential

Personal Mobile: (760) 473-7007

Personal Email: [alfredguerin@yahoo.com](mailto:alfredguerin@yahoo.com)

#### **Susan Hall**

Secretary of the Board

#### **Founder & Executive Director, The Angel's Depot**

Office Address: 1497 Poinsettia Ave., Suite 158, Vista, CA 92081

TAD Office: (760) 599-7093

TAD FAX: (760) 599-6402

Office Email: [susanhall@theangelsdepot.org](mailto:susanhall@theangelsdepot.org)

#### **Russell Barbour**

Treasurer of the Board

#### **Market Sales Director, Southern California, Humana**

Office Address: 5421 Avenida Encinas, Suite N, Carlsbad, CA 92008

Mobile: (858) 213-6482

Office: [rbarbour@humana.com](mailto:rbarbour@humana.com)

## **Members of the Board – Listed by Seniority**

### **Juanita Hayes**

Member of the Board

**Public Affairs Manager, San Diego Gas & Electric**

Home Address: P.O. Box 549, San Marcos, CA 92079

Office: (760) 480-7650

Office: [jhayes1@semprautilities.com](mailto:jhayes1@semprautilities.com)

### **Robin Zetts**

Member of the Board

**Director, Product & Service Excellence, Harrah's Rincon Casino & Resort**

Office Address: 777 Harrah's Rincon Way, Valley Center, CA 92082

Office: (760) 801-7557

Office: [rzetts@rincon.harrahs.com](mailto:rzetts@rincon.harrahs.com)

### **Kathy Edlin**

Member of the Board

**Vice President & District Manager, Wells Fargo Bank**

Office Address: 500 La Terraza Blvd., Suite 200, Escondido, CA 92025

Office: (760) 432-5363

Office Email: [edlinkm@wellsfargo.com](mailto:edlinkm@wellsfargo.com)





### A. Statement of Need

In early 2005, Founder and Executive Director Susan Hall learned that the **San Diego County Department of Aging & Independences Services** estimates that **50,000** San Diego County seniors live in poverty and available aid is inadequate for their most basic needs, leaving them at risk for malnutrition, the anxiety of food insecurity and its related physical and mental maladies. Furthermore, it is expected that with the aging baby boomer population, these numbers will dramatically rise. To address the growing senior hunger crisis, Ms. Hall founded The Angel's Depot and developed the Depot's sole program, the **Senior Emergency Meal Box** program. Each Senior Emergency Meal Box contains specially formulated food for 21 meals, breakfasts, lunches, dinners and snacks, along with an informational, 4-color, monthly senior newsletter, the Depot Dispatch. The monthly Senior Emergency Meal Boxes are provided free of charge because the impoverished senior population served by the Depot cannot afford Meals on Wheels and other services that charge fees. The program is designed to provide a lifeline or "food bridge" between Social Security checks. This is a unique, efficient program that provides food, comfort, resources and engages the community in solving senior hunger.

### B. Senior Target Population

The Angel's Depot Free Senior Emergency Meal Box program has the capacity to serve **65 Extremely Low Income San Marcos Senior Residents each month**. The Depot's program operates "city-wide" in the City of San Marcos by providing services to qualifying residents who access their Senior Emergency Meal Boxes at San Marcos Senior Center. Qualifying seniors are residents of the City of San Marcos who are 60 years or older, or 55 and older with a permanent disability. Qualifying seniors must have an income of no more than \$1,000 per month and no more than \$10,000 in cash assets (few have any savings). They must show proof of age, income, and residency in the City of San Marcos when applying to the program. The Senior Emergency Meal Box Application allows the Depot to collect and verify participant eligibility, track statistics for grants and name a proxy to pick up a meal box for the qualified senior. The average age of the Depot's Emergency Meal Box recipient in San Marcos is **73 years old** with a **monthly income of \$802**. 100% of the seniors served by the Depot are verified as **Extremely Low-Income** as they must earn no more than \$12,000/year to qualify for this program. In the City of San Marcos **77.6% of the seniors served by the Depot's program are women**, the majority of their incomes collapsed when their husbands passed away. These populations of desperately poor seniors routinely skip meals and doses of medications to survive. They have little hope of a better life. Of the current San Marcos seniors served, **58.6% are Female Head of Household; 59% have a Permanent Disability; 71% are White - 57% of White are Hispanic; 16% are Asian; 5% are Black; 5% are Hawaiian or Pacific Islander; 2% are American Indian; and 1% are Multi-Racial.**

### C. Project Description

The Angel's Depot has identified **Four Primary Components** to its ongoing program; 1.) **Emergency Food for Seniors**; 2.) **Senior Advocacy**; 3.) **Community Education**; and 4.) **Community Outreach**. The following describes each program component of The Angel's Depot:

#### Component No. 1: Emergency Meal Boxes for Seniors

The Angel's Depot provides food for 21 meals (3 meals a day for 7 days) in each Senior Emergency Meal Box, free of charge, to 65 Extremely Low Income Seniors living in San Marcos. The Angel's Depot's Senior Emergency Meal Box program provides a direct, immediate remedy to the senior hunger crisis and malnutrition, and lets these seniors know that someone cares. Each **Senior Emergency Meal Box** exceeds the one-week calorie count recommended for seniors by the National Institute of Aging, bolstering physical and mental health. This unique, efficient, "one-of-a-kind" program provides supportive services to impoverished seniors by eliminating food insecurity and associated anxiety, enabling seniors to lead healthier more satisfying lives and helps prevent them from being institutionalized prematurely which is emotionally devastating to the senior and costly to taxpayers.



The Angel's Depot has provided **4,969 Emergency Meal Boxes** containing food for **104,349 easily prepared senior meals**, using **119,256 pounds of food**, free of charge, to San Marcos seniors living in poverty. Each Senior Emergency Meal Box contains: Canned Chicken Breast, Tuna, Spaghetti Sauce with Meat with 1 lb. of Pasta, Beef Stew or Ravioli, Mashed Potatoes, Macaroni & Cheese, 1 pound of dried Lentils or Green Peas, 1 pound of Brown Rice, 2 Cans of Vegetables, 2 Cans of Baked & Refried Beans, 3 Cans of Soup, Peanut Butter, Crackers, 2 Pkgs. of Asian Noodles, 2 Cans of Fruit, 1 box of Oatmeal, Jello, 2 pkgs. of Popcorn and Oatmeal Raisin Cookies or Vanilla Wafers.

#### **Component No. 2: Senior Advocacy**

Andrew Holmes, MSW, Director of Programs, The Angel's Depot social worker, provides a level of case management to help seniors with more complex problems access their Meal Boxes and other needed resources. It is difficult for some seniors to navigate telephone menus and websites as they are challenged by hearing and vision loss and may lack the necessary cognitive skills, stamina, transportation, and computer literacy to find solutions to their challenges without help. Holmes makes welfare calls to check on seniors who miss their meal box pick up or calls their assigned proxy. The Depot also provides support and advocacy for our seniors by tucking useful senior resource literature into their meal boxes to empower able seniors to solve their own special challenges. Further, each Meal Box contains the **DEPOT DISPATCH**, a healthy living newsletter, co-written by Executive Director Susan Hall and Director of Programs Andrew Holmes. This publication highlights important issues for low-income seniors, healthy living tips, historical trivia, Meal Box Recipes, uplifting photos and humor. The DEPOT DISPATCH is emailed to nearly 6,000 supporters each month and is also on the Depot's website: [www.theangelsdepot.org](http://www.theangelsdepot.org)

#### **Component No. 3: Community Education**

The Depot educates the community to the sad fact that 50,000 seniors live in poverty in San Diego County (stats according to County AIS), through speaking engagements at service clubs, chamber events, community event booths and forums, bulk mailings, fundraising events, The Angel's Depot website and Facebook page, and through the media who respond to our news releases. The Depot's monthly Media Log indicates that since 2006 start-up, the Depot has received 265 electronic and print media hits promoting some aspect or activity of The Angel's Depot. Most recent: Channel 8 News feature on Helen Woodward Animal Center's "AniMeals" collaboration with The Depot. **San Marcos seniors served by The Angel's Depot now also have their pets fed compliments of the "AniMeals" program!**

#### **Component No. 4: Community Outreach**

Proof that The Angel's Depot Education Component is working well, 30,000+ volunteer hours logged since 2006! Volunteer hours are tracked on Volunteer Log In Sheets; activities include: **Volunteers initiating 1,183 FOOD DRIVES** since start-up; Warehouse activities such as sorting, stamping, crating, checking expiration dates on food and packing meal boxes; Clerical assistance such as answering phones, filing, stamping and stuffing bulk mailings; Community Events and Ambassadorship such as manning special events serving as Volunteer Program Managers and Board Members. Community participants include corporations, businesses, community groups, schools, service clubs, churches, neighborhood groups (i.e., San Elijo Hills Women's Club) and individuals. **San Marcos Supporters:** Number of San Marcos **Donors: 256** - Total Funds Contributed in from San Marcos: **\$103,377.21**. Number of San Marcos **Volunteers: 380** - **Food Drives: 30** - Volunteers initiate food drives, sort food, check expiration dates, pack meal boxes, prepare bulk mailings, assist in community and fundraising events, and spread the word about our program. This program would simply not be possible without the outpouring of community support. The Angel's Depot has **636** supporters in the City of San Marcos. A **\$10,000 San Marcos Community Foundation Grant** will help continue to provide services to 65 Extremely Low-Income (HUD definition) San Marcos Seniors who will receive one Senior Emergency Meal Box, free of charge, each month and Senior Advocacy. Thank you for your consideration.

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

OMB No. 1545-1878

For calendar year 2012, or fiscal year beginning \_\_\_\_\_, 2012, and ending \_\_\_\_\_, 20\_\_\_\_

**2012**Department of the Treasury  
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**

Name of exempt organization

Employer identification number

**THE ANGEL'S DEPOT****20-2723243**

Name and title of officer

**SUSAN HALL  
EXECUTIVE DIRECTOR****Part I Type of Return and Return Information** (Whole Dollars Only)

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

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12) .....	1b	<b>605797</b>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9) .....	2b	
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22) .....	3b	
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5) .....	4b	
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c) .....	5b	

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

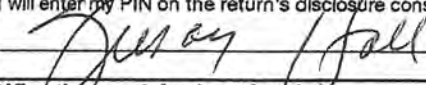
☒ I authorize **CONSIDINE & CONSIDINE**

ERO firm name

to enter my PIN **23243**Enter five numbers, but  
do not enter all zeros

as my signature on the organization's tax year 2012 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2012 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ Date ▶ **5-15-13****Part III Certification and Authentication**

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

**33731394444**

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2012 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ Date ▶ **05/15/13**

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

LHA For Paperwork Reduction Act Notice, see instructions.  
223051  
11-05-12

Form **8879-EO** (2012)

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 black lung benefit trust or private foundation)

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

OMB No. 1545-0047

**2012**Open to Public  
Inspection**A For the 2012 calendar year, or tax year beginning****and ending****B** Check if applicable:

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

**C Name of organization**

THE ANGEL'S DEPOT

Doing Business As

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

1497 POINSETTIA AVENUE

Room/suite

158

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

VISTA, CA 92081

**F Name and address of principal officer:** SUSAN HALL

SAME AS C ABOVE

**D Employer identification number**

20-2723243

**E Telephone number**

760-599-7093

**G Gross receipts \$**

687,317.

**H(a) Is this a group return**

for affiliates?

☐ Yes☒ No**H(b) Are all affiliates included?**☐ Yes☐ No

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

**H(c) Group exemption number ▶****I Tax-exempt status:** ☒ 501(c)(3) ☐ 501(c)( ) (insert no.) ☐ 4947(a)(1) or ☐ 527**J Website:** WWW.THEANGELSDPOT.ORG**K Form of organization:** ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation:** 2006**M State of legal domicile:** CA**Part I Summary**

<b>Activities &amp; Governance</b>	1	Briefly describe the organization's mission or most significant activities:	TO PROVIDE "SENIOR FOOD-FOR-A-WEEK" EMERGENCY MEAL BOXES FOR 7-10 DAYS.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	12
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	9
	6	Total number of volunteers (estimate if necessary)	6	1490
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
<b>Revenue</b>	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	432,532.	548,067.
	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)	292.	175.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	50,459.	57,555.
<b>Expenses</b>	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	483,283.	605,797.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	252,225.	294,157.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	0.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	92,221.	
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	306,173.	378,432.
<b>Net Assets or Fund Balances</b>	19	Revenue less expenses. Subtract line 18 from line 12	558,398.	672,589.
	20	Total assets (Part X, line 16)	-75,115.	-66,792.
	21	Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
	22	Net assets or fund balances. Subtract line 21 from line 20	423,058.	360,369.
			13,691.	17,794.
			409,367.	342,575.

**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.

<b>Sign Here</b>	Signature of officer	Date			
	SUSAN HALL, EXECUTIVE DIRECTOR Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	TED CONSIDINE		05/15/13		P00238407
	Firm's name ▶	CONSIDINE & CONSIDINE	Firm's EIN ▶	95-2694444	
	Firm's address ▶	1501 FIFTH AVENUE, SUITE 400 SAN DIEGO, CA 92101-3297	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 AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

DEDICATED TO PROVIDING NUTRITIOUS NON PERISHABLE FOOD BOXES FREE TO  
THE ELDERLY LIVING IN POVERTY IN SAN DIEGO COUNTY.

**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 \$ 426,963. including grants of \$ ) (Revenue \$ )  
SENIOR FOOD-FOR-A-WEEK EMERGENCY MEAL BOXES

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )  
COMMUNITY EDUCATION - PROVIDING INFORMATION REGARDING THE NEEDS OF  
50,000 SENIOR CITIZENS LIVING IN POVERTY IN SAN DIEGO COUNTY; PROVIDING  
VOLUNTEER AND DONOR OPPORTUNITIES TO ENGAGE THE COMMUNITY IN SOLVING  
THE SENIOR HUNGER CRISIS.

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

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

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

**4e** Total program service expenses **426,963.**

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**



**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION**

	<b><u>Pages</u></b>
I. Index	I
II. Independent Auditor's Report	2 - 3
III. Statements of Financial Position	4
IV. Statements of Activities	5 - 6
V. Statements of Functional Expenses	7 - 8
VI. Statements of Cash Flows	9
VII. Notes to the Financial Statements	10 - 16

## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
The Angel's Depot  
A Nonprofit Organization

We have audited the accompanying financial statements of The Angel's Depot, which comprise the financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

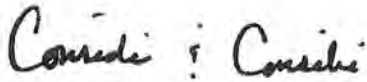
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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

Earning Your Trust Since 1946

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Angel's Depot, as of December 31, 2012 and 2011, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

CONSIDINE & CONSIDINE  
An Accountancy Corporation

May 10, 2013

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND 2011**

Page 4

	2012	2011
	<hr/>	<hr/>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash (Note 3)	\$ 137,783	\$ 176,990
Inventory	19,609	5,279
Prepaid Expenses	6,756	3,066
Grants Receivable (Note 4)	20,832	8,651
Unconditional Promises to Give - Current Portion (Note 6)	150,000	100,000
	<hr/>	<hr/>
	334,980	293,986
 <b>PROPERTY AND EQUIPMENT (Note 5)</b>	 21,741	 29,269
 <b>OTHER ASSETS</b>		
Unconditional Promises to Give (Note 6)	-	96,154
Deposits	3,649	3,649
	<hr/>	<hr/>
	3,649	99,803
 <b>TOTAL ASSETS</b>	 <hr/> <hr/>	 <hr/> <hr/>
	360,370	423,058
	<hr/>	<hr/>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	10,085	6,313
Accrued Liabilities (Note 8)	7,709	7,378
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	17,794	13,691
 <b>NET ASSETS</b>		
Unrestricted	342,576	409,367
	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	 <hr/> <hr/>	 <hr/> <hr/>
	\$ 360,370	\$ 423,058

See Accompanying Notes

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

Page 5

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
<b>SUPPORT AND REVENUE</b>			
Grants	\$ 412,672	\$ -	\$ 412,672
Contributions	99,854	-	99,854
Special Events (Net Expenses of \$81,520)	57,280	-	57,280
Contributed Food	35,541	-	35,541
Other Revenues	275	-	275
Interest Income	176	-	176
	<u>605,798</u>	<u>-</u>	<u>605,798</u>
<b>NET ASSETS RELEASED FROM RESTRICTION</b>	-	-	-
<b>FUNCTIONAL ALLOCATION OF EXPENSES</b>			
Program	426,963	-	426,963
General and Management	153,405	-	153,405
Fundraising	92,221	-	92,221
	<u>672,589</u>	<u>-</u>	<u>672,589</u>
<b>CHANGE IN NET ASSETS</b>	(66,791)	-	(66,791)
<b>NET ASSETS - BEGINNING OF YEAR</b>	409,367	-	409,367
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 342,576</u>	<u>\$ -</u>	<u>\$ 342,576</u>

See Accompanying Notes



**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Page 6**

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
<b>SUPPORT AND REVENUE</b>			
Grants	\$ 225,565	\$ -	\$ 225,565
Contributions	179,815	-	179,815
Special Events (Net Expenses of \$28,035)	49,741	-	49,741
Contributed Food	27,152	-	27,152
Other Revenues	718	-	718
Interest Income	292	-	292
	<u>483,283</u>	<u>-</u>	<u>483,283</u>
<b>NET ASSETS RELEASED FROM RESTRICTION</b>	-	-	-
<b>FUNCTIONAL ALLOCATION OF EXPENSES</b>			
Program	377,143	-	377,143
General and Management	101,540	-	101,540
Fundraising	79,715	-	79,715
	<u>558,398</u>	<u>-</u>	<u>558,398</u>
<b>CHANGE IN NET ASSETS</b>	(75,115)	-	(75,115)
<b>NET ASSETS - BEGINNING OF YEAR</b>	484,482	-	484,482
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 409,367</u>	<u>\$ -</u>	<u>\$ 409,367</u>

See Accompanying Notes

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

**Page 7**

	PROGRAM	GENERAL AND MANAGEMENT	FUNDRAISING	TOTAL
<b>EXPENSES</b>				
Advertising	\$ 8,057	\$ -	\$ 4,338	\$ 12,395
Auto	11,375	-	-	11,375
Bank Service Charges	-	1,388	-	1,388
Communications	2,709	1,328	1,275	5,312
Dues and Subscriptions	-	4,808	-	4,808
Food Purchases	150,335	-	-	150,335
Insurance	9,998	4,901	4,705	19,604
Meals and Entertainment	2,737	684	-	3,421
Office	3,740	1,247	-	4,987
Outside Services	6,174	24,698	-	30,872
Postage and Delivery	2,516	-	4,673	7,189
Printing and Copying	18,154	484	5,570	24,208
Professional Fees	500	2,000	-	2,500
Rent	41,825	13,942	-	55,767
Salaries and Related Benefits	150,020	73,539	70,598	294,157
Security	1,059	353	-	1,412
Supplies	3,318	18,800	-	22,118
Tax and License	1,190	583	560	2,333
Travel	4,028	504	504	5,035
Utilities	2,507	836	-	3,342
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	420,242	150,095	92,221	662,558
Depreciation	6,721	3,310	-	10,031
<b>TOTAL EXPENSES</b>	<u>\$ 426,963</u>	<u>\$ 153,405</u>	<u>\$ 92,221</u>	<u>\$ 672,589</u>

