

**LINCOLN**

---

**FINANCIAL STATEMENTS  
and  
SUPPLEMENTAL SCHEDULE**

**JUNE 30, 2020 and 2019**

## CONTENTS

---

Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5-6
Statements of Cash Flows	7
Notes to Financial Statements	8-22
Supplemental Schedule:	
Statement of Expenditures of County of Alameda Grants	23-25

## INDEPENDENT AUDITORS' REPORT

---

To the Board of Directors  
Lincoln

### Report on the Financial Statements

We have audited the accompanying financial statements of Lincoln (a nonprofit organization), which comprise the Statements of Financial Position as of June 30, 2020 and 2019, 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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Lincoln as of June 30, 2020, and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT

continued

---

### **Other Matter**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Statement of Expenditures of County of Alameda Grants, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2021, on our consideration of Lincoln's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lincoln's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lincoln's internal control over financial reporting and compliance.

*Harrington Group*

Oakland, California

March 2, 2021

# LINCOLN

## STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

	2020	2019
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 4,369,141	\$ 81,297
Accounts receivable, net of allowance of \$82,778	3,394,971	3,318,653
Pledges receivable (Note 4)	15,000	35,000
Prepaid expenses	198,004	194,548
Total current assets	7,977,116	3,629,498
<b>NON-CURRENT ASSETS</b>		
Intangible asset (Note 5)	196,424	229,144
Investments (Note 6)	10,565,999	10,831,623
Property and equipment (Note 8)	1,350,323	1,700,496
Receivable from split-interest agreement (Note 9)	1,606,803	1,506,660
Total non-current assets	13,719,549	14,267,923
<b>TOTAL ASSETS</b>	\$ 21,696,665	\$ 17,897,421
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 187,522	\$ 202,615
Accrued liabilities (Note 10)	2,037,521	1,808,485
Deferred revenue	299,900	-
Line of credit (Note 11)	-	390,000
Paycheck protection program loan (Note 12)	3,397,503	-
Total current liabilities	5,922,446	2,401,100
<b>TOTAL LIABILITIES</b>	5,922,446	2,401,100
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	3,426,559	2,947,256
Designated by the Board for endowment (Note 15)	6,594,416	6,890,338
Total without donor restrictions	10,020,975	9,837,594
With donor restrictions		
Purpose restrictions (Note 14)	2,942,309	2,847,792
Perpetual in nature (Note 15)	2,810,935	2,810,935
Total with donor restrictions	5,753,244	5,658,727
<b>TOTAL NET ASSETS</b>	15,774,219	15,496,321
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 21,696,665	\$ 17,897,421

The accompanying notes are an integral part of these financial statements.

# LINCOLN

## STATEMENTS OF ACTIVITIES For the years ended June 30, 2020 and 2019

	Year ended June 30, 2020			Year ended June 30, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Program revenues (Note 16)	\$ 6,334,588	\$ 15,224,843	\$ 21,559,431	\$ 5,396,969	\$ 13,345,161	\$ 18,742,130
Contributions	462,595	572,895	1,035,490	1,118,534	887,900	2,006,434
Interest and dividends	135,277	40,196	175,473	100,379	96,639	197,018
Other revenue	22,205		22,205	14,396		14,396
Special events	2,265		2,265	217,178		217,178
Net assets released from restrictions (Note 14)	15,950,602	(15,950,602)	-	14,717,378	(14,717,378)	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>22,907,532</b>	<b>(112,668)</b>	<b>22,794,864</b>	<b>21,564,834</b>	<b>(387,678)</b>	<b>21,177,156</b>
<b>EXPENSES</b>						
Program services	20,116,797		20,116,797	18,310,808		18,310,808
Support services	2,841,858		2,841,858	3,064,867		3,064,867
<b>TOTAL EXPENSES</b>	<b>22,958,655</b>	<b>-</b>	<b>22,958,655</b>	<b>21,375,675</b>	<b>-</b>	<b>21,375,675</b>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	<b>(51,123)</b>	<b>(112,668)</b>	<b>(163,791)</b>	<b>189,159</b>	<b>(387,678)</b>	<b>(198,519)</b>
<b>OTHER CHANGES</b>						
Net gain on investments	109,801	107,042	216,843	362,958	170,355	533,313
Prior year contract adjustments	124,703		124,703			-
Change in value of split-interest agreement		100,143	100,143		165,018	165,018
<b>CHANGE IN NET ASSETS</b>	<b>183,381</b>	<b>94,517</b>	<b>277,898</b>	<b>552,117</b>	<b>(52,305)</b>	<b>499,812</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>9,837,594</b>	<b>5,658,727</b>	<b>15,496,321</b>	<b>9,285,477</b>	<b>5,711,032</b>	<b>14,996,509</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 10,020,975</b>	<b>\$ 5,753,244</b>	<b>\$ 15,774,219</b>	<b>\$ 9,837,594</b>	<b>\$ 5,658,727</b>	<b>\$ 15,496,321</b>