See Accompanying Notes

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Page 8

	PROGRAM	GENERAL AND MANAGEMENT	FUNDRAISING	TOTAL
<b>EXPENSES</b>				
Advertising	\$ 4,898	\$ -	\$ 2,412	\$ 7,310
Auto	11,450	-	-	11,450
Communications	3,556	1,248	1,435	6,239
Dues and Subscriptions	-	1,794	-	1,794
Food Purchases	128,294	-	-	128,294
Insurance	7,450	2,614	3,006	13,070
Meals and Entertainment	2,316	1,140	-	3,456
Office	3,704	1,300	1,495	6,499
Outside Services	3,299	13,195	-	16,494
Postage and Delivery	2,331	818	941	4,090
Printing and Copying	4,952	1,737	1,998	8,687
Professional Fees	1,140	4,560	-	5,700
Rent	27,173	9,058	-	36,231
Salaries and Related Benefits	143,768	50,445	58,012	252,225
Security	498	246	-	744
Supplies	21,076	7,395	8,504	36,975
Tax and License	426	995	1,422	2,843
Travel	320	-	-	320
Utilities	1,217	427	490	2,134
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	<b>367,868</b>	<b>96,972</b>	<b>79,715</b>	<b>544,555</b>
Depreciation	9,275	4,568	-	13,843
<b>TOTAL EXPENSES</b>	<b>\$ 377,143</b>	<b>\$ 101,540</b>	<b>\$ 79,715</b>	<b>\$ 558,398</b>

See Accompanying Notes

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

Page 9

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS PROVIDED BY OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (66,791)	\$ (75,115)
<b>ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Depreciation	10,031	13,843
Change in Operating Assets and Liabilities:		
Inventory	(14,330)	(958)
Prepaid Expenses	(3,690)	359
Grants Receivable	(12,181)	(8,651)
Unconditional Promises to Give	46,154	96,228
Deposits	-	(1,172)
Accounts Payable	3,772	5,096
Accrued Liabilities	331	(7,227)
	<u>30,087</u>	<u>97,518</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	(36,704)	22,403
<b>CASH FLOWS USED BY INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(2,503)	(18,671)
<b>NET (DECREASE)/INCREASE IN CASH</b>	(39,207)	3,732
<b>CASH, BEGINNING OF YEAR</b>	176,990	173,258
<b>CASH, ENDING OF YEAR</b>	<u>\$ 137,783</u>	<u>\$ 176,990</u>
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -

See Accompanying Notes



**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**Page 10**

**NOTE 1 ORGANIZATION**

The Angel's Depot (the "Organization") is a California nonprofit organization, with no religious affiliation, formed in April 2005, and dedicated to serving a population of 50,000 senior citizens living in poverty in San Diego County.

The Organization's Mission Statement is: "The Angel's Depot was founded to provide food for the elderly poor living in San Diego County and to help improve the quality of their lives; to promote community awareness and support for impoverished seniors and to act as a conduit to other available resources." The Angel's Depot program has 3 key service areas: 1). Providing "Senior Food-for-a-Week" Emergency Meal Boxes, containing breakfast, lunch, dinner and snacks for a week, free of charge, to seniors living in poverty in San Diego County. This program was designed to eradicate senior malnutrition and food insecurity and to provide a food safety net between Social Security checks; the average income of seniors served is \$791 per month. 2). Providing advocacy for seniors who have complex critical needs, including services of a Senior Case Manager, who also writes a health and wellness newsletter for insertion into the monthly emergency meal boxes, with other valuable senior resource information. 3). Providing community education as to the plight of the local elderly poor and engaging the community in solving their senior hunger crisis by providing volunteer opportunities such as food drives, meal box packings and community ambassadorship; providing donor opportunities such as foundation and corporate grant funding, the annual S.O.S. (Saving Our Seniors) \$25 Meal Box Sponsorship Campaign, corporate sponsorship and special event fundraisers, such as the annual gala evening each November.

**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.

**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.

**Basis of Presentation** - The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.



**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**Page 11**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Unrestricted Net Assets - 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. Unrestricted net assets also include amounts designated for certain purposes by the Board of Directors.

Temporarily Restricted Net Assets - Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds. At December 31, 2012 and 2011, there were no temporarily restricted net assets.

Permanently Restricted Net Assets - Permanently restricted amounts are those which are restricted by donors that neither expire by the passage of time nor can be fulfilled or removed by actions of the Organization. At December 31, 2012 and 2011, there were no permanently restricted net assets.

Cash - The Organization considers financial instruments with a fixed maturity date of less than three months to be cash equivalents.

Inventory - Inventory consists of non-perishable food and is valued at the lower of cost, market, or donated value determined using the first-in-first-out method.

Property and Equipment - Property and equipment are carried at cost. Depreciation is computed using the straight-line method of depreciation over the assets' estimated useful lives of five to seven 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.

Fair Value Measurement - 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.

Revenue Recognition - Revenue is recognized when earned, which may be when cash is received, unconditional promises made, in-kind donations received or services rendered.

**THE ANGEL'S DEPOT**  
**A NONPROFIT ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012 AND 2011**

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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Donated Goods and Services - Contributions of donated noncash assets are recorded at their fair values in the period received. The fair market value of donated food is determined using observable prices of identical or similar products sold by major retailers. The value of the donated food received was \$35,541 and \$27,152 for the years ended December 31, 2012 and 2011, respectively. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and that would have been purchased if they were not donated, are recorded at their fair values in the period received. During the years ending December 31, 2012 and 2011, the Organization had many individuals volunteer substantial time and effort in order to perform a variety of tasks including assembling and distributing of food boxes for senior citizens. However, these services do not meet the criteria for recognition as contributed services.

Functional Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Advertising Costs - The Organization expenses advertising costs as they are incurred. Advertising expense was \$12,395 and \$7,310 for the years ended December 31, 2012 and 2011, respectively.

Income Taxes - The Organization is exempt from federal or state 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 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 December 31, 2012 and 2011, 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 State of California. The Organization is no longer subject to U.S. and California examination by tax authorities for years before 2009 and 2008, respectively.

**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

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**NOTE 3 CASH**

The Organization did not have cash in excess of the federally insured limits of \$250,000 as of December 31, 2012 and 2011. The Company maintains its bank accounts at one commercial bank located in California.

**NOTE 4 GRANTS RECEIVABLE**

The Organization has received Community Development Block Grants (CDBG) from five different cities: San Diego, Oceanside, Carlsbad, Vista and El Cajon. Under the grant agreements the cities will reimburse the Organization for allowable costs incurred in generating their emergency meal boxes and distributing them inside their city limits. Receivables at year end represent amounts that have been incurred and billed for allowable costs. Payments on these invoices are typically collected within sixty days. Grant receivables totaled \$20,832 and \$8,651 as of December 31, 2012 and 2011 respectively.

**NOTE 5 PROPERTY AND EQUIPMENT**

Major categories of property and equipment are summarized as follows:

	2012	2011
Vehicles	\$ 48,061	\$ 48,061
Warehouse Equipment	25,775	24,574
Computer Equipment	24,635	23,333
Office Equipment	11,343	11,343
Furniture and Fixtures	3,791	3,791
	<u>113,605</u>	<u>111,102</u>
Accumulated Depreciation	(91,864)	(81,833)
	<u>\$ 21,741</u>	<u>\$ 29,269</u>

Depreciation expense was \$10,031 and \$13,843 for the years ended December 31, 2012 and 2011, respectively.

**THE ANGEL'S DEPOT**  
**A NONPROFIT ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 6 UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Unconditional promises to give consist of the following at December 31:

	2012	2011
Unrestricted	\$ 150,000	\$ 200,000
Less: Discount to Present Value	-	(3,846)
	<u>\$ 150,000</u>	<u>\$ 196,154</u>

Unconditional promises to give due in one to three years are discounted at 4%.

**NOTE 7 FAIR VALUE MEASUREMENT**

The Organization follows the methods of fair value measurement to value its financial assets. 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 ANGEL'S DEPOT**  
**A NONPROFIT ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012 AND 2011**

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**NOTE 7 FAIR VALUE MEASUREMENT (Continued)**

Assets Recorded at Fair Value on a Nonrecurring Basis - The Organization may be required, from time to time, to measure certain assets at fair value on a nonrecurring basis in accordance with GAAP. The adjustments to fair value usually result from the application of lower-of-cost-market accounting or write-downs of individual assets. For assets measured at fair value on a nonrecurring basis in 2012 and 2011 that were still held in the balance sheet at each respective year end, the following table provides the fair value hierarchy and the carrying value of the related individual assets or portfolios at year end.

Assets	2012 Level 1	2012 Level 2	2012 Level 3	2012 Total
Unconditional Promises to Give	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>

Assets	2011 Level 1	2011 Level 2	2011 Level 3	2011 Total
Unconditional Promises to Give	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,154</u>	<u>\$ 196,154</u>

The unconditional promises to give are valued using a discounted cash flow model and are classified as Level 3.

The following summarizes fair value measurements using significant Level 3 inputs, and changes therein, for the year ended December 31, 2012:

	Unconditional Promises to Give
Balance at January 1, 2012	<u>\$ 196,154</u>
New Pledges Received	50,000
Collections	(100,000)
Change in Present Value on Pledges	<u>3,846</u>
Balance at December 31, 2012	<u>\$ 150,000</u>



**THE ANGEL'S DEPOT  
A NONPROFIT ORGANIZATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

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**NOTE 7 FAIR VALUE MEASUREMENT (Continued)**

The following summarizes fair value measurements using significant Level 3 inputs, and changes therein, for the year ended December 31, 2011:

	Unconditional Promises to Give
Balance at January 1, 2011	\$ 292,382
New Pledges Received	-
Collections	(100,000)
Change in Present Value on Pledges	3,772
Balance at December 31, 2011	<u>\$ 196,154</u>

**NOTE 8 ACCRUED LIABILITIES**

Accrued liabilities consist of the following:

	2012	2011
Payroll	\$ 4,696	\$ 5,276
Vacation	3,013	2,102
	<u>\$ 7,709</u>	<u>\$ 7,378</u>

**NOTE 9 COMMITMENTS**

The Organization currently has an agreement to lease office space. The lease is non-cancelable and expires in August 2013. Minimum future payments under the non-cancelable lease for the year ended December 31, 2013 is \$34,485. The Organization also leases a storage space on a month-to-month basis for \$329 per month.

The total rent expense including CAM charges for the years ended December 31, 2012 and 2011 was \$55,767 and \$36,231, respectively.

**NOTE 10 SUBSEQUENT EVENTS**

Management has evaluated subsequent events through May 10, 2013, the date which the financial statements were available to be issued. There were no material subsequent events which affected the amounts or disclosures in the financial statements.

DARRELL E. ISSA  
49TH DISTRICT, CALIFORNIA

WASHINGTON OFFICE  
2547 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(703) 225-1906  
FAX: (202) 225-1900

DISTRICT OFFICE  
1800 TRIBUNO ROAD, SUITE 300  
VISTA, CA 92081  
(760) 599-5000  
FAX: (760) 599-1118  
ORANGE COUNTY  
(949) 281-1449  
WWW.ISSAHOUSE.ORG



Congress of the United States  
House of Representatives  
Washington, DC

COMMITTEE ON OVERSIGHT AND  
GOVERNMENT REFORM  
CLERK: (703) 225-1900  
COMMITTEE ON THE JUDICIARY  
INTELLECTUAL PROPERTY  
SUBCOMMITTEE  
REGULATORY REFORM, COMMERCIAL  
AND ANTITRUST LAW  
SUBCOMMITTEE

February 5, 2014

Ms. Susan Hall  
Founder & Executive Director  
Angel's Depot  
1497 Poinsettia Avenue, Suite 158  
Vista, CA 92081

Dear Susan,

I would like to extend to you my personal congratulations on being selected to receive a significant grant from Walmart. I applaud your devotion to advancing senior causes for over 50,000 members of our community since 2005.

As a well deserving recipient, this vital funding will further provide the non-profit you founded with the ability to serve even more seniors in San Diego County with quality, nutritious meals. Furthermore, your selection will prove invaluable to helping seniors achieve better food security while raising awareness and support for some of our most vulnerable citizens. As a strong and vibrant advocate for our elderly community, your outstanding leadership to help our seniors improve the quality of their lives is truly commendable.

Once again, congratulations on receiving this prestigious grant and thank you for your commitment to our seniors. Your leadership inspires so many volunteers and donors who wholeheartedly offer their time, effort, and financial assistance to further the cause. I wish you tremendous success in your future endeavors.

Sincerely,

Darrell E. Issa  
Member of Congress





**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

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

Project Name: The Victory Project Date Submitted: 4/2/14	Total # of people served: 120 Total # of San Marcos residents served: 120	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website  Boys & Girls Club of San Marcos 1 Positive Place San Marcos, CA 92069		Contact Person – Name, Title & Phone, email  Kim Webb, Director of Development & Marketing 760-471-240 ext. 306 kim@boysgirlsclubsm.org
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The Boys &amp; Girls Club of San Marcos is requesting funds to expand the after-school program, The Victory Project, previous known as the Academic Success program. During the 2014-2015 school year the program will expand to serve 120 youth members in grades 2<sup>nd</sup> -5<sup>th</sup>.</p>		
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>The Victory Project addresses the need to provide extra/remedial support for youth who have scored below basic or far below basic in math and reading on standardized testing. The program has shown proven results for improvement for both math and reading for youth members who are falling behind in school.</p>		
<p>Please attach the following items.</p> <p><b>Both Mini-Grant &amp; Regular:</b></p> <ol style="list-style-type: none"><li>1. Budget for request (use SMCF Budget Worksheet)</li><li>2. Annual Operating budget for the organization or unit</li><li>3. Federal &amp; State Tax ID numbers</li><li>4. Board of Directors listing with affiliations</li><li><b>5. Regular Grants Only:</b><ol style="list-style-type: none"><li>a. 1-2 page narrative</li><li>b. First 2 pages of Federal 990</li><li>c. Most recent year-end Statement or Audit including any management letters associated with Audit.</li><li>d. Signature of President or Authorized Officer on Application</li><li>e. Optional: letters of support</li></ol></li></ol>		<p>Expected date project will begin/end: 8/1/2014</p> <p>Date by which funds will be expended: 6/30/2015</p> <hr/> <p>Signature of President or Authorized Officer  Name, Title Shelly Anguiano Figueroa, Chief Executive Officer</p> <p>Date 4/2/2014</p> <hr/> <p>Submit Via Mail, In Person or Via Email to: San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): <a href="mailto:wkaserman@san-marcos.net">wkaserman@san-marcos.net</a></p>





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

Dear Board of Directors:

The Boys & Girls Club of San Marcos is requesting consideration for a \$10,000 grant to expand The Victory Project. The Victory Project is aligned with the Club's mission to inspire and enable all young people to realize their full potential as responsible, caring citizens.

Since 1979 the Boys & Girls Club of San Marcos has been at the forefront of youth development, working with youth ages 6-18 who need the Club most. The Club has actively sought to enrich the lives of girls and boys whom other agencies fail to reach. The Club is affordable to all with an annual membership fee of \$40. No child is ever turned away due to their financial circumstance. Boys and girls participate in after-school programs, summer camps and specialty teen programs at seven locations throughout the community.

Today, staff members at the Boys & Girls Club of San Marcos are making an impact on the lives of over 800 young people each day and over 2,800 annually. Of the nearly 2,800 Club members, 63% are from economically disadvantaged families, 26% are from single parent households and 58% are Hispanic.

According to the Annie E. Casey Foundation 1 in 6 children who are not reading proficiently in 3<sup>rd</sup> grade do not graduate from high school on time. The U.S. Department of Education has stated that, among 34 countries surveyed the United States ranked 14<sup>th</sup> in reading literacy and 25<sup>th</sup> in math literacy. It was reported in the San Diego County Report Card on Children & Families that in 2011 only 51% of 3<sup>rd</sup> graders scored proficient or advanced on the English Language Arts annual California Standardized Test. Locally, on the California Standardized Test:

San Marcos Elementary School

- 60% of 3<sup>rd</sup> grade students scored basic or below basic in English Language Arts
- 49% of 3<sup>rd</sup> grade students scored basic or below basic in Math

Alvin Dunn Elementary School

- 72% of 3<sup>rd</sup> grade students scored basic or below basic in English Language Arts
- 62% of 3<sup>rd</sup> grade students scored basic or below basic in Math

Performance on the English-Language Arts test is widely accepted as the best predictor of school achievement overall, in part because mastery of language arts is a critical foundation to understanding information in other subjects. In the primary grades, children are learning to read; but from that point on, they must read to learn. A child who does not master basic reading skills does not have the foundation for future success.

With these alarming statistics in mind, the Boys & Girls Club of San Marcos created The Victory Project (TVP) formally named the Academic Success Program. TVP program provides math and reading remediation to youth members, whose standardized test scores are below or far below basic as identified by the school site administration.



**BOYS & GIRLS CLUB  
OF SAN MARCOS**

***Jennifer Loscher Building  
and Administrative Offices***

1 Positive Place  
San Marcos, CA 92069  
Tel. 760.471.2490 Fax 760.471.0673  
www.boysgirlsclubsm.org

***The Club Teen Center***

1 Positive Place  
San Marcos, CA 92069  
Tel 760.290.3527

***Extension Sites***

San Marcos Middle School  
650 W. Mission Road

Woodland Park Middle School  
1270 Rock Springs Road

Alvin Dunn Elementary School  
3697 La Mirada Drive

San Marcos Elementary School  
300 W. San Marcos Blvd.

Copper Creek in San Elijo Hills  
1730 Elfin Forest Road

San Elijo Middle School  
1600 Schoolhouse Way

***Executive Committee***

Debbie Thompson | *Chairwoman*

Noemi Rivera | *Vice Chair*

Jason Simmons | *Treasurer*

Tim Williams | *Secretary*

Jeff Ritchie | *Past Chairman*

***Board of Directors***

Russ Jabara  
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Steve Wagner\*

\*Past Chair

***Advisory Council***

Supervisor Bill Horn  
San Diego County

Vice Mayor Rebecca Jones  
City of San Marcos

Hal Martin  
Vallecitos Water District

Dr. Jan Jackson  
California State University San Marcos

Dr. Kevin Holt  
San Marcos Unified School District

Shayla D. Sivert  
Palomar College

***Trustees***

Donald Findlay+  
Art Harris+  
Chuck Lehrer\*  
Stanley Mahr+  
Dr. Jim Sands+

Shelly Anguiano Figueroa  
***Chief Executive Officer***

+ deceased

Youth members participate in math and reading instruction for 2 hours a day, twice a week. A trained professional staff member provides guided instruction via a specialized curriculum that allows each youth member to follow a lesson in their personal workbook. The curriculum, Targeted Math and Reading Intervention, is research-based, approved by administrators of the San Marcos Unified School District and is correlated to the Common Core Standards.

For added value at least once a week, youth members have the unique opportunity to play games on an iPad or tablet that corresponds directly to the curriculum. This allows youth members, who may not otherwise have the opportunity, the chance to access technology.

Results from the program's diagnostic tests administered in the 2012-2013 school year were based on the 30 most commonly missed questions on the California Standards Test. The results were amazing.

- 86% of youth participants improved their diagnostic test scores in reading
- 39% of youth participants improved their diagnostic test scores in math
- 25% of youth participants were reclassified as no longer English Language Learners per San Marcos Unified School District

After a successful first year, the Club was determined to expand the program and reach more youth in need. With the support of the San Marcos Community Foundation, the Club was able to expand the 2013-2014 programs to serve 78 3<sup>rd</sup> and 4<sup>th</sup> grade youth members at San Marcos Elementary School, Alvin Dunn Elementary school and the Jennifer Loscher Branch. The second year of the program is also showing outstanding results:

#### READING

Baseline Test (9/19/2013)	1st Diagnostic (11/5/13)	2nd Diagnostic (3/14/14)
11% of the participants correctly answered 20-30 of the 30 questions	34% of participants correctly answered 20-30 of the 30 questions	39% of participants correctly answered 20-30 of the 30 questions


#### MATH

Baseline Test (9/19/2013)	1st Diagnostic (11/5/13)	2nd Diagnostic (3/14/14)
3% of the participants correctly answered 20-30 of the 30 questions	14% of participants correctly answered 20-30 of the 30 questions	20% of participants correctly answered 20-30 of the 30 questions

Given the results and the impact of the first two years of the program, the Boys & Girls Club of San Marcos is eager to continue to expand The Victory Project for the 2014-2015 school year. This \$10,000 grant would allow the Club to expand both the number of youth served as well as the grades that will be served. The program will increase the number of youth served to 120 in grades 2<sup>nd</sup> -5<sup>th</sup> at Alvin Dunn Elementary, San Marcos Elementary School and the Jennifer Loscher Branch.

We are excited about the opportunity to continue to work with the San Marcos Community Foundation to provide The Victory Project to youth in our community who need extra/remedial support in school. Please feel free to contact me if you have any questions. I look forward to hearing from you.

Sincerely,



Shelly Anguiano Figueroa  
Chief Executive Officer



**SAN MARCOS COMMUNITY FOUNDATION**  
**Budget Worksheet**

Provide an itemized list of expenses for this project:

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

3 Targeted Reading Intervention Curriculumms for 2 <sup>nd</sup> and 5 <sup>th</sup> grade including tax	\$ 1,050
3 Targeted Math Intervention Curriculumms for 2 <sup>nd</sup> and 5 <sup>th</sup> grade including tax	\$ 1,050
120 Math Workbooks at \$10 each including tax	\$ 1,200
120 Reading Workbooks at \$10 each including tax	\$ 1,200
3 Youth Development Professionals at \$20 per hr./12 hours per week/36 weeks	\$ 25,920
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

**Total budget for this PROJECT:** **\$ 30,420**

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

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

**Please list any other funding sources for this project.**

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

\$ 3,500	(Name of source)	EDCO Waste & Recycling	**	C
\$	(Name of source)		**	
\$	(Name of source)		**	
\$	(Name of source)		**	

Boys Girls Club of San Marcos  
2013-2014 OPERATING BUDGET

	Board Approved Budget 2012-2013	Projected Actualization For Year-End (2012-2013)	Proposed Budget 2013-2014 w/ASES Grants	Proposed Budget 2013-2014 w/out ASES Grants	Proposed Budget 2013-2014	variance 2012-2013 Actualization to 2013-2014 Proposed	COMMENTS
<b>INCOME</b>							
<b>Contributions</b>							
Local	\$ 80,000.00	\$ 90,250.00	-	\$ 80,200.00	\$ 80,200.00	\$ (10,050.00)	DEI Gala & Golf; CAVA rental; Donations non-event related
United Way	14,000.00	11,000.00	-	12,000.00	\$ 12,000.00	\$ 1,000.00	Individual designations through United Way
Annual Sponsors	90,861.00	85,858.00	-	85,858.00	\$ 85,858.00	\$ -	(1) Diamond; (2) Platinum; (2) Gold; (2) Silver; (3) Bronze
<b>Total Contributions</b>	<b>\$ 184,861.00</b>	<b>\$ 187,108.00</b>	<b>-</b>	<b>\$ 178,058.00</b>	<b>\$ 178,058.00</b>	<b>\$ (9,050.00)</b>	
<b>JLB-General Club</b>							
Day Camp	73,000.00	83,000.00	-	84,960.00	\$ 84,960.00	\$ 1,960.00	Summer, Winter & Spring Camps; Fee Based Program
Membership	30,000.00	30,000.00	-	32,000.00	\$ 32,000.00	\$ 2,000.00	\$40/youth (800) paying members; Includes San Elijo Middle School
Vending	570.00	250.00	-	0.00	\$ -	\$ (250.00)	No more vending machine
<b>Total JLB-General Club</b>	<b>\$ 103,570.00</b>	<b>\$ 113,250.00</b>	<b>\$ -</b>	<b>\$ 116,960.00</b>	<b>\$ 116,960.00</b>	<b>\$ 3,710.00</b>	
<b>Fee Based Clubs</b>							
Program Fees	80,000.00	80,000.00	-	80,000.00	\$ 80,000.00	\$ -	San Elijo Middle School; Only fee based site
Transportation	47,160.00	45,570.00	-	82,232.00	\$ 82,232.00	\$ 36,662.00	Adding three more busses and two site
<b>Fee Based Clubs</b>	<b>\$ 127,160.00</b>	<b>\$ 125,570.00</b>	<b>\$ -</b>	<b>\$ 162,232.00</b>	<b>\$ 162,232.00</b>	<b>\$ 36,662.00</b>	
<b>Grants/Foundations</b>							
ASES - Alvin Dunn	140,032.00	140,032.00	140,032.00	-	\$ 140,032.00	\$ -	Per contract w/SMUSD
ASES - SM Elem.	87,756.00	87,756.00	87,756.00	-	\$ 87,756.00	\$ -	Per contract w/SMUSD
ASES - SMMS	199,202.00	199,202.00	199,202.00	-	\$ 199,202.00	\$ -	Per contract w/SMUSD
ASES - WPMS	131,574.00	131,574.00	131,574.00	-	\$ 131,574.00	\$ -	Per contract w/SMUSD
Copper Creek/Bridge Housing	15,000.00	15,000.00	-	15,000.00	\$ 15,000.00	\$ -	Bridge Housing funded
Other Grants	110,000.00	110,000.00	-	110,000.00	\$ 110,000.00	\$ -	
OJP Grant Funds	35,431.00	35,431.00	-	26,500.00	\$ 26,500.00	\$ (8,931.00)	Projected decrease per BGCA
<b>Total Grants</b>	<b>\$ 718,995.00</b>	<b>\$ 718,995.00</b>	<b>\$ 558,564.00</b>	<b>\$ 151,500.00</b>	<b>\$ 710,084.00</b>	<b>\$ (8,931.00)</b>	
<b>Special Events/Campaigns</b>							
Annual Auction	135,000.00	165,000.00	-	147,000.00	147,000.00	\$ (18,000.00)	Gross
Annual Installation Luncheon	-	1,750.00	-	1,750.00	1,750.00	\$ -	
Golf Classic	130,707.00	149,000.00	-	140,000.00	140,000.00	\$ (9,000.00)	Gross
KIDS Fundraisers	15,500.00	16,000.00	-	15,500.00	15,500.00	\$ (500.00)	
GTGF Campaign/On-line Giving	28,000.00	32,000.00	-	37,500.00	37,500.00	\$ 5,500.00	Annunial Giving Campaign
Other							
Pancake Breakfast	6,000.00	4,599.00	-	5,000.00	5,000.00	\$ 401.00	
Rotary Golf	7,000.00	4,378.00	-	5,000.00	5,000.00	\$ 622.00	
<b>Total Special Events/Campaigns</b>	<b>\$ 322,207.00</b>	<b>\$ 372,727.00</b>	<b>-</b>	<b>\$ 351,750.00</b>	<b>\$ 351,750.00</b>	<b>\$ (20,977.00)</b>	
Reimbursed Expenses	\$ 4,000.00	\$ 7,000.00	-	\$ 7,000.00	\$ 7,000.00	\$ -	
<b>TOTAL INCOME</b>	<b>1,460,793.00</b>	<b>1,524,650.00</b>	<b>\$ 558,564.00</b>	<b>\$ 967,500.00</b>	<b>\$ 1,526,084.00</b>	<b>\$ 1,414.00</b>	

Boys Girls Club of San Marcos  
2013-2014 OPERATING BUDGET

	Board Approved Budget 2012-2013	Projected Actualization For Year-End (2012-2013)	Proposed Budget 2013-2014 w/ASES Grants	Proposed Budget 2013-2014 w/out ASES Grants	Proposed Budget 2013-2014	variance 2012-2013 Actualization to 2013-2014 Proposed	COMMENTS
<b>EXPENSES</b>							
Automobile Expense	11,400.00	6,000.00	-	8,000.00	8,000.00	2,000.00	3 vehicles; mileage reimbursement
Bad Debt Expense	-	500.00				(500.00)	
Bank/Merchant Service Charges	6,400.00	9,600.00	-	9,600.00	9,600.00	-	Increased on-line payments
Dues & Subscriptions	11,000.00	10,898.00	-	11,000.00	11,000.00	102.00	BGCA annual fee, BGCA State Alliance, Donor Perfect, Member Tracking System, Prasidium
Employee Expenses							
Life/Dnt/VLtd	2,200.00	2,100.00	-	2,276.94	2,276.94	176.94	
Medical	14,815.00	18,675.00	2,186.70	15,983.46	18,170.16	(504.84)	
Pension	24,000.00	26,340.00	8,677.85	23,390.15	32,068.00	5,728.00	Increase in the number of staff qualifying for the pension
Employer PR Taxes	69,765.85	66,000.00	27,620.24	45,252.85	72,873.09	6,873.09	Increase in the number of staff
Payroll Service Fees	7,000.00	7,500.00	3,960.00	3,040.00	7,000.00	(500.00)	
Recruiting	5,730.00	9,000.00	4,250.00	1,480.00	5,730.00	(3,270.00)	The Club will limit the number of volunteers/mentors
Unemployment Insurance	28,000.00	20,000.00	-	20,000.00	20,000.00	-	
Wages	983,131.27	1,017,000.00	444,894.36	580,425.02	1,025,319.38	8,319.38	Added 4 transportation staff
Workman's Compensation	20,322.00	27,000.00	18,000.00	12,000.00	30,000.00	3,000.00	Increase in rates
<b>Total Employee Expenses</b>	<b>1,154,964.11</b>	<b>1,193,615.00</b>	<b>509,589.15</b>	<b>703,848.42</b>	<b>\$ 1,213,437.57</b>	<b>19,822.57</b>	
Equipment (non-capitalized)	-	-	-	-	-	-	
Equipment Rentals	5,300.00	5,300.00	2,579.00	2,675.00	5,254.00	(46.00)	Copy Machine lease
Insurance	16,000.00	14,800.00	8,698.00	7,302.00	16,000.00	1,200.00	General liab. auto, accident, D&O, umbrella
Marketing	15,000.00	15,000.00	3,000.00	8,000.00	11,000.00	(4,000.00)	Website Hosting, Convo program, Decrease the number of program flyers printed
Meetings/Sundries	3,000.00	3,000.00	-	3,000.00	3,000.00	-	
Postage and Delivery	1,100.00	1,100.00	-	1,100.00	1,100.00	-	Non-event related (Accounts Payable, Admin)
Professional Fees	10,725.00	10,700.00	6,420.00	4,305.00	10,725.00	25.00	Annual Audit
Program Fieldtrips	2,400.00	6,000.00	-	8,100.00	8,100.00	2,100.00	Day Camp Fieldtrips
Repairs & Maintenance	47,690.00	38,000.00	-	38,000.00	38,000.00	-	JLB site only & computer repairs
Special Events							
Annual Installation Luncheon	-	1,750.00	-	1,750.00	1,750.00	-	
Annual Auction	43,000.00	47,000.00	-	45,000.00	45,000.00	(2,000.00)	
Golf Classic	17,500.00	16,229.00	-	17,500.00	17,500.00	1,271.00	
Kids Fundraisers/Keystone	15,700.00	15,000.00	-	10,000.00	10,000.00	(5,000.00)	Keystone Conference
Other				9,500.00	9,500.00		Holiday Hotcakes, Holiday parties, GTGF Campaign
<b>Total Special Events</b>	<b>\$ 80,200.00</b>	<b>\$ 83,677.00</b>	<b>-</b>	<b>\$ 83,750.00</b>	<b>\$ 83,750.00</b>	<b>73.00</b>	
Supplies							
Program Supplies	25,450.00	34,000.00	6,700.00	13,800.00	20,500.00	(13,500.00)	
Office	4,000.00	6,000.00	-	4,000.00	4,000.00	(2,000.00)	
<b>Total Supplies</b>	<b>29,450.00</b>	<b>40,000.00</b>	<b>6,700.00</b>	<b>17,800.00</b>	<b>24,500.00</b>	<b>(15,500.00)</b>	Funds tied to ASES grants. Must spend funds or will lose money
Telephone	8,700.00	11,898.00	4,400.00	6,600.00	11,000.00	(898.00)	Land lines, cell phones & internet
Temporary Labor	5,000.00	5,500.00	-	5,000.00	5,000.00	(500.00)	
Transportation	21,000.00	23,000.00	-	32,580.00	32,580.00	9,580.00	Added two more transportation sites and three busses
Training & Conferences	11,200.00	12,000.00	-	10,000.00	10,000.00	(2,000.00)	
Utilities	19,700.00	24,000.00	-	24,000.00	24,000.00	-	JLB/Teen Center Facility
<b>TOTAL EXPENSE (WITHOUT DEPREC.)</b>	<b>\$ 1,460,229.11</b>	<b>\$ 1,514,588.00</b>	<b>\$ 541,386.15</b>	<b>\$ 984,660.42</b>	<b>1,528,046.57</b>	<b>11,458.57</b>	
<b>NET INCOME</b>	<b>\$ 563.89</b>	<b>\$ 10,062.00</b>	<b>17,177.85</b>	<b>\$ (17,160.42)</b>	<b>17.43</b>	<b>(10,044.57)</b>	
<b>Depreciation Expense</b>	<b>59,325.03</b>	<b>59,325.03</b>	<b>-</b>	<b>59,325.03</b>	<b>59,325.03</b>	<b>-</b>	Per Auditors Depreciation Schedule
<b>NET INCOME (AFTER DEPRECIATION)</b>	<b>\$ (58,761.14)</b>	<b>\$ (49,263.03)</b>	<b>17,177.85</b>	<b>\$ (76,485.45)</b>	<b>(59,307.60)</b>	<b>(10,044.57)</b>	



OGDEN UT 84201-0038

In reply refer to: 0441746480  
Apr. 07, 2011 LTR 4168C 0  
95-3330218 000000 00

00031837

BODC: TE

BOYS & GIRLS CLUB OF SAN MARCOS  
1 POSITIVE PL  
SAN MARCOS CA 92069-2875

Employer Identification Number: 95-3330218  
Person to Contact: Ms. Casteel  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Mar. 29, 2011, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in June 1982.