The accompanying notes are an integral part of these financial statements.

LINCOLN

STATEMENTS OF FUNCTIONAL EXPENSES

For the years ended June 30, 2020 and 2019

	Year ended June 30, 2020					Year ended June 30, 2019				
	Total Program Services	Support Services		Total Support Services	Total Expenses	Total Program Services	Support Services		Total Support Services	Total Expenses
		Management and General	Fundraising				Management and General	Fundraising		
Salaries	\$ 13,475,985	\$ 1,147,758	\$ 424,822	\$ 1,572,580	\$ 15,048,565	\$ 12,231,237	\$ 1,240,644	\$ 311,860	\$ 1,552,504	\$ 13,783,741
Payroll taxes and benefits	3,609,081	219,624	87,578	307,202	3,916,283	3,217,305	232,072	64,620	296,692	3,513,997
Total personnel costs	17,085,066	1,367,382	512,400	1,879,782	18,964,848	15,448,542	1,472,716	376,480	1,849,196	17,297,738
Professional fees	700,865	341,176	8,139	349,315	1,050,180	549,379	272,129	191,550	463,679	1,013,058
Occupancy	793,294	116,572	18,120	134,692	927,986	776,808	147,397	19,814	167,211	944,019
Office expenses	449,790	201,493	36,615	238,108	687,898	381,154	206,988	51,428	258,416	639,570
Client-related expenses	448,761	6,791	61,572	68,363	517,124	589,903	4,156	39,104	43,260	633,163
Depreciation and amortization	362,834	67,485	9,541	77,026	439,860	277,207	117,869	9,181	127,050	404,257
Insurance and taxes	131,908	17,650	3,074	20,724	152,632	101,406	12,956	1,895	14,851	116,257
Staff development	82,155	62,229	2,870	65,099	147,254	80,730	112,994	3,191	116,185	196,915
Transportation	62,124	8,165	584	8,749	70,873	105,434	23,800	1,022	24,822	130,256
Other	-	-	-	-	-	245	197	-	197	442
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 20,116,797</b>	<b>\$ 2,188,943</b>	<b>\$ 652,915</b>	<b>\$ 2,841,858</b>	<b>\$ 22,958,655</b>	<b>\$ 18,310,808</b>	<b>\$ 2,371,202</b>	<b>\$ 693,665</b>	<b>\$ 3,064,867</b>	<b>\$ 21,375,675</b>

The accompanying notes are an integral part of these financial statements.