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

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

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

*Boys Girls Club of San Marcos*  
**Board of Directors**  
*Public Roster*  
2013-2014

Board Member	Title	Company	Mailing Address	Phone	Email
JABARA Russ	Associate Vice President	Colliers International	5901 Priestly Dr., Ste. 100 Carlsbad, CA 92008	760.438.8950	<a href="mailto:russ.jabara@colliers.com">russ.jabara@colliers.com</a>
LEVITT Gary	Owner	Sea Breeze Properties	3525 Del Mar Heights Rd., Ste. 246 San Diego, CA 92130	858.361.8555	<a href="mailto:gary@seabreezeproperties.com">gary@seabreezeproperties.com</a>
MASSA Gary	Realtor	Pacific Sotheby's International Realty	3702 Via de la Valle, Suite 2C Del Mar, CA 92014	760.889.7701	<a href="mailto:Gary.Massa@SothebysRealty.com">Gary.Massa@SothebysRealty.com</a>
RITCHIE Jeff	PAST- CHAIRMAN Vice President	EDCO Waste & Recycling	224 Las Posas Rd. San Marcos, CA 92079	760.744.5615 x119	<a href="mailto:jritchie@edcodisposal.com">jritchie@edcodisposal.com</a>
RIVERA Noemi	VICE-CHAIR Executive Assistant	Hunter Industries	1940 Diamond Street San Marcos, CA 92078	760.591.7125	<a href="mailto:noemi.rivera@hunterindustries.com">noemi.rivera@hunterindustries.com</a>
SIMMONS Jason	TREASURER Vice President of Operations	Consultants Collaborative, Inc.	160 Industrial St., Ste. 200 San Marcos, CA 92078	760.471.2365 x107	<a href="mailto:jason@cciconnect.com">jason@cciconnect.com</a>
THOMPSON Debbie	CHAIRWOMAN VP/ Relationship Banker	California Bank & Trust	140 Civic Center Drive Vista, CA 92084	760. 945.2524	<a href="mailto:Deborah.Thompson@calbt.com">Deborah.Thompson@calbt.com</a>
WAGNER Steve	Co-Founder/President	Stone Brewing Co.	1999 Citracado Pkwy Escondido, CA 92029	760.471.4999 x1103	<a href="mailto:steve.wagner@stonebrew.com">steve.wagner@stonebrew.com</a>
WILLIAMS Tim	SECRETARY Operations Manager	Markstein Beverage Co.	505 S. Pacific St. San Marcos, CA 92079	760.744.9100 x109	<a href="mailto:timw@marksteinbeer.com">timw@marksteinbeer.com</a>



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 black lung benefit trust or private foundation)

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

OMB No. 1545-0047

**2012**Open to Public  
Inspection**A For the 2012 calendar year, or tax year beginning 07/01/12, and ending 06/30/13**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <div style="text-align: center; font-weight: bold;">BOYS &amp; GIRLS CLUB OF SAN MARCOS</div> Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite <div style="display: flex; justify-content: space-between;"> <span><b>1 POSITIVE PLACE</b></span> <span></span> </div> City, town or post office, state, and ZIP code <div style="display: flex; justify-content: space-between;"> <span><b>SAN MARCOS</b></span> <span><b>CA 92069</b></span> </div>	<b>D</b> Employer identification number <div style="text-align: center; font-weight: bold;">95-3330218</div> <b>E</b> Telephone number <div style="text-align: center; font-weight: bold;">760-471-2490</div> <b>G</b> Gross receipts \$ <b>1,677,385</b>
<b>F</b> Name and address of principal officer: <div style="text-align: center; font-weight: bold;">MECHELLE ANGUIANO-FIGUEROA</div> <div style="text-align: center; font-weight: bold;">1 POSITIVE PLACE</div> <div style="text-align: center; font-weight: bold;">SAN MARCOS CA 92069</div>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J</b> Website: <b>WWW.BOYSGIRLSCLUBSM.ORG</b>		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1979</b> <b>M</b> State of legal domicile:

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <div style="text-align: center; font-weight: bold;">TO INSPIRE AND ENABLE ALL YOUNG PEOPLE TO REALIZE THEIR FULL POTENTIAL AS RESPONSIBLE AND CARING CITIZENS.</div>													
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. <b>3</b> Number of voting members of the governing body (Part VI, line 1a) <b>3 12</b> <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) <b>4 12</b> <b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a) <b>5 80</b> <b>6</b> Total number of volunteers (estimate if necessary) <b>6 0</b> <b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 <b>7a 0</b> <b>7b</b> Net unrelated business taxable income from Form 990-T, line 34 <b>7b 0</b>													
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h) <b>9</b> Program service revenue (Part VIII, line 2g) <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">Prior Year</th> <th style="width:50%;">Current Year</th> </tr> </thead> <tbody> <tr><td style="text-align: right;">833,949</td><td style="text-align: right;">824,521</td></tr> <tr><td style="text-align: right;">234,342</td><td style="text-align: right;">265,721</td></tr> <tr><td style="text-align: right;">32,299</td><td style="text-align: right;">40,188</td></tr> <tr><td style="text-align: right;">332,145</td><td style="text-align: right;">362,208</td></tr> <tr><td style="text-align: right;">1,432,735</td><td style="text-align: right;">1,492,638</td></tr> </tbody> </table>	Prior Year	Current Year	833,949	824,521	234,342	265,721	32,299	40,188	332,145	362,208	1,432,735	1,492,638
Prior Year	Current Year													
833,949	824,521													
234,342	265,721													
32,299	40,188													
332,145	362,208													
1,432,735	1,492,638													
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>111,499</b> <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) <b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) <b>19</b> Revenue less expenses. Subtract line 18 from line 12	<table border="1" style="width:100%; border-collapse: collapse;"> <tbody> <tr><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> <tr><td style="text-align: right;">1,062,474</td><td style="text-align: right;">1,222,599</td></tr> <tr><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> <tr><td style="text-align: right;">351,985</td><td style="text-align: right;">307,551</td></tr> <tr><td style="text-align: right;">1,414,459</td><td style="text-align: right;">1,530,150</td></tr> <tr><td style="text-align: right;">18,276</td><td style="text-align: right;">-37,512</td></tr> </tbody> </table>	0	0	1,062,474	1,222,599	0	0	351,985	307,551	1,414,459	1,530,150	18,276	-37,512
0	0													
1,062,474	1,222,599													
0	0													
351,985	307,551													
1,414,459	1,530,150													
18,276	-37,512													
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16) <b>21</b> Total liabilities (Part X, line 26) <b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">Beginning of Current Year</th> <th style="width:50%;">End of Year</th> </tr> </thead> <tbody> <tr><td style="text-align: right;">1,813,017</td><td style="text-align: right;">1,744,090</td></tr> <tr><td style="text-align: right;">182,713</td><td style="text-align: right;">172,920</td></tr> <tr><td style="text-align: right;">1,630,304</td><td style="text-align: right;">1,571,170</td></tr> </tbody> </table>	Beginning of Current Year	End of Year	1,813,017	1,744,090	182,713	172,920	1,630,304	1,571,170				
Beginning of Current Year	End of Year													
1,813,017	1,744,090													
182,713	172,920													
1,630,304	1,571,170													

**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.

<b>Sign Here</b>	Signature of officer <div style="text-align: center; font-weight: bold;">MECHELLE ANGUIANO-FIGUEROA</div> Type or print name and title	Date <div style="text-align: center; font-weight: bold;">CEO</div>		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>SHANNON B. ROOT, CPA</b>	Preparer's signature <b>SHANNON B. ROOT, CPA</b>	Date <b>02/03/14</b>	Check <input type="checkbox"/> if self-employed PTIN <b>P00021306</b>
	Firm's name ▶ <b>COVELL HOGAN &amp; ROBIN LLP</b> <b>345 W 9TH AVE STE 100</b> Firm's address ▶ <b>ESCONDIDO, CA 92025-5055</b>	Firm's EIN ▶ <b>38-3730777</b> Phone no. <b>760-737-0700</b>		

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

☐ Yes ☒ NoFor Paperwork Reduction Act Notice, see the separate instructions.  
DAAForm **990** (2012)

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question 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 \$ **1,193,901** 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 \$ )

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

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

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

**4e** Total program service expenses ▶ **1,193,901**

**INDEPENDENT AUDITORS' REPORT AND  
FINANCIAL STATEMENTS  
OF  
BOYS & GIRLS CLUB OF SAN MARCOS  
JUNE 30, 2013 AND 2012**

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**TABLE OF CONTENTS**  
**JUNE 30, 2013 AND 2012**

Independent Auditors' Report.....	1
Statements of Financial Position.....	2
Statements of Activities .....	3
Statements of Functional Expenses .....	4
Statements of Cash Flows .....	6
Notes to Financial Statements.....	7



**Independent Auditors' Report**

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

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, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

**Opinion**

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

*Covell, Hogan & Robin LLP*

Escondido, California  
January 22, 2014



**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2013 AND 2012**

<b>ASSETS</b>	<b>2013</b>	<b>2012</b>
Current Assets		
Cash and cash equivalents	\$ 221,384	\$ 316,801
Investments	666,820	624,526
Accounts receivable	14,020	25,650
Grants receivable	84,621	129,366
Prepaid expenses	13,907	7,652
Other current assets	299	292
<b>TOTAL CURRENT ASSETS</b>	<b>1,001,051</b>	<b>1,104,287</b>
Property and equipment, net	678,038	643,730
Other assets		
Investments, restricted	65,001	65,001
<b>TOTAL ASSETS</b>	<b><u>\$ 1,744,090</u></b>	<b><u>\$ 1,813,018</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 25,346	\$ 27,494
Accrued expenses	7,708	9,567
Accrued payroll expenses	79,166	60,344
Deferred revenue and deposits	60,700	85,308
<b>TOTAL CURRENT LIABILITIES</b>	<b>172,920</b>	<b>182,713</b>
Net Assets		
Unrestricted	1,496,169	1,555,304
Temporarily restricted	10,000	10,000
Permanently restricted	65,001	65,001
<b>TOTAL NET ASSETS</b>	<b>1,571,170</b>	<b>1,630,305</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,744,090</u></b>	<b><u>\$ 1,813,018</u></b>

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

<b>UNRESTRICTED NET ASSETS</b>	<b>2013</b>	<b>2012</b>
Support and Revenue		
General club revenue	\$ 265,721	\$ 234,342
Grants	718,752	707,205
Public support	92,127	101,828
United Way	12,742	18,018
Special events (net of direct expenses \$98,783)	362,208	332,143
Net assets released from restrictions	6,900	9,000
Interest and dividends	37,428	34,438
Realized gain(loss) on investments	(29,199)	(27,360)
Unrealized gain(loss) on investments	10,336	795
<b>TOTAL UNRESTRICTED REVENUE AND SUPPORT</b>	<b><u>1,477,015</u></b>	<b><u>1,410,409</u></b>
Expenses		
Program services		
Jennifer Loscher branch	335,252	315,552
San Marcos Unified School District	757,936	692,569
Other programs	100,711	92,317
<b>Total program services</b>	<b><u>1,193,899</u></b>	<b><u>1,100,438</u></b>
Supporting services		
Management and general expenses	224,750	204,275
Fund raising costs	111,501	109,746
<b>Total supporting services</b>	<b><u>336,251</u></b>	<b><u>314,021</u></b>
<b>TOTAL EXPENSES</b>	<b><u>1,530,150</u></b>	<b><u>1,414,459</u></b>
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b><u>(53,135)</u></b>	<b><u>(4,050)</u></b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	900	6,900
Net assets released from restrictions, satisfaction of program restrictions	<u>(6,900)</u>	<u>(9,000)</u>
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b><u>(6,000)</u></b>	<b><u>(2,100)</u></b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>		
Change in permanently restricted net assets:	-	-
Receipt of funds	<u>-</u>	<u>-</u>
<b>INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(59,135)</b>	<b>(6,150)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b><u>1,630,305</u></b>	<b><u>1,636,455</u></b>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 1,571,170</u></b>	<b><u>\$ 1,630,305</u></b>

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2013**

	Program Services				Support Services			Total Expenses
	Jennifer Loscher Branch	San Marcos Unified School District	Other Programs	Total Program Services	Management and General	Fund Raising Costs	Total Support Services	2013
<b>Expenses</b>								
Advertising, promotions, and awards	\$ 2,730	\$ 5,505	\$ 779	\$ 9,014	\$ 2,667	\$ 893	\$ 3,560	\$ 12,575
Bank and merchant fees	3,359	6,781	959	11,098	3,281	1,100	4,381	15,479
Depreciation	13,542	27,334	3,869	44,745	13,230	4,431	17,661	62,406
Dues and licenses	2,157	4,354	617	7,127	2,108	706	2,813	9,941
Employee wages and salaries	223,233	540,102	69,884	833,218	128,566	66,937	195,504	1,028,722
Employee benefits	10,870	21,940	3,105	35,915	10,619	3,557	14,176	50,091
Employer payroll taxes, WC insurance and fees	31,202	62,978	8,915	103,095	30,483	10,209	40,693	143,788
Insurance	3,412	6,887	974	11,274	3,332	1,116	4,448	15,722
Outside Services	0	-	-	-	-	-	-	-
Postage	260	525	74	858	254	85	339	1,198
Professional fees	2,322	4,686	664	7,672	2,268	760	3,028	10,700
Program fieldtrips	1,377	2,791	390	4,557	1,353	451	1,804	6,361
Repairs and maintenance	8,983	18,132	2,566	29,681	8,776	2,939	11,715	41,396
Scholarships	4,100	-	-	4,100	-	-	-	4,100
Supplies and equipment	10,522	21,238	3,007	34,767	1,029	12,694	13,723	48,490
Telephone and utilities	7,644	15,431	2,184	25,259	7,468	2,501	9,969	35,228
Training and conference	3,250	6,560	928	10,738	3,175	1,064	4,239	14,977
Travel	6,289	12,692	1,797	20,778	6,141	2,059	8,200	28,978
Vending	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 335,252</b>	<b>\$ 757,936</b>	<b>\$ 100,711</b>	<b>\$ 1,193,899</b>	<b>\$ 224,750</b>	<b>\$ 111,501</b>	<b>\$ 336,251</b>	<b>\$ 1,530,150</b>

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012**

	Program Services				Support Services			Total Expenses
	Jennifer Loscher Branch	San Marcos Unified School District	Other Programs	Total Program Services	Management and General	Fund Raising Costs	Total Support Services	2012
<b>Expenses</b>								
Advertising, promotions, and awards	\$ 2,380	\$ 4,798	\$ 679	\$ 7,857	\$ 2,325	\$ 779	\$ 3,103	\$ 10,960
Bank and merchant fees	2,686	5,423	767	8,876	2,624	880	3,504	12,379
Depreciation	16,622	33,549	4,749	54,920	16,239	5,438	21,677	76,597
Dues and licenses	2,249	4,539	643	7,430	2,197	736	2,933	10,363
Employee wages and salaries	194,134	469,699	60,774	724,607	111,808	58,212	170,020	894,627
Employee benefits	7,362	14,859	2,103	24,323	7,192	2,409	9,601	33,924
Employer payroll taxes, WC insurance and fees	29,061	58,657	8,303	96,022	28,392	9,509	37,901	133,923
Insurance	2,874	5,802	821	9,497	2,807	940	3,747	13,244
Outside services	980	1,979	280	3,239	958	321	1,279	4,518
Postage	209	422	59	690	204	69	273	963
Professional fees	2,850	5,753	815	9,418	2,784	933	3,717	13,135
Program fieldtrips	767	1,553	217	2,537	753	251	1,004	3,541
Repairs and maintenance	10,746	21,689	3,069	35,504	10,497	3,515	14,012	49,516
Scholarships	11,000	-	-	11,000	-	-	-	11,000
Supplies and equipment	17,522	35,367	5,006	57,895	1,714	21,137	22,851	80,746
Telephone and utilities	6,212	12,540	1,775	20,527	6,069	2,033	8,101	28,628
Training and conference	3,232	6,524	923	10,679	3,158	1,058	4,216	14,895
Travel	4,611	9,306	1,318	15,235	4,503	1,509	6,012	21,247
Vending	55	111	16	181	54	18	72	253
<b>Total Expenses</b>	<b>\$ 315,552</b>	<b>\$ 692,569</b>	<b>\$ 92,317</b>	<b>\$ 1,100,438</b>	<b>\$ 204,275</b>	<b>\$ 109,746</b>	<b>\$ 314,021</b>	<b>\$ 1,414,459</b>

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (59,135)	\$ (6,150)
Adjustments to reconcile change in net assets provided by operating activities:		
Realized gain/loss on investments	29,199	27,360
Unrealized gain/loss on investments	(10,336)	(795)
Depreciation	62,407	76,597
(Increase) decrease in operating assets:		
Accounts receivable	56,375	(88,135)
Prepaid expenses	(6,255)	(1)
Other current assets	(8)	(88)
Increase (decrease) in operating liabilities:		
Accounts payable	(2,148)	(18,599)
Accrued expenses	(1,859)	7,352
Accrued payroll expenses	18,822	23,865
Deferred revenue and deposits	(24,608)	24,913
<b>Net cash provided by operating activities</b>	<u><b>62,454</b></u>	<u><b>46,319</b></u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(96,714)	(16,199)
Cash proceeds received from investments	193,524	261,190
Cash paid for investments	(254,681)	(268,310)
<b>Net cash used in investing activities</b>	<u><b>(157,871)</b></u>	<u><b>(23,319)</b></u>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Collections of contributions for long term purposes		
Endowment fund	-	-
<b>Net cash provided by financing activities</b>		
<b>NET INCREASE (DECREASE) IN CASH</b>	<u><b>(95,417)</b></u>	<u><b>23,000</b></u>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>316,801</b></u>	<u><b>293,801</b></u>
<b>CASH, END OF YEAR</b>	<u><b>\$ 221,384</b></u>	<u><b>\$ 316,801</b></u>

See independent auditors' report and notes to financial statements



**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**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 one primary facility and various sub-sites in the San Marcos area.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

Income Taxes

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 taxes under the U.S. Internal Revenue Code and Section 23701(d) of the California State Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Contributions

Generally accepted accounting principles require that the Club reports information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement 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 in the unrestricted net asset class.

Donated Services

Donated services from volunteers have not been reflected in the financial statements because the criteria for recognition under generally accepted accounting principles has not been satisfied. Nevertheless, a substantial number of volunteers donated many hours of their time to the Club.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

Expense Allocations

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated on an estimated basis between programs, management and general supporting services, and fund raising.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents consist primarily of certificate of deposit accounts and other securities with original maturities of three months or less.

Accounts Receivable

The Club believes that accounts receivable are fully collectible and that no allowance for uncollectible accounts is needed.

Advertising

The Club expenses advertising costs as they are incurred. The total advertising expense for the years ended June 30, 2013 and 2012 are \$12,575 and \$10,960, respectively.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the fair value at the date of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, which range from ten to thirty years for buildings and improvements and three to seven years for furnishings, equipment, software, and vehicles. 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.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**C. CASH AND CASH EQUIVALENTS**

Cash consisted of the following at June 30:

	<u>2013</u>	<u>2012</u>
California Bank & Trust	\$ 165,268	\$ -
California Bank & Trust – CD	11,518	11,477
Petty Cash	408	114
SagePoint Financial, Inc.	40,842	63,134
Union Bank of California	<u>3,348</u>	<u>242,076</u>
	<u>\$ 221,384</u>	<u>\$ 316,801</u>

**D. 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 bank and financial institutions. The Club maintains cash and cash equivalents and short and long term investments with major banks and financial institutions. Accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. The Club had a balance in excess of the FDIC coverage of \$0 and \$66,801 for the years ended June 30, 2013 and 2012, 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). For the years ended June 30, 2013 and 2012, the Club had a balance in excess of coverage for the year of \$231,821 and 189,527.

**E. 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, 2013 and 2012. Award amounts totaled \$567,000 and \$558,564 for the years ended June 30, 2013 and 2012. Total payments received for the years ended June 30, 2013 and 2012 were \$558,564 and \$558,449, 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 one year period. Any remaining amounts may carry forward to the next fiscal year. Award amounts totaled \$19,500 and \$45,000 for the years ended June 30, 2013 and 2012. Total payments received for the years ended June 30, 2013 and 2012 were \$33,720 and \$33,267, respectively.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**F. PROPERTY AND EQUIPMENT**

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

	<u>2013</u>	<u>2012</u>
Building	\$ 1,318,013	\$ 1,318,013
Furniture and fixtures	87,356	87,356
Computers and peripherals	68,282	56,810
Leasehold improvements	126,410	49,559
Office equipment	10,516	2,125
Software	4,927	4,927
Vehicles	<u>39,972</u>	<u>39,972</u>
	1,655,476	1,558,762
Less accumulated depreciation	<u>(977,438)</u>	<u>(915,032)</u>
	<u>\$ 678,038</u>	<u>\$ 643,730</u>

Depreciation expense for the years ended June 30, 2013 and 2012 was \$62,406 and \$76,597, respectively.

**G. LEASE OBLIGATION**

The Club leases land for \$1 per year from the City of San Marcos 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 measureable and objective basis for determining its value.

**H. INVESTMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provide the framework for measuring the fair value. That 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.
- Level 2      Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets
  - quoted prices for identical or similar assets or liabilities in inactive markets
  - inputs other than quoted prices that are observable for the asset or liability
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means
  - If the asset or liability has specified (contractual) terms, the level 2 input must be observable for substantially the full term of the assets or liability

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**H. INVESTMENTS (CONTINUED)**

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

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, 2013.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 531,712	\$ -	\$ -	\$ 531,712
Fixed income	40,891	-	-	40,891
Exchange-traded	9,065	-	-	9,065
Equities	<u>150,153</u>	<u>-</u>	<u>-</u>	<u>150,153</u>
Total asset fair value	<u>\$ 731,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 731,821</u>

The amortized cost of securities and their approximate fair values at June 30, 2013 are as follows:

Gross amortized cost	\$ 741,572
Unrealized loss on investments	<u>(9,751)</u>
Fair market value	<u>\$ 731,821</u>

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, 2012.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 500,432	\$ -	\$ -	\$ 500,432
Fixed income	51,825	-	-	51,825
Exchange-traded	-	-	-	-
Equities	<u>137,270</u>	<u>-</u>	<u>-</u>	<u>137,270</u>
Total asset fair value	<u>\$ 689,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689,527</u>

The amortized cost of securities and their approximate fair values at June 30, 2012 are as follows:

Gross amortized cost	\$ 662,945
Unrealized gain on investments	<u>26,582</u>
Fair market value	<u>\$ 689,527</u>

**Endowment Funds:** The Club's endowment consists of approximately 10 individual funds established for a variety of purposes. Its endowment includes only donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.



**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**H. 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 permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Club in a manner consistent with the standard of prudence prescribed by UPMIFA.

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 40% 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.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**H. 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. 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:

- A summary of investment performance for the period measured against established performance benchmarks.
- A report of the portfolio's holdings showing individual security positions, at cost and market value.
- A review of all transactions, including a report of all capital gains and losses.
- Discussion on portfolio structure in the 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 which summarizes investment performance and shows 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.

The portfolio's custodian will issue a monthly report of the portfolio's holdings showing individual security positions, at cost and market value, on a timely basis. Such report will also show all transactions, including a report of all capital gains and losses.

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, 2013 and 2012.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**H. 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.

Endowment net asset composition by type of fund as of June 30, 2013 is as follows:

Fund Type	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor Restricted	\$ -	\$ -	\$ 65,001	\$ 65,001
Board Designated	-	-	-	-
Total Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 65,001</u>

Endowment net asset composition by type of fund as of June 30, 2012 is as follows:

Fund Type	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor Restricted	\$ -	\$ -	\$ 65,001	\$ 65,001
Board Designated	-	-	-	-
Total Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 65,001</u>

Changes in endowment net assets as of June 30, 2013 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ -	\$ -	\$ 65,001	\$ 65,001
Contributions	-	-	-	-
Investment income	-	-	-	-
Net appreciation (depreciation)	-	-	-	65,001
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 65,001</u>

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**H. INVESTMENTS (CONTINUED)**

Changes in endowment net assets as of June 30, 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ -	\$ -	\$ 65,001	\$ 65,001
Contributions	-	-	-	-
Investment income	-	-	-	-
Net appreciation (depreciation)	-	-	-	-
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 65,001</u>

**I. GRANTS RECEIVABLE**

Grants receivable are deemed to be fully collectable by management and are composed of the following amounts due at June 30:

	<u>2013</u>	<u>2012</u>
Boys & Girls Clubs of America	\$ 2,075	\$ 22,544
San Marcos Unified School District – SMMS	34,226	41,996
San Marcos Unified School District – ADE	21,010	25,836
San Marcos Unified School District – SME	2,014	12,247
San Marcos Unified School District – WPMS	<u>25,296</u>	<u>26,743</u>
	<u>\$ 84,621</u>	<u>\$ 129,366</u>

**J. NET ASSETS**

Net assets are as follows:	<u>2013</u>	<u>2012</u>
Unrestricted net assets		
Undesignated	\$ 1,448,239	\$ 1,555,304
Total unrestricted net assets	<u>1,448,239</u>	<u>1,555,304</u>
Temporarily restricted net assets		
Restricted for:		
Scholarship fund	<u>10,000</u>	<u>10,000</u>
Total temporarily restricted net assets	<u>10,000</u>	<u>10,000</u>
Permanently restricted net assets		
Restricted for:		
Permanent endowment	<u>65,001</u>	<u>65,001</u>
Total permanently restricted net assets	<u>65,001</u>	<u>65,001</u>
Total Net Assets	<u>\$ 1,523,240</u>	<u>\$ 1,630,305</u>

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**K. PENSION PLAN**

On July 1, 2003, the Club executed an agreement to join the Boys & Girls Clubs of America Pension Trust. The plan is a defined contribution pension plan. Employees are not permitted to contribute to this plan. The Club makes a contribution of five percent (5%) of each participant's 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, 2013 and 2012 was \$26,971 and \$24,646, respectively.

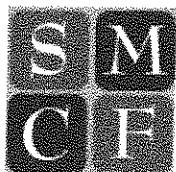
**L. RELATED PARTIES**

One board member is the owner of a printing company that the Club uses for general and special event printing. For the years ended June 30, 2013 and 2012 total printing expense paid to the board member's company was \$2,496 and \$787, respectively.

**M. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 22, 2014, the date the financial statements were available to be issued.





# SAN MARCOS COMMUNITY FOUNDATION

## Grant Cover Page

(Choose one) ☐ MINI-GRANT ☒ REGULAR GRANT

(Choose one) ☐ GENERAL FUND GRANT ☐ WILDLIFE FUND GRANT

Project Name: Academic Success Project Date Submitted: 7/3/2013		Total # of people served: 100 Total # of San Marcos residents served: 100	Amount Requested: \$10,000
Non-Profit Organization Name and Address, Website  Boys & Girls Club of San Marcos 1 Positive Place San Marcos, CA 92069		Contact Person – Name, Title & Phone, email  Kim Webb Director of Development & Marketing 760-471-2490 ext. 306 kim@boysgirlsclubsm.org	
<p><u>Briefly</u> describe your request for funds (to be expanded upon in narrative for regular grant):</p> <p>The Boys &amp; Girls Club of San Marcos is requesting funds to expand the after-school Academic Success program at the San Marcos Elementary School and Alvin Dunn Elementary School. The Academic Success program provides extra/remedial support for youth members who have difficulty mastering academic content and skills as identified by school administration.</p>			
<p><u>Briefly</u> describe the significance of your request to the San Marcos community:</p> <p>The Academic Success program addresses the need to provide extra/remedial support for youth in the 3<sup>rd</sup> and 4<sup>th</sup> grade who have scored below basic or far below basic in math and reading on standardized testing. The first year of the program has shown proven results for improvement for both math and reading.</p>			
<p>Please attach the following items.</p> <p><b>Both Mini-Grant &amp; Regular:</b></p> <ol style="list-style-type: none"> <li>Budget for request (use SMCF Budget Worksheet)</li> <li>Annual Operating budget for the organization or unit</li> <li>Federal &amp; State Tax ID numbers</li> <li>Board of Directors listing with affiliations</li> </ol> <p><b>5. Regular Grants Only:</b></p> <ol style="list-style-type: none"> <li>1-2 page narrative</li> <li>First 2 pages of Federal 990</li> <li>Most recent year-end Statement or Audit including any management letters associated with Audit.</li> <li>Optional: letters of support</li> </ol>		<p>Expected date project will begin: 8/1/2013</p> <p>And end: 6/30/2014</p> <p>Date by which funds will be expended: 6/30/2014</p>	
		<p>Send completed application to:</p> <p>San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069</p>	

July 3, 2013

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

Dear Ms. Kaserman,

The Boys & Girls Club of San Marcos is requesting consideration for a \$10,000 grant to expand the Academic Success program. The Academic Success program is aligned with the Club's mission to inspire and enable all young people to realize their full potential as responsible, caring citizens.

Since 1979 the Boys & Girls Club of San Marcos has been at the forefront of youth development, working with youth ages 6-18 who need the Club most. The Club has actively sought to enrich the lives of girls and boys whom other agencies fail to reach. The Club is affordable to all with an annual membership fee of \$40. No child is ever turned away due to their financial circumstance. Today, boys and girls participate in after-school programs, summer camps and specialty teen programs at seven locations throughout the community.

Today, staff members at the Boys & Girls Club of San Marcos are making an impact on the lives of nearly 800 young people each day and nearly 2,500 annually. Of the nearly 2,500 Club members, 70% are from economically disadvantaged families, 34% are from single parent households and 67% are Hispanic.

According to the U.S. Department of Education, among 34 countries surveyed the United States ranked 14<sup>th</sup> in reading literacy and 25<sup>th</sup> in math literacy. It was reported in the San Diego County Report Card on Children & Families that in 2011 only 51% of 3<sup>rd</sup> graders scored proficient or advanced on the English Language Arts annual California Standardized Test. Performance on the English-Language Arts test is widely accepted as the best predictor of school achievement overall, in part because mastery of language arts is a critical foundation to understanding information in other subjects. In the primary grades, children are learning to read; but from that point on, they must read to learn. A child who does not master basic reading skills does not have the foundation for future success.

With these alarming statistics in mind, the Boys & Girls Club of San Marcos embarked on providing a pilot program to address the problem of youth falling behind in school, particularly in math and reading. With the assistance of Principal Stephanie Wallace at San Marcos Elementary School and a partnership with Migrant Ed, the Boys & Girls Club selected 30 youth in the 3<sup>rd</sup> and 4<sup>th</sup> grade who had scored far below basic or below basic on their standardized tests to participate in the 2012-2013 pilot program.



**BOYS & GIRLS CLUB  
OF SAN MARCOS**

***Jennifer Loscher Building  
and Administrative Offices***

1 Positive Place  
San Marcos, CA 92069  
Tel. 760.471.2490 Fax 760.471.0673  
[www.boysgirlsclubsm.org](http://www.boysgirlsclubsm.org)

***The Club Teen Center***

1 Positive Place  
San Marcos, CA 92069  
Tel 760.290.3527

***Extension Sites***

**San Marcos Middle School**  
650 W. Mission Road

**Woodland Park Middle School**  
1270 Rock Springs Road

**Alvin Dunn Elementary School**  
3697 La Mirada Drive

**San Marcos Elementary School**  
300 W. San Marcos Blvd.

**Copper Creek in San Elijo Hills**  
1730 Elfin Forest Road

**San Elijo Middle School**  
1600 Schoolhouse Way

***Executive Committee***

Debbie Thompson  
**Chairperson**

Noemi Rivera  
**Vice Chair**

Jason Simmons  
**Treasurer**

Tim Williams  
**Secretary**

Jeff Ritchie  
**Past Chairman**

***Board of Directors***

George Burrola\*  
Russ Jabara  
Gary Levitt  
Gary Massa  
Steve Wagner\*

\*Past Chair

***Advisory Council***

Supervisor Bill Horn  
San Diego County

Hal Martin, Director\*  
Vallecitos Water District

Dr. Jan Jackson  
California State University San Marcos

Dr. Kevin Hoit  
San Marcos Unified School District

Shayla D. Sivert  
Palomar College

***Trustees***

Donald Findlay+  
Art Harris+  
Chuck Lehrer\*  
Stanley Mahr+  
Dr. Jim Sands+

Shelly Anguiano Figueroa  
**Chief Executive Officer**

+ deceased

The Boys & Girls Club of San Marcos is a 501 (c) (3) organization. The Federal Tax ID # is 95-3330218  
1 Positive Place – San Marcos, CA 92069 Phone (760) 471-2490 Fax (760) 471-0673  
[www.boysgirlsclubsm.org](http://www.boysgirlsclubsm.org)

Before participating in the program, youth members and their parents signed a commitment to meet the requirements of the program; attend the program 5 days a week and remain at the program each day until at least 5:00p.m. The weekly program consisted of:

- Daily lessons with "Targeted Reading and Math Intervention" Teacher Credential Materials
- One-on-One tutoring
- Sessions with the school counselor
- Ability to work as a group and independently on iPads to practice the curriculum

The results of the first year of the Academic Success program were exceptional. As you can see by the charts below each member completed a Baseline test at the beginning of the program and then completed three diagnostic tests throughout the course of year to measure their improvement for both reading and math. You can see a drastic improvement with both the reading and math intervention, ending the program with 100% of participants answering 20-30 of the questions correctly. In addition to the results below, 5 youth members were able to raise their math and reading proficiency skills enough to test out of the English Language Learners program.

#### READING IMPROVEMENT

Baseline Test (9/19/2012)	1 <sup>st</sup> Diagnostic (11/5/12)	2 <sup>nd</sup> Diagnostic (4/11/13)	3 <sup>rd</sup> Diagnostic (5/28/13)
Only <b>13%</b> of participants correctly answered 20-30 of the 30 questions	<b>94%</b> of participants correctly answered 20-30 of the 30 questions	<b>74%</b> of participants correctly answered 20-30 of the 30 questions	<b>100%</b> of participants correctly answered 20-30 of the 30 questions

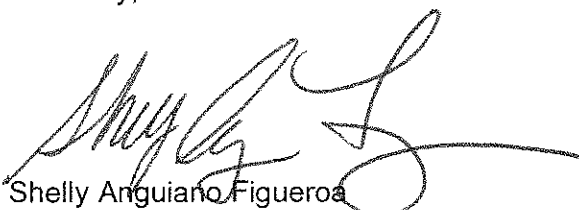
#### MATH IMPROVEMENT

Baseline Test (9/19/2012)	1 <sup>st</sup> Diagnostic (11/5/12)	2 <sup>nd</sup> Diagnostic (4/11/13)	3 <sup>rd</sup> Diagnostic (5/28/13)
Only <b>61%</b> of participant correctly answered 20-30 of the 30 questions	<b>100%</b> of participant correctly answered 20-30 of the 30 questions	<b>82%</b> of participants correctly answered 20-30 of the 30 questions	<b>100%</b> of participants correctly answered 20-30 of the 30 questions

Given the results and the impact of the pilot program, the Boys & Girls Club of San Marcos is eager to continue and expand the Academic Success program for the upcoming school year. This \$10,000 grant would allow the Club to expand the program to serve a total of 100 youth in 3<sup>rd</sup> and 4<sup>th</sup> grade during the 2013-2014 school year at Alvin Dunn Elementary and San Marcos Elementary School.

We are excited about the opportunity to work with the San Marcos Community Foundation to provide Academic Success program to youth in our community who need extra support in school. This program is aligned with the vision of the Boys & Girls Clubs of San Marcos to provide a world-class Club Experience that assures success is within reach of every young person who walk through our doors, with all members on track to graduate with a plan for the future. Please feel free to contact me if you have any questions. I look forward to hearing from you.

Sincerely,



Shelly Anguiano Figueroa  
Chief Executive Officer

**SAN MARCOS COMMUNITY FOUNDATION  
Budget Worksheet**

Provide an itemized list of expenses for this project:

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

10 iPads at \$433.91 each including tax	\$4,339.10
Sync and charge station for 10 iPads including tax	\$1,079.95
1 Targeted Reading Intervention Curriculum including tax	\$349.53
1 Targeted Math Intervention Curriculum including tax	\$349.53
100 student work books at \$10.86 each including tax	\$1,086.00
Wages & Benefits for Alvin Dunn & San Marcos Elementary	\$10,000
	\$
	\$
	\$
	\$
	\$

<b>Total budget for this PROJECT:</b>	<b>\$16,884.58</b>
---------------------------------------	--------------------

<b>Grant Request Amount:</b>	<b>\$10,000</b>
------------------------------	-----------------

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

Is this a challenge grant? No

Could it be? Yes

**Please list any other funding sources for this project.**

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

\$ 5,000	(Name of source) Qualcomm Foundation	**	C
\$ 1,884.58	(Name of source) BGCSM Board of Directors	**	C
\$	(Name of source)	**	
\$	(Name of source)	**	