# LINCOLN

## STATEMENTS OF FUNCTIONAL EXPENSES

For the years ended June 30, 2020 and 2019

continued

	<b>Program Services</b>				<b>Total Program Services</b>	
	<b>Community and School Based Programs</b>	<b>Training</b>	<b>Kinship</b>	<b>Other Programs</b>	<b>2020</b>	<b>2019</b>
Salaries	\$ 11,818,208	\$ 197,560	\$ 382,670	\$ 1,077,547	\$ 13,475,985	\$ 12,231,237
Payroll taxes and benefits	3,143,586	51,396	131,768	282,331	<b>3,609,081</b>	3,217,305
Total personnel costs	14,961,794	248,956	514,438	1,359,878	<b>17,085,066</b>	15,448,542
Occupancy	650,636	9,323	71,641	61,694	<b>793,294</b>	776,808
Professional fees	265,881	205,712	5,588	223,684	<b>700,865</b>	549,379
Office expenses	389,104	5,133	17,350	38,203	<b>449,790</b>	381,154
Client-related expenses	284,595		20,417	143,749	<b>448,761</b>	589,903
Depreciation and amortization	282,074	4,522	4,834	71,404	<b>362,834</b>	277,207
Insurance and taxes	113,819	1,500	4,614	11,975	<b>131,908</b>	101,406
Staff development	53,492	3,559	4,203	20,901	<b>82,155</b>	80,730
Transportation	52,153	1,837	1,327	6,807	<b>62,124</b>	105,434
Other					-	245
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 17,053,548</b>	<b>\$ 480,542</b>	<b>\$ 644,412</b>	<b>\$ 1,938,295</b>	<b>\$ 20,116,797</b>	<b>\$ 18,310,808</b>

The accompanying notes are an integral part of these financial statements.



# LINCOLN

## STATEMENTS OF CASH FLOWS For the years ended June 30, 2020 and 2019

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 277,898	\$ 499,812
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	439,860	404,257
Net (gain) on investments	(216,843)	(533,313)
Reinvested interest and dividends	(175,473)	(197,018)
Change in value of split-interest agreement	(100,143)	(165,018)
Change in allowance for doubtful account	(79,335)	(79,335)
(Increase) decrease in operating assets:		
Accounts receivable	3,017	(299,655)
Pledges receivable	20,000	-
Prepaid expenses	(3,456)	(288)
Intangible asset	32,720	32,719
Increase (decrease) in operating liabilities:		
Accounts payable	(15,093)	8,701
Accrued liabilities	229,036	238,976
Deferred revenue	299,900	-
	<b>712,088</b>	<b>(90,162)</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(89,687)	(353,671)
Purchase of investments	(305,483)	(404,889)
Proceeds from sales of investments	963,423	488,722
	<b>568,253</b>	<b>(269,838)</b>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payments on line of credit	(7,830,000)	(7,485,000)
Proceeds from borrowings on line of credit	7,440,000	7,875,000
Proceeds from paycheck protection program loan	3,397,503	-
	<b>3,007,503</b>	<b>390,000</b>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>4,287,844</b>	<b>30,000</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>81,297</b>	<b>51,297</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 4,369,141</b>	<b>\$ 81,297</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Operating activities reflect interest paid of:	<b>\$ 36,378</b>	<b>\$ 32,156</b>

The accompanying notes are an integral part of these financial statements.

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 1. Organization

Lincoln is a not-for-profit agency founded in 1883 as the first racially integrated orphanage in Northern California. Since its founding, Lincoln has impacted the lives of children and families through evolving programs. Today, Lincoln provides preventative, individualized, and comprehensive support services with a focus on three core areas that disrupt cycles of poverty and trauma:

- Education – Addressing obstacles that impact educational engagement, attendance and achievement;
- Family – Strengthening stability and creating permanency; and
- Well-Being – Improving youth outlook and future readiness.

Every day, Lincoln provides real solutions to the unique issues children, youth and families face in communities throughout our region. Lincoln goes where children and youth are, helping them to develop skills to stay at home and in school. Teams of skilled and diverse staff work together with youth and families to utilize their strengths to build a plan for success. With this critical support, children, youth, and families thrive and build bold futures. Only Lincoln has the culturally relevant, adaptive approach that meets the needs of children and families.

Lincoln provides a unique array of comprehensive programs and services for some of the Bay Area's most vulnerable populations. 90% of families served have income levels at or below the poverty level; 38% are African American, 27% are Hispanic/Latino, 15% are Caucasian, 4% are Asian/Pacific Islander, 1% are Native American, 1% are Multi- or Bi-racial, and 14% are other or no indication.

Lincoln provides children with supports and services as young as possible and makes a continuum of programs available during their school years and through graduation from high school. Lincoln further ensures children's success by providing services to strengthen and engage their family and community. This is how *Lincoln disrupts the cycle of poverty and trauma, empowering children and families to build strong futures*. Lincoln's unique multi-generational model sets a new standard of support that changes lives.