**Boys Girls Club of San Marcos  
2013-2014 OPERATING BUDGET**

EXPENSES	Board Approved Budget 2012-2013	Projected Actualization For Year-End (2012-2013)	Proposed Budget 2013-2014 w/ASES Grants	Proposed Budget 2013-2014 w/out ASES Grants	Proposed Budget 2013-2014	Variance 2012-2013 Actualization to 2013-2014 Proposed	COMMENTS
Automobile Expense	11,400.00	6,000.00	-	8,000.00	8,000.00	2,000.00	3 vehicles, mileage reimbursement
Bad Debt Expense	-	500.00	-	-	-	(500.00)	Increased on-line payments
Bank/Merchant Service Charges	6,400.00	9,600.00	-	9,600.00	9,600.00	-	BCCA annual fee, BCCA State Alliance, Donor Perfect, Member Tracking System, Praiselurn
Dues & Subscriptions	11,000.00	10,898.00	-	11,000.00	11,000.00	102.00	
Employee Expenses							
Life/Health/Ltd	2,200.00	2,100.00	-	2,276.94	2,276.94	176.94	
Medical	14,815.00	18,675.00	2,186.70	15,983.46	18,170.16	(504.84)	
Pension	24,000.00	26,340.00	8,677.85	23,990.15	32,068.09	5,728.09	Increase in the number of staff qualifying for the pension
Employer PR Taxes	69,765.85	66,000.00	27,620.24	45,252.85	72,873.09	6,873.09	Increase in the number of staff
Payroll Service Fees	7,000.00	7,500.00	3,980.00	3,040.00	7,000.00	(500.00)	
Recruiting	5,750.00	9,000.00	4,250.00	1,480.00	5,750.00	(3,270.00)	The Club will limit the number of volunteermentors
Unemployment Insurance	28,000.00	20,000.00	-	20,000.00	20,000.00	-	
Wages	983,131.27	1,017,000.00	444,894.36	580,426.02	1,025,319.38	8,319.38	Added 4 transportation staff
Workman's Compensation	20,322.00	27,000.00	18,000.00	12,000.00	30,000.00	3,000.00	Increase in rates
Total Employee Expenses	1,154,964.11	1,193,615.00	509,589.15	703,848.42	1,213,437.57	19,822.57	
Equipment (non-capitalized)	-	-	-	-	-	-	
Equipment Rentals	5,300.00	5,300.00	2,579.00	2,675.00	5,284.00	(46.00)	Copy Machine lease
Insurance	16,000.00	14,800.00	8,698.00	7,302.00	16,000.00	1,200.00	General liab. auto, accident, D&O, umbrella
Marketing	15,000.00	15,000.00	3,000.00	8,000.00	11,000.00	(4,000.00)	Website hosting, Covid program, Decrease the number of program flyers printed
Meetings/Sundries	3,000.00	3,000.00	-	3,000.00	3,000.00	-	
Postage and Delivery	1,100.00	1,100.00	-	1,100.00	1,100.00	-	Non-event related (Accounts Payable, Admin)
Professional Fees	10,725.00	10,700.00	6,420.00	4,305.00	10,725.00	25.00	Annual Audit
Program Fieldtrips	2,400.00	6,000.00	-	8,100.00	8,100.00	2,100.00	Day Camp Fieldtrips
Repairs & Maintenance	47,690.00	38,000.00	-	38,000.00	36,000.00	-	ILB site only & computer repairs
Special Events	-	-	-	-	-	-	
Annual Installation Luncheon	-	1,750.00	-	1,750.00	1,750.00	-	
Annual Auction	43,000.00	47,000.00	-	45,000.00	45,000.00	(2,000.00)	
Golf Classic	17,500.00	16,229.00	-	17,500.00	17,500.00	1,271.00	
Kids Fundraisers/Keystone	15,700.00	15,000.00	-	10,000.00	10,000.00	(5,000.00)	Keystone Conference
Other	-	-	-	9,500.00	9,500.00	-	Holiday Hotcakes, Holiday parties, GTGF Campaign
Total Special Events	80,200.00	83,677.00	-	83,750.00	83,750.00	73.00	
Supplies							
Program Supplies	25,450.00	34,000.00	6,700.00	13,800.00	20,500.00	(13,500.00)	
Office	4,000.00	6,000.00	-	4,000.00	4,000.00	-	
Total Supplies	29,450.00	40,000.00	6,700.00	17,800.00	24,500.00	(15,500.00)	Furnish tied to ASES grants, Must spend funds or will lose money
Telephone	8,700.00	11,898.00	4,400.00	6,600.00	11,000.00	(998.00)	Land lines, cell phones & internet
Temporary Labor	5,000.00	5,500.00	-	5,000.00	5,000.00	(500.00)	
Transportation	21,000.00	23,000.00	-	32,580.00	32,580.00	9,580.00	Added two more transportation sites and three busses
Training & Conferences	11,200.00	12,000.00	-	10,000.00	10,000.00	(2,000.00)	
Utilities	19,700.00	24,000.00	-	24,000.00	24,000.00	-	ILBTeen Center Facility
TOTAL EXPENSE (WITHOUT DEPREC.)	\$ 1,480,229.11	\$ 1,514,588.00	\$ 541,386.15	\$ 984,560.42	\$ 1,528,046.57	\$ 11,458.57	
NET INCOME	\$ 663.89	\$ 10,062.00	\$ 17,177.86	\$ (17,160.42)	\$ 17.43	\$ (10,044.57)	
Depreciation Expense	59,325.03	59,325.03	-	59,325.03	59,325.03	-	Per Auditors Depreciation Schedule
NET INCOME (AFTER DEPRECIATION)	\$ (58,761.14)	\$ (49,263.03)	\$ 17,177.86	\$ (76,485.45)	\$ (59,307.60)	\$ (10,044.57)	



**Boys Girls Club of San Marcos  
2013-2014 OPERATING BUDGET**

INCOME	Board Approved Budget 2012-2013	Projected Actualization For Year-End (2012-2013)	Proposed Budget 2013-2014 WASES Grants	Proposed Budget 2013-2014 w/out ASES Grants	Proposed Budget 2013-2014	Variance 2012-2013 Actualization to 2013-2014 Proposed	COMMENTS
<b>Contributions</b>							
Local	\$ 80,000.00	\$ 90,250.00	-	\$ 80,200.00	\$ 80,200.00	\$ (10,050.00)	DEI Gala & Golf CAVA rental. Donations non-event related
United Way	14,000.00	11,000.00	-	12,000.00	\$ 12,000.00	\$ 1,000.00	Individual designations through United Way
Annual Sponsors	90,861.00	85,858.00	-	85,858.00	\$ 85,858.00	-	(1) Diamond, (2) Platinum, (2) Gold, (2) Silver, (3) Bronze
<b>Total Contributions</b>	<b>\$ 184,861.00</b>	<b>\$ 187,108.00</b>	<b>-</b>	<b>\$ 178,058.00</b>	<b>\$ 178,058.00</b>	<b>\$ (8,050.00)</b>	
<b>JLB-General Club</b>							
Day Camp	73,000.00	83,000.00	-	84,960.00	\$ 84,960.00	\$ 1,960.00	Summer, Winter & Spring Camps, Fee Based Program
Membership	30,000.00	30,000.00	-	32,000.00	\$ 32,000.00	\$ 2,000.00	\$40 youth (400) paying members. Includes San Eljo Middle School
Vending	570.00	250.00	-	0.00	\$ -	\$ (250.00)	No more vending machine
<b>Total JLB-General Club</b>	<b>\$ 103,570.00</b>	<b>\$ 113,250.00</b>	<b>-</b>	<b>\$ 116,960.00</b>	<b>\$ 116,960.00</b>	<b>\$ 3,710.00</b>	
<b>Fee Based Clubs</b>							
Program Fees	80,000.00	80,000.00	-	80,000.00	\$ 80,000.00	\$ -	San Eljo Middle School. Only fee based site
Transportation	47,160.00	45,570.00	-	82,232.00	\$ 82,232.00	\$ 36,662.00	Adding three more busses and two site
<b>Fee Based Clubs</b>	<b>\$ 127,160.00</b>	<b>\$ 125,570.00</b>	<b>-</b>	<b>\$ 162,232.00</b>	<b>\$ 162,232.00</b>	<b>\$ 36,662.00</b>	
<b>Grants/Foundations</b>							
ASES - Alvin Dunn	140,032.00	140,032.00	140,032.00	-	\$ 140,032.00	\$ -	Per contract w/SMUSD
ASES - SM Elem.	87,756.00	87,756.00	87,756.00	-	\$ 87,756.00	\$ -	Per contract w/SMUSD
ASES - SMMS	199,202.00	199,202.00	199,202.00	-	\$ 199,202.00	\$ -	Per contract w/SMUSD
ASES - WPMs	131,574.00	131,574.00	131,574.00	-	\$ 131,574.00	\$ -	Per contract w/SMUSD
Copper Creek/Bridge Housing	15,000.00	15,000.00	-	15,000.00	\$ 15,000.00	\$ -	Bridge Housing Funded
Other Grants	110,000.00	110,000.00	-	110,000.00	\$ 110,000.00	\$ -	
OJP Grant Funds	35,431.00	35,431.00	-	26,500.00	\$ 26,500.00	\$ (8,931.00)	Projected decrease per BGCA
<b>Total Grants</b>	<b>\$ 718,995.00</b>	<b>\$ 718,995.00</b>	<b>\$ 568,564.00</b>	<b>\$ 181,500.00</b>	<b>\$ 710,064.00</b>	<b>\$ (8,931.00)</b>	
<b>Special Events/Campaigns</b>							
Annual Auction	135,000.00	165,000.00	-	147,000.00	\$ 147,000.00	\$ (18,000.00)	Gross
Annual Installation Luncheon	-	1,750.00	-	1,750.00	\$ 1,750.00	\$ -	
Golf Classic	130,707.00	149,000.00	-	140,000.00	\$ 140,000.00	\$ (9,000.00)	Gross
KIDS Fundraisers	15,500.00	16,000.00	-	15,500.00	\$ 15,500.00	\$ (500.00)	
GTGF Campaign/On-line Giving	28,000.00	32,000.00	-	37,500.00	\$ 37,500.00	\$ 5,500.00	Annual Giving Campaign
Other	-	-	-	-	\$ -	\$ -	
Pancake Breakfast	6,000.00	4,599.00	-	5,000.00	\$ 5,000.00	\$ 401.00	
Rotary Golf	7,000.00	4,378.00	-	5,000.00	\$ 5,000.00	\$ 622.00	
<b>Total Special Events/Campaigns</b>	<b>\$ 322,207.00</b>	<b>\$ 372,727.00</b>	<b>-</b>	<b>\$ 351,750.00</b>	<b>\$ 351,750.00</b>	<b>\$ (20,977.00)</b>	
Reimbursed Expenses	\$ 4,000.00	\$ 7,000.00	-	\$ 7,000.00	\$ 7,000.00	\$ -	
<b>TOTAL INCOME</b>	<b>1,460,793.00</b>	<b>1,524,650.00</b>	<b>\$ 568,564.00</b>	<b>\$ 967,500.00</b>	<b>\$ 1,528,064.00</b>	<b>\$ 1,414.00</b>	

OGDEN UT 84201-0038

In reply refer to: 0441746480  
Apr. 07, 2011 LTR 4168C 0  
95-3330218 000000 00  
00031837  
BODC: TE

BOYS & GIRLS CLUB OF SAN MARCOS  
1 POSITIVE PL  
SAN MARCOS CA 92069-2875



003185

Employer Identification Number: 95-3330218  
Person to Contact: Ms. Casteel  
Toll Free Telephone Number: 1-877-829-5580

Dear Taxpayer:

This is in response to your Mar. 29, 2011, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in June 1982.

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

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

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

TAXABLE YEAR

2011

# California Exempt Organization Annual Information Return

FORM

199

 Calendar Year 2011 or fiscal year beginning 07/01/11, and ending 06/30/12

Corporation/Organization Name

BOYS &amp; GIRLS CLUB OF SAN MARCOS

Address (suite, room, or PMB no.)

1 POSITIVE PLACE

City

SAN MARCOS

State

CA

ZIP Code

92069

California corporation number

0882077

FEIN

95-3330218

- A First Return ☐ Yes ☒ No
- B Amended Return ☐ Yes ☒ No
- C IRC Section 4947(a)(1) trust ☐ Yes ☒ No
- D Final Return ☐ Yes ☒ No

☐ Dissolved ☐ Surrendered (Withdrawn)

☐ Merged/Reorganized Enter date:

E Check accounting method:

 (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other

F Federal return filed?

 (1) ☐ 990T (2) ☐ 990(PF) (3) ☐ Sch H (990)

 G Is this a group filing for the subordinates/affiliates? ☐ Yes ☒ No

If "Yes," attach a roster. See instructions

 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 in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? ☐ Yes ☒ No

If "Yes," explain, and attach copies of revised documents.

J If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? ☐ Yes ☒ No

If "Yes," complete and attach form FTB 3509.

K Is the organization exempt under R&TC Section 23701g? ☐ Yes ☒ No

If "Yes," enter the gross receipts from nonmember sources. \$

L If organization is exempt under R&TC Section 23701d and is exclusively religious, educational, or charitable, and is supported primarily (50% or more) by public contributions, check box. No filing fee is required. ☒ Yes ☐ No

M Is the organization a Limited Liability Company? ☐ Yes ☒ No

N Did the organization file Form 100 or Form 109 to report taxable income? ☐ Yes ☒ No

O Is the organization under audit by the IRS or has the IRS audited in a prior year? ☐ Yes ☒ No

**Part I Complete Part I unless not required to file this form. See General Instructions B and C.**

Receipts and Revenues	1 Gross sales or receipts from other sources. From Side 2, Part II, line 8	1	929,551	00
	2 Gross dues and assessments from members and affiliates	2		00
	3 Gross contributions, gifts, grants, and similar amounts received.	3	833,949	00
	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 \$25,000, see General Instruction B	4	1,763,500	00
Expenses	5 Cost of goods sold	5		00
	6 Cost or other basis, and sales expenses of assets sold	6	243,614	00
	7 Total costs. Add line 5 and line 6	7	243,614	00
	8 Total gross income. Subtract line 7 from line 4	8	1,519,886	00
Filing Fee	9 Total expenses and disbursements. From Side 2, Part II, line 18	9	1,495,991	00
	10 Excess of receipts over expenses and disbursements. Subtract line 9 from line 8	10	23,895	00
	11 Filing fee \$10 or \$25. See General Instruction F	11		00
	12 Total payments	12		00
Signatures	13 Penalties and Interest. See General Instruction J	13		00
	14 Use tax. See General Instruction K	14		00
	15 Balance due. Add line 11, line 13, and line 14. Then subtract line 12 from the result	15		00

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 EXECUTIVE DIRECTOR Date Telephone 760-471-2490

 Preparer's signature ☐ SHANNON B. ROOT, CPA Date 02/08/13 Check if self-employed ☐ PTIN P00021306

Firm's name (or yours, if self-employed) and address COVELL &amp; HOGAN, LLP 345 W 9TH AVE STE 100 ESCONDIDO, CA 92025-5055 Telephone 760-737-0700

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

**Board of Directors**  
**Public Roster**  
2013-2014

Board Member	Title	Company	Mailing Address	Phone	Email
BURROLA George	Owner	Aloha Printing	133 Newport Dr. #B San Marcos, CA 92069	760.471.1006	<a href="mailto:george@alohaprinting.com">george@alohaprinting.com</a>
JABARA Russ	Associate Vice President	Colliers International	5901 Priestly Dr., Ste. 100 Carlsbad, CA 92008	760.438.8950	<a href="mailto:russ.jabara@colliers.com">russ.jabara@colliers.com</a>
LEVITT Gary	Owner	Sea Breeze Properties	3525 Del Mar Heights Rd., Ste. 246 San Diego, CA 92130	858.361.8555	<a href="mailto:gary@seabreezeproperties.com">gary@seabreezeproperties.com</a>
MASSA Gary	Realtor	Houston Team & Associates	135 Liverpool Dr., Ste. D Cardiff by the Sea, CA 92007	760.889.7701	<a href="mailto:gary@houstonteam.com">gary@houstonteam.com</a>
RITCHIE Jeff	<b>PAST-CHAIRMAN</b> Vice President	EDCO Waste & Recycling	224 Las Posas Rd. San Marcos, CA 92079	760.744.5615 x119	<a href="mailto:jritchie@edcodisposal.com">jritchie@edcodisposal.com</a>
RIVERA Noemi	<b>VICE-CHAIR</b> Executive Assistant	Hunter Industries	1940 Diamond Street San Marcos, CA 92078	760.591.7125	<a href="mailto:noemi.rivera@hunterindustries.com">noemi.rivera@hunterindustries.com</a>
SIMMONS Jason	<b>TREASURER</b> Vice President of Operations	Consultants Collaborative, Inc.	160 Industrial St., Ste. 200 San Marcos, CA 92078	760.471.2365 x107	<a href="mailto:jason@ccconnect.com">jason@ccconnect.com</a>
THOMPSON Debbie	<b>CHAIRPERSON</b> VP/ Relationship Banker	California Bank & Trust	140 Civic Center Drive Vista, CA 92084	760.945.2524	<a href="mailto:Deborah.Thompson@calbt.com">Deborah.Thompson@calbt.com</a>
WAGNER Steve	President	Stone Brewing Co.	1999 Citracado Pkwy Escondido, CA 92029	760.471.4999 x1103	<a href="mailto:steve.wagner@stonebrew.com">steve.wagner@stonebrew.com</a>
WILLIAMS Tim	<b>SECRETARY</b> Operations Manager	Markstein Beverage Co.	505 S. Pacific St. San Marcos, CA 92079	760.744.9100 x109	<a href="mailto:timw@marksteinbeer.com">timw@marksteinbeer.com</a>

1 Positive Place, San Marcos, CA 92069, 760.471.2490  
Fax 760.471.0673  
[www.boysgirlclubsbm.org](http://www.boysgirlclubsbm.org)

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 black lung benefit trust or private foundation)

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

OMB No. 1545-0047

**2011**Open to Public  
Inspection**A** For the 2011 calendar year, or tax year beginning **07/01/11** and ending **06/30/12**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>BOYS &amp; GIRLS CLUB OF SAN MARCOS</b>		<b>D</b> Employer identification number <b>95-3330218</b>
	Doing Business As		<b>E</b> Telephone number <b>760-471-2490</b>
	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 country, and ZIP + 4 <b>SAN MARCOS CA 92069</b>		<b>G</b> Gross receipts \$ <b>1,763,500</b>	
<b>F</b> Name and address of principal officer: <b>SHELLY ANGUIANO 1 POSITIVE PLACE SAN MARCOS CA 92069</b>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	

<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) <input type="checkbox"/> (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	<b>J</b> Website: <b>WWW.BOYSGIRLSCLUBSM.ORG</b>	<b>M(c)</b> Group exemption number
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other	<b>L</b> Year of formation: <b>1979</b>	<b>N</b> State of legal domicile:

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>TO INSPIRE AND ENABLE ALL YOUNG PEOPLE TO REALIZE THEIR FULL POTENTIAL AS RESPONSIBLE AND CARING CITIZENS.</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>10</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>10</b>
	<b>5</b> Total number of individuals employed in calendar year 2011 (Part V, line 2a)	<b>5</b>	<b>73</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>0</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year <b>726,706</b>	Current Year <b>833,949</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>198,392</b>	<b>234,342</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>21,825</b>	<b>32,299</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>335,356</b>	<b>332,145</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>1,282,279</b>	<b>1,432,735</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0</b>	<b>0</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0</b>	<b>0</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>1,033,065</b>	<b>1,062,474</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0</b>	<b>0</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>109,746</b>	<b>306,185</b>	<b>351,985</b>
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>1,339,250</b>	<b>1,414,459</b>
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>-56,971</b>	<b>18,276</b>
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>1,781,636</b>	<b>1,813,017</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>145,182</b>	<b>182,713</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>1,636,454</b>	<b>1,630,304</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20		

**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.

<b>Sign Here</b>	<b>Signature of officer</b> <b>SHELLY ANGUIANO</b>		<b>Date</b> <b>EXECUTIVE DIRECTOR</b>	
	Type or print name and title			
<b>Paid Preparer Use Only</b>	<b>Print/Type preparer's name</b> <b>SHANNON B. ROOT, CPA</b>	<b>Preparer's signature</b> <b>SHANNON B. ROOT, CPA</b>	<b>Date</b> <b>02/20/13</b>	<b>Check</b> <input type="checkbox"/> <b>PTIN</b> <b>self-employed</b> <b>P00021306</b>
	<b>Firm's name</b> <b>COVELL &amp; HOGAN, LLP</b>	<b>Firm's EIN</b> <b>38-3730777</b>		
	<b>345 W 9TH AVE STE 100</b>	<b>Phone no</b> <b>760-737-0700</b>		
	<b>ESCONDIDO, CA 92025-5055</b>			

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

☐ Yes ☒ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2011)

DAA



Form 990 (2011) **BOYS & GIRLS CLUB OF SAN MARCOS**

95-3330219

Page 2

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question 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 and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ **1,100,438** including grants of \$ ) (Revenue \$ **941,547**)  
**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 \$ )

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

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

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

4e Total program service expenses **1,100,438**

Form 990 (2011)

DAA

**INDEPENDENT AUDITORS' REPORT AND  
FINANCIAL STATEMENTS  
OF  
BOYS & GIRLS CLUB OF SAN MARCOS  
JUNE 30, 2012 AND 2011**

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**TABLE OF CONTENTS**  
**JUNE 30, 2012 AND 2011**

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

**Independent Auditors' Report**

We have audited the accompanying statements of financial position of Boys & Girls Club of San Marcos (a nonprofit organization) as of June 30, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Club's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys & Girls Club of San Marcos as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Covell & Hogan, LLP*

Covell & Hogan, LLP  
January 23, 2013

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2012 AND 2011**

<b>ASSETS</b>	<b>2012</b>	<b>2011</b>
Current Assets		
Cash and cash equivalents	\$ 316,801	\$ 293,801
Investments	624,526	643,969
Accounts receivable	25,650	25,197
Grants receivable	129,366	41,684
Prepaid expenses	7,652	7,651
Other current assets	291	204
<b>TOTAL CURRENT ASSETS</b>	<b>1,104,286</b>	<b>1,012,506</b>
Property and equipment, net	643,730	704,129
Other assets		
Investments - restricted	65,001	65,001
<b>TOTAL ASSETS</b>	<b><u>\$ 1,813,017</u></b>	<b><u>\$ 1,781,636</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 27,494	\$ 46,093
Accrued expenses	9,567	2,215
Accrued payroll expenses	60,344	36,479
Deferred revenue and deposits	85,308	60,395
<b>TOTAL CURRENT LIABILITIES</b>	<b>182,713</b>	<b>145,182</b>
Net Assets		
Unrestricted	1,555,303	1,561,453
Temporarily restricted	10,000	10,000
Permanently restricted	65,001	65,001
<b>TOTAL NET ASSETS</b>	<b>1,630,304</b>	<b>1,636,454</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,813,017</u></b>	<b><u>\$ 1,781,636</u></b>

See independent auditors' report and notes to financial statements



**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

<b>UNRESTRICTED NET ASSETS</b>	<b>2012</b>	<b>2011</b>
Support and Revenue		
General club revenue	\$ 234,342	\$ 198,392
Grants	707,205	663,062
Public support	101,828	48,514
United Way	18,018	14,630
Special events (net of direct expenses \$87,151)	332,143	335,356
Net assets released from restrictions	6,900	500
Interest and dividends	34,438	39,140
Unrealized/realized gain(loss) on investments	(26,565)	37,098
<b>TOTAL UNRESTRICTED REVENUE AND SUPPORT</b>	<b><u>1,408,309</u></b>	<b><u>1,336,692</u></b>
Expenses		
Program services		
Jennifer Loscher branch	315,552	293,535
San Marcos Unified School District	692,569	665,141
Other programs	92,317	88,742
	<u>1,100,438</u>	<u>1,047,418</u>
Supporting services		
Management and general expenses	204,275	200,487
Fund raising costs	109,746	102,975
	<u>314,021</u>	<u>303,462</u>
<b>TOTAL EXPENSES</b>	<b><u>1,414,459</u></b>	<b><u>1,350,880</u></b>
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b><u>(6,150)</u></b>	<b><u>(14,188)</u></b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	6,900	500
Net assets released from restrictions, satisfaction of program restrictions	(6,900)	(500)
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED</b>		
<b>PERMANENTLY RESTRICTED NET ASSETS</b>		
Change in permanently restricted net assets:	-	-
Receipt of funds	-	-
<b>INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b><u>(6,150)</u></b>	<b><u>(14,188)</u></b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b><u>1,636,454</u></b>	<b><u>1,650,642</u></b>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 1,630,304</u></b>	<b><u>\$ 1,636,454</u></b>

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012**

	Program Services				Support Services			Total Expenses	
	Jennifer Loscher Branch	San Marcos Unified School District		Total Program Services	Management and General	Fund Raising Costs			Total Support Services
Expenses									
Advertising, promotions, and awards	\$ 2,380	\$ 4,798	\$ 679	\$ 7,857	\$ 2,325	\$ 779	\$ 3,103	\$ 10,960	
Bank and merchant fees	2,686	5,423	767	8,876	2,624	880	3,504	12,379	
Depreciation	16,622	33,549	4,749	54,920	16,239	5,438	21,677	76,597	
Disposition of assets	-	-	-	-	-	-	-	-	
Dues and licenses	2,249	4,539	643	7,430	2,197	736	2,933	10,363	
Employee wages and salaries	194,134	469,699	60,774	724,607	111,808	58,212	170,020	894,627	
Employee benefits	7,362	14,859	2,103	24,323	7,192	2,409	9,601	33,924	
Employer payroll taxes, WC insurance and fees	29,061	58,657	8,303	96,022	28,392	9,509	37,901	133,923	
Insurance	2,874	5,802	821	9,497	2,807	940	3,747	13,244	
Outside services	980	1,979	280	3,239	958	321	1,279	4,518	
Postage	209	422	59	690	204	69	273	963	
Professional fees	2,850	5,753	815	9,418	2,784	933	3,717	13,135	
Program fieldtrips	767	1,553	217	2,537	753	251	1,004	3,541	
Repairs and maintenance	10,746	21,689	3,069	35,504	10,497	3,515	14,012	49,516	
Scholarships	11,000	-	-	11,000	-	-	-	11,000	
Supplies and equipment	17,522	35,367	5,006	57,895	1,714	21,137	22,851	80,746	
Telephone and utilities	6,212	12,540	1,775	20,527	6,069	2,033	8,101	28,628	
Training and conference	3,232	6,524	923	10,679	3,158	1,058	4,216	14,895	
Travel	4,611	9,306	1,318	15,235	4,503	1,509	6,012	21,247	
Vending	55	111	16	181	54	18	72	253	
Total Expenses	\$ 315,552	\$ 692,569	\$ 92,317	\$ 1,100,438	\$ 204,275	\$ 109,746	\$ 314,021	\$ 1,414,459	

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2011**

	Program Services						Support Services		Total Expenses					
	Jennifer Loscher Branch	San Marcos		Other Programs	Total Program Services	Management and General	Fund Raising Costs	Total Support Services						
		School District	Unified											
Expenses	\$	1,389	\$	2,801	\$	397	\$	4,587	\$	455	\$	1,812	\$	6,399
Advertising, promotions, and awards		2,637		5,324		753		8,713		864		3,440		12,153
Bank and merchant fees		17,289		34,896		4,940		57,125		16,890		22,547		79,672
Depreciation		2,524		5,094		721		8,339		2,466		3,291		11,630
Disposition of assets		2,854		5,760		816		9,430		2,788		3,722		13,152
Dues and licenses		183,713		444,487		57,512		685,712		105,806		160,893		846,605
Employee wages and salaries		12,700		25,633		3,628		41,960		12,407		16,562		58,522
Employee benefits		27,763		56,036		7,932		91,731		27,123		36,207		127,938
Employer payroll taxes, WC insurance and fees		3,078		6,215		879		10,172		3,007		4,014		14,186
Insurance		5,720		11,545		1,634		18,899		5,588		7,459		26,357
Outside services		196		395		56		647		191		256		903
Postage		1,999		4,035		571		6,605		1,953		2,607		9,212
Professional fees		289		586		82		957		284		379		1,336
Program fieldtrips		6,517		13,153		1,861		21,531		6,366		8,498		30,029
Repairs and maintenance		500		-		-		500		-		-		500
Scholarships		13,784		27,822		3,938		45,544		1,348		17,976		63,520
Supplies and equipment		5,974		12,059		1,707		19,740		5,836		7,791		27,530
Telephone and utilities		2,171		4,383		620		7,175		2,122		2,832		10,007
Training and conference		2,303		4,648		658		7,610		2,249		3,003		10,613
Travel		134		270		38		441		131		175		616
Vending														
Total Expenses	\$	293,535	\$	665,141	\$	88,742	\$	1,047,418	\$	200,487	\$	303,462	\$	1,350,880

See independent auditors' report and notes to financial statements

**BOYS & GIRLS CLUB OF SAN MARCOS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (6,150)	\$ (14,188)
Adjustments to reconcile change in net assets provided by operating activities:		
Realized/unrealized gain/loss on investments	26,565	(37,098)
Loss on disposal of asset	-	11,630
Depreciation	76,597	79,672
(Increase) decrease in operating assets:		
Accounts receivable	(88,135)	89,060
Prepaid expenses	(1)	4,681
Other current assets	(88)	626
Increase (decrease) in operating liabilities:		
Accounts payable	(18,599)	(53,577)
Accrued expenses	7,352	(3,643)
Accrued payroll expenses	23,865	(4,863)
Deferred revenue and deposits	24,913	18,461
<b>Net cash provided by operating activities</b>	<u><b>46,319</b></u>	<u><b>90,761</b></u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(16,199)	(8,219)
(Increase) decrease in investments	(7,120)	(43,073)
<b>Net cash used in investing activities</b>	<u><b>(23,319)</b></u>	<u><b>(51,292)</b></u>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Collections of contributions for long term purposes		
Endowment fund	-	-
<b>Net cash provided by financing activities</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u><b>23,000</b></u>	<u><b>39,469</b></u>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>293,801</b></u>	<u><b>254,332</b></u>
<b>CASH, END OF YEAR</b>	<u><u><b>\$ 316,801</b></u></u>	<u><u><b>\$ 293,801</b></u></u>

See independent auditors' report and notes to financial statements

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**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 one primary facility and various sub-sites in the San Marcos area.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

Income Taxes

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 taxes under the U.S. Internal Revenue Code and Section 23701(d) of the California State Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Contributions

Generally accepted accounting principles require that the Club reports information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted contributions are recognized as an increase in unrestricted net assets when received. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the donor-imposed restriction. When restrictions are satisfied, either by the passage of time or by accomplishing the purpose, the temporary restricted net assets are reclassified to unrestricted net assets and reported in the activity statement 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 in the unrestricted net asset class.

Donated Services

Donated services from volunteers have not been reflected in the financial statements because the criteria for recognition under generally accepted accounting principles has not been satisfied. Nevertheless, a substantial number of volunteers donated many hours of their time to the Club.



**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

Expense Allocations

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated on an estimated basis between programs, fund raising, and management and general supporting services.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents consist primarily of certificate of deposit accounts and other securities with original maturities of three months or less.

Investments

Generally accepted accounting principles require that nonprofit organizations report certain investments at fair value. The Club accounts for its equity securities that have readily determinable values by recording and reporting those securities at fair value. Information about the fair value of investments and the unrealized gains and losses is discussed in Note H.

Accounts Receivable

The Club believes that accounts receivable are fully collectible and that no allowance for uncollectible accounts is needed.

Advertising

The Club expenses advertising costs as they are incurred. The total advertising expense for the year ended June 30, 2012 and 2011 are \$10,960 and \$6,399 respectively.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the fair value at the date of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets, which range from ten to thirty years for buildings and improvements and three to seven years for furnishings, equipment, software, and vehicles. 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.

**BOYS AND GIRLS CLUB OF SAN MARCOS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2012 AND 2011**

**C. CASH AND CASH EQUIVALENTS**

Cash consisted of the following on June 30, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Union Bank of California	\$ 242,076	\$ 269,176
Petty Cash	114	72
CA Bank & Trust – CD	11,477	11,477
SagePoint Financial, Inc.	<u>63,134</u>	<u>13,076</u>
	<u>\$ 316,801</u>	<u>\$ 293,801</u>

**D. CONCENTRATIONS OF CREDIT RISK**

Financial instruments that potentially subject the Club to concentrations of credit risk consist principally of cash deposits in bank accounts and brokerage firms. The Club maintains cash and cash equivalents with banks and brokerage companies. Accounts at the banks are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution for the years ended June 30, 2012 and 2011. The Club did not have balance in excess of coverage for the year ended June 30, 2012. The Club had a balance in excess of coverage for the year ended June 30, 2011.

**E. MAJOR GRANT CONTRACTS**

After School Education and Safety (ASES) Program: Contract agreements between San Marcos Unified School District and Boys & Girls Club of San Marcos (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, 2012 and 2011. Award amounts totaled \$558,564 and \$567,000 for the years ended June 30, 2012 and 2011. Total payments received for the years ended June 30, 2012 and 2011 were \$558,449 and \$566,838, respectively.

Boys & Girls Club National Youth Mentoring Program (OJP): Contract agreements between Boys & Girls Clubs of America and Boys & Girls Club of San Marcos (contractor) to create an/or preserve full-time equivalent paid staff position(s) and to implement or expand an evidence-based mentoring program. Grant contract terms cover a one year period. Any remaining amounts may carry forward to the next fiscal year. Award amounts totaled \$45,000 and \$25,000 for the years ended June 30, 2012 and 2011. Total payments received for the years ended June 30, 2012 and 2011 were \$33,267 and \$17,949, respectively.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**F. PROPERTY AND EQUIPMENT**

	<u>2012</u>	<u>2011</u>
Building	\$ 1,318,013	\$ 1,318,013
Furniture and fixtures	87,356	86,412
Computers and peripherals	56,810	48,309
Leasehold improvements	49,559	49,559
Office equipment	2,125	2,125
Software	4,927	4,927
Vehicles	<u>39,972</u>	<u>33,219</u>
	1,558,762	1,542,563
Less accumulated depreciation	<u>(915,032)</u>	<u>(838,435)</u>
	<u>\$ 643,730</u>	<u>\$ 704,129</u>

Depreciation expense for the years ended June 30, 2012 and 2011 was \$76,597 and \$79,672.

**G. LEASE OBLIGATION**

The Club leases land for \$1 per year from the City of San Marcos 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 measureable and objective basis for determining its value.

**H. INVESTMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provide the framework for measuring the fair value. That 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three level of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2      Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets
  - quoted prices for identical or similar assets or liabilities in inactive markets
  - inputs other than quoted prices that are observable for the asset or liability
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means
  - If the asset or liability has specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liability

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**H. INVESTMENTS (CONTINUED)**

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

The following table sets forth by level, within the fair value hierarchy, the Club's investments, other than money market funds included in cash (Note C) at fair value as of June 30, 2012.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 500,432	\$ -	\$ -	\$ 500,432
Fixed income	51,825	-	-	51,825
Exchange-traded	-	-	-	-
Equities	<u>137,270</u>	<u>-</u>	<u>-</u>	<u>137,270</u>
Total asset fair value	<u>\$ 689,527</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689,527</u>

The Club's marketable securities portfolio consisted of the following at year-end:

Marketable securities, amortized cost	\$ 662,945
Unrealized gain on investments	
in short-term marketable securities	<u>26,582</u>
Marketable securities, fair market value	<u>\$ 689,527</u>

The following table sets forth by level, within the fair value hierarchy, the Club's investments, other than money market funds included in cash (Note C) at fair value as of June 30, 2011.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 507,037	\$ -	\$ -	\$ 507,037
Fixed income	84,326	-	-	84,326
Exchange-traded	10,988	-	-	10,988
Equities	<u>106,619</u>	<u>-</u>	<u>-</u>	<u>106,619</u>
Total asset fair value	<u>\$ 708,970</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 708,970</u>

The Club's marketable securities portfolio consisted of the following at year-end:

Marketable securities, amortized cost	\$ 671,872
Unrealized gain on investments	
in short-term marketable securities	<u>37,098</u>
Marketable securities, fair market value	<u>\$ 708,970</u>

**Endowment Funds:** The Club's endowment consists of approximately 10 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment 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.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**H. INVESTMENTS (CONTINUED)**

The Board of Directors of the Club has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Club classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriate for expenditure by the Club in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with SPMIFA, the Club considers the following facts in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (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 40% 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.



**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**H. 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. 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:

- A summary of investment performance for the period measured against established performance benchmarks.
- A report of the portfolio's holdings showing individual security positions, at cost and market value.
- A review of all transactions, including a report of all capital gains and losses.
- Discussion on portfolio structure in the 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 which summarizes investment performance and shows 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.

The portfolio's custodian will issue a monthly report of the portfolio's holdings showing individual security positions, at cost and market value, on a timely basis. Such report will also show all transactions, including a report of all capital gains and losses.

**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.

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**H. INVESTMENTS (CONTINUED)**

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.

Endowment net asset composition by type of fund as of June 30, 2012 is as follows:

Fund Type	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor Restricted	\$ -	\$ -	\$ 65,001	\$ 65,001
Board Designated	687,659	-	-	687,659
Total Funds	<u>\$ 687,659</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 752,660</u>

Endowment net asset composition by type of fund as of June 30, 2011 is as follows:

Fund Type	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Donor Restricted	\$ -	\$ -	\$ 65,001	\$ 65,001
Board Designated	657,044	-	-	657,044
Total Funds	<u>\$ 657,044</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 722,045</u>

Changes in endowment net assets as of June 30, 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 657,044	\$ -	\$ 65,001	\$ 722,045
Contributions	-	-	-	-
Investment income	33,881	-	-	33,881
Net appreciation (depreciation)	(3,266)	-	-	(3,266)
Endowment net assets, end of year	<u>\$ 687,659</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 752,660</u>

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**H. INVESTMENTS (CONTINUED)**

Changes in endowment net assets as of June 30, 2011 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Net Endowment Assets</u>
Endowment net assets, beginning of year	\$ 584,354	\$ -	\$ 65,001	\$ 649,355
Contributions	-	-	-	-
Investment income	33,398	-	-	33,398
Net appreciation (depreciation)	<u>39,292</u>	<u>-</u>	<u>-</u>	<u>39,292</u>
Endowment net assets, end of year	<u>\$ 657,044</u>	<u>\$ -</u>	<u>\$ 65,001</u>	<u>\$ 722,045</u>

**I. GRANTS RECEIVABLE**

Grants receivable are deemed to be fully collectable by management and are composed of the following amounts due at June 30, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Boys & Girls Clubs of America	\$ 22,544	\$ 6,936
San Marcos Unified School District – SMMS	41,996	1,112
San Marcos Unified School District – ADE	25,836	16,739
San Marcos Unified School District – SME	12,247	9,679
San Marcos Unified School District – WPMS	<u>26,743</u>	<u>7,218</u>
	<u>\$ 129,366</u>	<u>\$ 41,684</u>

**J. NET ASSETS**

Net assets are as follows:	<u>2012</u>	<u>2011</u>
Unrestricted net assets		
Undesignated	<u>\$ 1,555,712</u>	<u>\$ 1,561,453</u>
Total Unrestricted net assets	<u>1,555,712</u>	<u>1,561,453</u>
Temporarily restricted net assets		
Restricted for:		
Scholarship fund	<u>10,000</u>	<u>10,000</u>
Total temporarily restricted net assets	<u>10,000</u>	<u>10,000</u>
Permanently restricted net assets		
Restricted for:		
Permanent endowment	<u>65,001</u>	<u>65,001</u>
Total permanently restricted net assets	<u>65,001</u>	<u>65,001</u>
Total Net Assets	<u>\$ 1,630,713</u>	<u>\$ 1,636,454</u>

**BOYS AND GIRLS CLUB OF SAN MARCOS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012 AND 2011**

**K. PENSION PLAN**

On July 1, 2003, the Club executed an agreement to join the Boys & Girls Club of America Pension Trust. The plan is a defined contribution pension plan. Employees are not permitted to contribute to this plan. The Club makes a contribution of five percent (5%) of each participant's 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, 2012 and 2011 was \$24,646 and \$26,908.