Fundraising strategies include an annual campaign, one annual major fundraising event, direct mail appeals, and the ongoing submission of grant proposals to foundations, corporations, and government sources. Annual income comes from these sources as well as program fees, investment spending, and earned interest.

### 2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows

#### **Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting.

2. **Summary of Significant Accounting Policies, continued**

**Net Assets**

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

**Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from the net assets without donor restrictions, net assets from the endowment fund.

**With Donor Restrictions.** Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Accounts Receivable**

Accounts receivable are receivables from governmental agencies. The allowance represents an estimated amount of accounts receivable estimated to be potentially uncollectible.

**Investments**

Lincoln values its investment at fair value. Unrealized and realized gain or loss (including investments bought, sold, and held during the year) are reflected in the Statement of Activities as gain or loss on investments.

Short-term highly liquid money market deposits which are not used for operations are treated as investments.

**Contributions and Pledges Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Management provides an allowance for doubtful accounts receivable that is based on a review of outstanding receivables, historic collection information, and existing economic conditions.

**2. Summary of Significant Accounting Policies, continued**

**Concentration of Credit Risks**

Lincoln places its temporary cash investments with high-credit, quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. Lincoln has not incurred losses related to these investments.

The primary receivable balance outstanding at June 30, 2020 and 2019, consists of government contract receivables due from county, state, federal granting agencies. Concentrations of credit risks with respect to trade receivables are limited, as the majority of Lincoln's receivables consist of earned fees from contract programs granted by governmental agencies.

Lincoln holds investments in the form of mutual funds, corporate bonds and common stocks of publicly held companies, as well as U.S. Governmental debt securities. The Board of Directors routinely reviews the allocation of such investments.

Approximately 93% and 86% of revenue and support generated by Lincoln for the years ended June 30, 2020 and 2019, respectively were related to government contracts.

**Fair Value Measurements**

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets

Level 3 inputs - estimates using the best information available when there is little or no market

Lincoln is required to measure pledged contributions, split interest agreements, certain investments, and in-kind contributions at fair value. The specific techniques used to measure fair value for these financial statement elements are described in the notes below that relates to each element.

**Property and Equipment**

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to five thousand dollars.

**2. Summary of Significant Accounting Policies, continued**

**Income Taxes**

Lincoln is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by Lincoln in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. Lincoln's returns are subject to examination by federal and state taxing authorities, generally for three and four years respectively, after they are filed.

**Functional Allocation of Expenses**

Costs of providing fiscal sponsorship by Lincoln have been presented in the Statement of Functional Expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. Lincoln primarily uses units of service, full-time equivalents, or square footage to allocate indirect costs.

**Revenue and Revenue Recognition**

Lincoln recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

A portion of Lincoln's revenue is derived from federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Lincoln has incurred expenditures in compliance with specific contract or grant provisions.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented. Actual results could differ from those estimates.

2. **Summary of Significant Accounting Policies, continued**

**Recently Adopted Accounting Pronouncement**

FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expanded disclosures about revenue. Lincoln has implemented Topic 606 and have adjusted the presentation in these financial statements accordingly. The amendments have been applied retrospectively to all periods presented, with no effect on the net assets.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assist entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. Lincoln has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with Lincoln's implementation of ASU 2018-08.

**Reclassification**

Certain amounts from the June 30, 2019 financial statements have been reclassified to conform to the June 30, 2020 presentation.

**Subsequent Events**

Management has evaluated subsequent events through March 2, 2021, the date which the financial statements were available for issue. Except as disclosed in Note 12, no other events or transactions have occurred during this period that appear to require recognition or disclosure in the financial statements.

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 3. Liquidity and Availability of Resources

Lincoln regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. Lincoln has various sources of liquidity at its disposal, including cash and cash equivalents, receivables, marketable debt and equity securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Lincoln considers all expenditures related to its ongoing activities and the pattern of income from grants, contracts, fundraising, and investments. The Finance Committee of the Board of Directors meets monthly to review all financial aspects of the organization and meets annually with Lincoln's financial advisors to review investment results, assess risk, and make recommendations for changes as needed.