**L. RELATED PARTIES**

One board member is the owner of a printing company that the Club uses for general and special event printing. For the years ended June 30, 2012 and 2011 total printing expense paid to the board member's company was \$787 and \$2,026.

**M. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 23, 2013, the date the financial statements were available to be issued.

February 20, 2014

Wendy Kaserman  
SMCF Recording Secretary  
1 Civic Center Drive  
San Marcos, CA 92069



**BOYS & GIRLS CLUB  
OF SAN MARCOS**

Thank you for the grant in the amount of \$4,339 to support the expansion of the Academic Success Program at the Boys & Girls Club of San Marcos.

Your support has allowed this program to purchase iPads and sync tray. The additional equipment has allowed the Club to expand the program to serve youth members in 3<sup>rd</sup> and 4<sup>th</sup> grade at San Marcos Elementary School, Alvin Dunn Elementary School and youth members at the Jennifer Loscher Boys & Girls Club. During this school year a total of 78 youth members are participating in this program. The tables below show the outstanding results from the Baseline Test given at the beginning of the school year to the 1<sup>st</sup> of 3 Diagnostic tests.

### READING

Location	Baseline Test (9/19/2013)	1 <sup>st</sup> Diagnostic Test (11/5/13)
Alvin Dunn Elementary	<b>NONE</b> of participants correctly answered 20-30 of the 30 questions	<b>11%</b> of participants correctly answered 20-30 of the 30 questions
Jennifer Loscher Branch	<b>16%</b> of participants correctly answered 20-30 of the 30 questions	<b>75%</b> of participants correctly answered 20-30 of the 30 questions
San Marcos Elementary	<b>21%</b> of participants correctly answered 20-30 of the 30 questions	<b>91%</b> of participants correctly answered 20-30 of the 30 questions

### MATH

Location	Baseline Test (9/19/2013)	1 <sup>st</sup> Diagnostic Test (11/5/13)
Alvin Dunn Elementary	<b>NONE</b> of participants correctly answered 20-30 of the 30 questions	<b>23%</b> of participants correctly answered 20-30 of the 30 questions
Jennifer Loscher Branch	<b>NONE</b> of participants correctly answered 20-30 of the 30 questions	<b>11%</b> of participants correctly answered 20-30 of the 30 questions
San Marcos Elementary	<b>10%</b> of participants correctly answered 20-30 of the 30 questions	<b>15%</b> of participants correctly answered 20-30 of the 30 questions

I have enclosed the following information:

- Receipt for the purchase of the iPads
- Photos of youth in the program

Thank you again for your generous support of the Boys & Girls Club of San Marcos and especially the support of this program. Your support is truly changing the lives of many youth members in San Marcos.

Sincerely,

  
Shelly Anguiano Figueroa  
Chief Executive Officer

#### **Jennifer Loscher Building and Administrative Offices**

1 Positive Place  
San Marcos, CA 92069  
Tel. 760.471.2490 Fax 760.471.0673  
www.boysgirlsclubsm.org

#### **The Club Teen Center**

1 Positive Place  
San Marcos, CA 92069  
Tel 760.290.3527

#### **Extension Sites**

**San Marcos Middle School**  
650 W. Mission Road

**Woodland Park Middle School**  
1270 Rock Springs Road

**Alvin Dunn Elementary School**  
3697 La Mirada Drive

**San Marcos Elementary School**  
300 W. San Marcos Blvd.

**Copper Creek in San Elijo Hills**  
1730 Elfin Forest Road

**San Elijo Middle School**  
1600 Schoolhouse Way

#### **Executive Committee**

Debbie Thompson | *Chairperson*

Noemi Rivera | *Vice Chair*

Jason Simmons | *Treasurer*

Tim Williams | *Secretary*

Jeff Ritchie | *Past Chairman*

#### **Board of Directors**

Russ Jabara  
Gary Levitt  
Gary Massa  
Steve Wagner\*

\*Past Chair

#### **Advisory Council**

Supervisor Bill Horn  
San Diego County

Vice Mayor Rebecca Jones  
City of San Marcos

Hai Martin  
Vallecitos Water District

Dr. Jan Jackson  
California State University San Marcos

Dr. Kevin Holt  
San Marcos Unified School District

Shayla D. Sivert  
Palomar College

#### **Trustees**

Donald Findlay+  
Art Harris+  
Chuck Lehrer+  
Stanley Mahr+  
Dr. Jim Sands+

Shelly Anguiano Figueroa  
**Chief Executive Officer**

+ deceased





## Apple Store, North County

**Quote:**

143205858 - 2200892603

**Date:**

Friday, August 2, 2013

**Valid until:**

Sunday, September 1, 2013

**Prepared for:**

Kara Arango  
Boys and Girls Club of America  
2230 East Jewett Street  
San Diego, California 92111  
7604712490  
kara@boysgirlclubsmt.org  
Customer ID: 36867472

**Ship to:**

Kara Arango  
Boys and Girls Club of America  
2230 East Jewett Street  
San Diego, California 92111  
7604712490

**Prepared by:**

Michael Whittaker  
Apple Store, North County  
760-317-2484  
northcountybusiness@apple.com

Product / Description	Qty	Price	Total
iPad 2 with Wi-Fi 16GB - Black MC954LL/A	10	\$391.00	\$3,910.00
Bretford PowerSync Tray for iPad 2 (30-pin) H3634LL/A	1	\$950.00	\$950.00
Subtotal			\$4,860.00
Estimated Tax			\$388.80
Eco Fee			\$30.00
<b>Estimated Total (USD)</b>			<b>\$5,278.80</b>

**Terms and Conditions**

The tax listed herein is only an estimate. The total tax payable and any additional surcharges, or any tax exemption, if you qualify, will be reflected on your final receipt or invoice.

The product availability and pricing are subject to change without notification. The configurations and pricing noted in this quote are valid for a period of 30 days, and are specifically intended for purchase by the afore cited organization.

Consideration for business pricing is made based on the type of product, the quantity and the availability of the products ordered. For further information regarding this quote, please call your local Apple Retail Store Business Team. Our full sales and refund terms and conditions can be found at [http://www.apple.com/legal/sales\\_policies/retail\\_us.html](http://www.apple.com/legal/sales_policies/retail_us.html).

# The Victory Project



**1 in 6** children who are not reading proficiently in 3rd grade do not graduate from high school on time.

## San Marcos Elementary School\*\*

- **60%** of 3rd grade students are basic or below basic in English Language Arts
- **49%** of 3rd grade students are basic or below basic in Math.

## Alvin Dunn Elementary School\*\*

- **72%** of 3rd grade students are basic or below basic in English Language Arts.
- **62%** of 3rd grade students are basic or below basic in Math.

\*\* Of students taking the California Standards Test (CST)





**SAN MARCOS COMMUNITY FOUNDATION**  
**Grant Cover Page**

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

<b>Project Name:</b> Kamishibai: Storytelling for Children <b>Date Submitted:</b> April 2, 2014	<b>Total # of people served:</b> 300 <b>Total # of San Marcos residents served:</b> 300	<b>Amount Requested:</b> \$1,440
<b>Non-Profit Organization Name and Address, Website</b> Write Out Loud ( <a href="http://www.writeoutloudsd.com">www.writeoutloudsd.com</a> ) 3640 Alabama Street San Diego, CA 92104		<b>Contact Person – Name, Title &amp; Phone, email</b> Walter Ritter, Executive Director 619-297-8953 <a href="mailto:walter@writeoutloudsd.com">walter@writeoutloudsd.com</a>
<p><b>Briefly describe your request for funds:</b> Write Out Loud requests a \$1,440 grant to present 12 Kamishibai storytelling presentations by a professional actor/storyteller to San Marcos elementary school students in grades K-2. Kamishibai is a teaching tradition that originated in Japan about 1,000 years ago as a story-telling technique that combined live storytelling with painted pictures and written words. The storyteller uses colorful illustrations mounted on a miniature theatre - the storyteller changes the illustration as he/she tells the story. Stories are experienced in a group setting, making this method ideal for young students. The large illustration boards make it possible for an entire class to see the images (and experience the story-teller)– unlike traditional storytelling where the teacher holds the book, reads-aloud, and then shows students the picture. Because the stories rely on lively dialogue and dramatic situations, and because everyone can see the illustrations, youngsters are engaged emotionally and intellectually. For children learning to read, Kamishibai is especially effective because it holds their attention, helps them focus, and as a result they comprehend language at a higher level than if they were reading silently on their own.</p>		
<p><b>Briefly describe the significance of your request to the San Marcos community:</b> Since launching its Kamishibai program last year, Write Out Loud has visited classrooms throughout the County at many schools, including schools in San Diego, Escondido, and Oceanside. Requests for this program from teachers has been overwhelming. Write Out Loud would like to introduce Kamishibai to students in San Marcos, and this grant will allow children in 12 classrooms to experience this wonderful storytelling tradition. Kamishibai story-telling combines oral, visual, and print literacies, but it enriches more than the literature, drama and visual art curriculum. It also addresses geography, cultural similarities and differences, and any other subject areas that are part of the story being read. At a time when so many children find little pleasure in reading, and so many struggle to master language skills, Kamishibai offers them an opportunity to lose themselves in a story – to use their imaginations and experience the joy of both language and art.</p>		
<p><b>Please attach the following items.</b> <b>Both Mini-Grant &amp; Regular:</b></p> <ol style="list-style-type: none"><li>1. Budget for request (use SMCF Budget Worksheet)</li><li>2. Annual Operating budget for the organization or unit</li><li>3. Federal &amp; State Tax ID numbers</li><li>4. Board of Directors listing with affiliations</li></ol>		<p><b>Expected date project will begin/end:</b> 6/1/14 <b>Date by which funds will be expended:</b> 12/31/14 <b>Signature of President or Authorized Officer</b>  Name, Title <u>Executive Director</u>      <u>02 APRIL 2014</u> Date</p> <p><b>Submit Via Mail, In Person or Via Email to:</b> San Marcos Community Foundation c/o City of San Marcos 1 Civic Center Drive San Marcos, CA 92069 Email (PDF Format): <a href="mailto:wkaserman@san-marcos.net">wkaserman@san-marcos.net</a></p>

**SAN MARCOS COMMUNITY FOUNDATION**  
**Budget Worksheet**

12 Presentations of Kamishibai in K-12 classrooms @\$120/each (storyteller's fee, mileage)	\$1,440
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

**Total budget for this PROJECT:** **\$1,440**

**Grant Request Amount:** **\$1,440**  
*(Mini-grants not to exceed \$1,500, Regular grants not to exceed \$10,000.)*

Is this a challenge grant? no

Could it be? yes

**Please list any other funding sources for this project.**

No funds for Kamishibai programming in San Marcos have been secured or requested at this time. In the future additional funds for Write Out Loud programs, including those for seniors and the general public, will be requested from other funding sources.

**Write Out Loud**  
**General Operating Budget**  
**1/1/14 - 12/31/14**

	<b>Income</b>	<b>Expense</b>
Venue Rental		\$2,000
Administrative Stipends		\$6,000
Performers		\$14,000
Production Technicians		\$1,500
PR/Marketing		\$6,000
Graphic/Web Design		\$3,500
Printing		\$5,000
Office Supplies, paper, postage		\$1,600
Books & Art Supplies		\$4,000
Tfest Game & Student Prizes		\$1,100
Equipment, Puppets		\$2,800
Auto/Travel etc.		\$800
Fundraising		\$6,000
Royalties		\$700
Hospitality		\$1,000
Insurance		\$1,100
Research & Development		\$500
Computer Hardware/Software		\$2,514
Bookkeeper		\$2,400
Ticket Sales	\$10,000	
Individual Donations	\$12,000	
Foundation/Corp Grants	\$34,000	
Government Grants	\$6,000	
Fees for Service	\$2,000	
<b>Budget Regular Program</b>	<b>\$64,000</b>	<b>\$62,514</b>



**WRITE OUT LOUD** entity identification numbers are:

FEIN #23-7257065

California Corporation #C0660367

**WRITE OUT LOUD  
BOARD OF DIRECTORS**

Jack Van Sambeek, President (retired, City of Coronado)

Jennifer Montgomery Weddell, Vice President (former Director of Development for KSDS-FM; writer, Citybeat)

Susan Platt, Secretary (Published poet, retired court reporter)

Carolyn Reilly, Executive Director, Elder Law & Advocacy

Linda Spuck, Vice President, Union Bank

Veronica Murphy, Director of Development, Cygnet Theatre

Walter Ritter, free-lance artist

**MINUTES  
SAN MARCOS COMMUNITY FOUNDATION  
GRANT FUNDING COMMITTEE  
SAN MARCOS ROOM  
1 CIVIC CENTER DRIVE  
SAN MARCOS, CA 92069**

**GRANT FUNDING COMMITTEE MEETING  
WEDNESDAY, MARCH 12, 2014 – 6:00 PM**

**CALL TO ORDER** PRESIDENT LUKOFF called the meeting to order at 6:02 p.m.

**ROLL CALL**

PRESENT: BOARD MEMBERS: LUKOFF, NAJERA

ABSENT: BOARD MEMBERS: BURTON

**ALSO PRESENT** Board Secretary, Donna French  
Recording Secretary, Wendy Kaserman  
Staff, Sandra Gallegos

Also present: Lawrence Osen, representing San Marcos Unified School District.

**OLD BUSINESS**

1. **GRANT AWARD WORKSHEET.** FISCAL YEAR 2013-2014  
*Recommendation: NOTE & FILE*

BOARD PRESIDENT LUKOFF reviewed the grant award worksheet. There is \$14,000 remaining funds available for this fiscal year.

**NEW BUSINESS**

2. **MINI-GRANT APPLICATION PROPOSALS**

The committee members reviewed the request from TERI, Inc. prior to the mini-grant applications.

RECORDING SECRETARY KASERMAN stated that on the agenda is a request from TERI, Inc. to allocate the funds they were awarded to a different program, however, TERI recently contacted staff and indicated they are able complete the original project and they would like to request an extension of the funds. The funds were awarded on July 10, 2013 and are to support application to an Institutional Research Board for research to identify the correlation between brain patterns and severity of autism.

Board members discussed how much time to extend the funds and also when the report will be due.

BOARD PRESIDENT LUKOFF asked staff to provide board members with copies of future reports received from all grant awardees. She stated that it will be especially helpful for those board members that do site visits.

BOARD PRESIDENT LUKOFF motioned to extend the funds to one year from today and the report to be submitted as scheduled. BOARD MEMBER NAJERA seconded the motion. Motion passed by unanimous voice vote.

AYES:	LUKOFF, NAJERA
NOES:	NONE
ABSTENTION:	NONE
ABSENT:	BURTON

Lawrence Osen of San Marcos Unified School introduced himself. He is a social studies teacher at San Marcos Middle School and is also the advisor to the school's Model United Nations Team. He spoke about the program and the mini-grant application request. Mr. Osen provided a handout with a breakdown of the project expenses (\$12,324) and the donations received to date (\$10,640). They still need to raise \$1,684 and they have reached out to Stone Brewing Company. He stated that there is a lot of talk about this program at the schools. The students that are currently participating in the program and that will be graduating will start this program at the high schools next year and Cal State San Marcos has also expressed an interest in this program.

BOARD PRESIDENT LUKOFF asked Mr. Osen what they would do if they are not able to raise the remaining amount. Mr. Osen stated that each participant would pay the difference. BOARD MEMBER NAJERA stated that the revised budget that Mr. Osen provided was helpful as the budget worksheet in the application packet was lacking information.

The committee members discussed the applications. The Make-A-Wish Foundation did not indicate how many San Marcos residents the project would serve and they are a larger organization with many resources. The applicant with the least amount of resources is San Marcos Unified School District. The Ronald McDonald House San Diego is asking for funds to support their Red Shoe Day fundraiser; the funds would not go directly to the organization's cause. The applications from Palomar Health Foundation and the School District were the most compelling. The committee members reviewed the funds available for the remainder of the year.

BOARD PRESIDENT LUKOFF motioned to approve Resolution GFC 2014-02 awarding a mini-grant in the amount of \$1,500 to San Marcos Unified School District and \$1,500 to Palomar Health Foundation. BOARD MEMBER NAJERA seconded the motion. Motion passed by unanimous voice vote.

AYES:	LUKOFF, NAJERA
NOES:	NONE
ABSTENTION:	NONE
ABSENT:	BURTON

**CONSENT CALENDAR**

**MOTIONED BY BOARD PRESIDENT LUKOFF AND SECONDED BY BOARD MEMBER NAJERA TO APPROVE THE CONSENT CALENDAR. MOTION PASSED BY UNANIMOUS VOICE VOTE.**

AYES: LUKOFF, NAJERA  
NOES: NONE  
ABSTENTION: NONE  
ABSENT: BURTON

3. **WAIVER OF TEXT** – Waived
4. **APPROVAL OF MINUTES** – SMCF Grant Funding Committee Meeting, February 12, 2014.
5. **ORAL COMMUNICATIONS** – No members of the public requested to speak.

**ITEMS FOR THE GOOD OF THE ORDER**

6. **NEXT MEETING DATE** – The next meeting of the SMCF Board of Directors is scheduled for Tuesday, May 20, 2014.

The next Grant Funding Committee meeting is scheduled for Wednesday, April 9, 2014.

7. **MISCELLANEOUS** - BOARD PRESIDENT LUKOFF indicated that she will be out of town on that day and asked if the meeting can be rescheduled to May 28, 2014. Staff will contact the Board members to find out if they are able to accommodate Board President Lukoff's request.
8. **ADJOURNMENT**

**MOTIONED BY BOARD PRESIDENT LUKOFF AND SECONDED BY BOARD MEMBER NAJERA TO ADJOURN THE MEETING. MOTION PASSED BY UNANIMOUS VOICE VOTE.**

Meeting adjourned at 6:46 PM.

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COLLEEN LUKOFF, BOARD PRESIDENT

ATTEST:

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Wendy Kaserman, Recording Secretary