In addition to financial assets available to meet general expenditures over the next 12 months, Lincoln operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of June 30, 2020, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ 4,369,141
Accounts receivable	3,394,971
Pledges receivable	15,000
Investments	10,565,999
Line of Credit for use over next 12 months	<u>1,500,000</u>
Total financial assets	19,845,111
Less: Donor restricted funds – time and purpose	(2,942,309)
Donor restricted funds – perpetual in nature	(2,810,935)
Board designated funds	<u>(6,594,416)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 7,497,451</u>

### 4. Pledges Receivable

Pledges receivable are recorded as support when pledged unless designated otherwise. All pledges are valued at the estimated fair present value at June 30, 2020 and are deemed fully collectible. Accordingly, no allowance for uncollectible pledges has been recorded as of June 30, 2020. Total amount of pledges receivable is \$15,000 as of June 30, 2020 and are expected to be collected within one year. There were pledges receivables of \$35,000 at June 30, 2019.

### 5. Intangible Asset

Lincoln started its rebranding in 2015 from its former name, "Lincoln Child Center" to eliminate the misconception associated with the "Child Center" connotation, whereby the public often perceived that Lincoln provided childcare services (i.e. day care center).

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

### 5. Intangible Asset, continued

Lincoln has determined that the rebranding costs incurred would result in future economic benefits such as securing new contracts for the provision of services to all age groups other than just children, which would include teens, youths, adults and seniors. As such, Lincoln has recorded these costs as an intangible asset and will be amortized once all rebranding work has been wholly completed. Lincoln started amortizing this intangible asset in 2017 over a period of 10 years. The fair value of the intangible asset at June 30, 2020 and 2019 was \$196,424 and \$229,144, respectively.

### 6. Investments

Investments at June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Equities	\$ 5,201,238	\$ 4,844,693
Money market funds	1,954,856	1,436,920
Fixed income	1,681,948	2,423,044
Exchange traded funds	1,020,346	1,379,654
Mutual funds	<u>707,611</u>	<u>747,312</u>
	<u>\$10,565,999</u>	<u>\$10,831,623</u>

Investment income on the Statement of Activities for the years ended June 30, 2020 and 2019 is shown net of management fees of \$55,752 and \$64,319, respectively.

### 7. Fair Value Measurements

The table below presents the balances of the respective components of the assets or liabilities measured at fair value at June 30, 2020 on a recurring basis:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b><u>June 30, 2020</u></b>				
Equities				
Technology	\$1,267,725	\$ -	\$ -	\$ 1,267,725
Healthcare	1,101,835			1,101,835
Consumer goods	1,049,422			1,049,422
Financial services	1,019,046			1,019,046
Energy	292,949			292,949
Industrial goods	223,195			223,195
Utilities	173,692			173,692
Services	<u>73,374</u>			<u>73,374</u>
Total equities	<u>5,201,238</u>	<u>-</u>	<u>-</u>	<u>5,201,238</u>
Fixed income				
Corporate bonds		1,066,784		1,066,784
Municipal bonds		610,568		610,568
Mortgage pools		<u>4,596</u>		<u>4,596</u>
Total fixed income	<u>-</u>	<u>1,681,948</u>	<u>-</u>	<u>1,681,948</u>

continued



# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

### 7. Fair Value Measurements, continued

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange traded funds				
Healthcare	395,397			395,397
Foreign large blend	391,966			391,966
Technology	146,784			146,784
Real estate	13,993			13,993
Corporate bonds		67,455		67,455
Diversified emerging markets	4,751			4,751
Total exchange traded funds	<u>952,891</u>	<u>67,455</u>	<u>-</u>	<u>1,020,346</u>
Mutual funds				
Foreign large cap	<u>707,611</u>	<u>-</u>	<u>-</u>	<u>707,611</u>
Money market funds	<u>1,954,856</u>	<u>-</u>	<u>-</u>	<u>1,954,856</u>
Total investments	<u>8,816,596</u>	<u>1,749,403</u>	<u>-</u>	<u>10,565,999</u>
Split-interest agreement	<u>-</u>	<u>1,606,803</u>	<u>-</u>	<u>1,606,803</u>
Fair value at June 30, 2020	<u>\$8,816,596</u>	<u>\$3,356,206</u>	<u>\$-</u>	<u>\$12,172,802</u>
<u>June 30, 2019</u>				
Equities				
Technology	\$1,040,832	\$-	\$-	\$ 1,040,832
Healthcare	994,145			994,145
Consumer goods	962,890			962,890
Financial services	961,901			961,901
Energy	379,248			379,248
Industrial goods	349,077			349,077
Utilities	<u>156,600</u>	<u>-</u>	<u>-</u>	<u>156,600</u>
Total equities	<u>4,844,693</u>	<u>-</u>	<u>-</u>	<u>4,844,693</u>
Fixed income				
Government securities		888,063		888,063
Corporate bonds		804,277		804,277
Municipal bonds		465,622		465,622
Agency securities		259,136		259,136
Mortgage pools		<u>5,946</u>		<u>5,946</u>
Total fixed income	<u>-</u>	<u>2,423,044</u>	<u>-</u>	<u>2,423,044</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

### 7. Fair Value Measurements, continued

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange traded funds				
Foreign large blend	432,218			432,218
Healthcare	332,746			332,746
Financial services	139,995			139,995
Technology	131,241			131,241
Real estate	126,730			126,730
Energy	79,073			79,073
Regional miscellaneous	75,735			75,735
Corporate bonds		56,812		56,812
Diversified emerging markets	5,104			5,104
Total exchange traded funds	<u>1,322,842</u>	<u>56,812</u>	<u>-</u>	<u>1,379,654</u>
Mutual funds				
Foreign large cap	<u>747,312</u>			<u>747,312</u>
Money market funds	<u>1,436,920</u>	<u>-</u>	<u>-</u>	<u>1,436,920</u>
Total investments	<u>8,351,767</u>	<u>2,479,856</u>	<u>-</u>	<u>10,831,623</u>
Split-interest agreement	<u>-</u>	<u>1,506,660</u>	<u>-</u>	<u>1,506,660</u>
Fair value at June 30, 2019	<u>\$8,351,767</u>	<u>\$3,986,516</u>	<u>\$-</u>	<u>\$12,338,283</u>

The fair value of investment components has been measured on a recurring basis using quoted prices in active markets for identical assets (Level 1 inputs) and quoted prices in active or inactive markets for the same or similar assets (Level 2 inputs).

The fair value of the split-interest agreement has been measured on a recurring basis by calculating the present value of future distributions expected to be received, using published life expectancy and a 7.75% discount rate (Level 2 inputs).

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

### 8. Property and Equipment

Property and equipment at June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Buildings and improvements	\$ 3,399,357	\$ 3,060,706
Furniture and equipment	181,488	181,488
Automobiles	26,109	26,109
Software	434,171	434,171
Construction in progress	<u>-</u>	<u>281,683</u>
	4,041,125	3,984,157
Less: accumulated depreciation	<u>(2,690,802)</u>	<u>(2,283,661)</u>
	<u>\$ 1,350,323</u>	<u>\$ 1,700,496</u>

Depreciation and amortization expense for the years ended June 30, 2020 and 2019 were \$439,860 and \$404,257, respectively.

### 9. Split-Interest Agreement

Lincoln holds a remainder interest in an irrevocable split-interest agreement. The fair value for the contribution receivable from a beneficial interest in a charitable remainder trust within the Level 2 inputs is determined by calculating the present value of the future distributions expected to be received, using published life expectancy table and discount rate of 7.75%. These agreements are valued at net present value at June 30, 2020 and 2019, based on Internal Revenue Service guidelines as follows:

	<u>2020</u>		<u>2019</u>	
	Significant		Significant	
	Other Observable		Other Observable	
	<u>Fair Value</u>	<u>Assets (Level 2)</u>	<u>Fair Value</u>	<u>Assets (Level 2)</u>
A charitable remainder trust naming Lincoln as a beneficiary with a 22.22% interest. Lincoln does not have possession of the assets or control of the trust administration.	<u>\$1,606,803</u>	<u>\$1,606,803</u>	<u>\$1,506,660</u>	<u>\$1,506,660</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 10. Accrued Liabilities

Accrued liabilities at June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Accrued vacation	\$ 923,168	\$ 680,070
Accrued payroll, taxes, and benefits	780,562	674,449
Other accrued liabilities	338,194	447,519
Accrued unemployment liability	<u>(4,403)</u>	<u>6,447</u>
	<u>\$2,037,521</u>	<u>\$1,808,485</u>

Lincoln has elected to be self-insured for the purposes of California State Unemployment Insurance. Estimated accrued unemployment liability at June 30, 2020 and 2019, of \$(4,403) and \$6,447, respectively, represents estimated future claims arising from payroll paid to date. Unemployment expense for the years ended June 30, 2020 and 2019 were \$24,111 and \$46,593, respectively.

### 11. Line of Credit

Lincoln has a revolving line of credit with Wells Fargo Bank, in the amount of \$1,500,000, at an interest rate equal to the bank's prime rate plus 1.5% due April, 2021. Interest rates at June 30, 2020 and 2019 were 4.25% and 6.50% with maturity dates of April 2021 and April, 2020, respectively. At June 30, 2020, there was no outstanding balance. There was no outstanding balance on the line of credit at June 30, 2019.

### 12. Paycheck Protection Program Loan

In May 2020, Lincoln received loan proceeds in the amount of \$3,397,503 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. Lincoln intends to use the proceeds for purposes consistent with the PPP. Lincoln currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan.

Beginning in July 2020 through September 2020, Lincoln utilized their PPP proceeds to sustain its operations. Lincoln is applying for PPP loan forgiveness in March 2021.

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 13. Commitments and Contingencies

#### Obligations Under Operating Leases

Lincoln leases various facilities and equipment under operating leases with various terms. Future minimum payments, by year and in the aggregate, under these leases with initial or remaining terms of one year or more, consist of the following:

<u>Year ending June 30,</u>	
2021	\$ 613,648
2022	550,845
2023	472,187
2024	392,957
2025	<u>127,349</u>
	<u>\$2,156,986</u>

Rent and equipment lease expenses under operating leases for the years ended June 30, 2020 and 2019 were \$618,421 and \$634,073, respectively.

#### Contracts

Lincoln's grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously-funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and, accordingly, Lincoln has no provisions for the possible disallowance of program costs on its financial statements.

#### Impact of COVID-19 Virus

Following the State of California COVID-19 protocols, Lincoln has been conducting business activities under the consideration of the social distancing and remote work opportunities. Except for the disclosure of the PPP, the overall long-term financial impact of the COVID-19 virus on Lincoln cannot be foreseen at this time and is not reflected in these financial statements.

### 14. Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Florence French Trust/Darrow & Helen Chase Trust	\$1,606,803	\$1,506,660
Endowment Fund	1,160,647	1,130,350
Philip Harley Memorial Fund	95,473	95,473
Other funds - various programs	<u>79,386</u>	<u>115,309</u>
	<u>\$2,942,309</u>	<u>\$2,847,792</u>

For the years ended June 30, 2020 and 2019, net assets released for restrictions were \$15,950,602 and \$14,717,378, respectively.

continued

**15. Net Assets With Donor Restrictions – Perpetual in Nature (Endowment)**

Net assets with donor restrictions-that are perpetual in nature represent contributions which the donor has stipulated that the principal is to be kept intact in perpetuity and only the interest and dividends wherefrom may be expended for unrestricted purposes. At June 30, 2020 and 2019, net assets with donor restrictions that were perpetual in nature were \$2,810,935.

Generally accepted accounting principles provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization and also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and Board-designated endowment funds).

Lincoln's Endowment Fund is held in its investment funds with Charles Schwab. 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.

Lincoln classifies as net assets restricted in perpetuity, (a) the original value of the gifts to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not classified as net assets with donor restrictions that are perpetual in nature is classified as net assets with donor restrictions by purpose, until those amounts are appropriated for expenditure by Lincoln.

*Investment Objectives, Asset Allocation, and the Disbursement Policy*

Lincoln has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Lincoln has a moderate risk tolerance, with a goal of steadily increasing the corpus of the endowment funds over an extended period of time in a way that is consistent with the desired level of risk.

Lincoln's spending policy is anticipated to be withdrawals that will not result in the value of the portfolio being reduced to below the net assets perpetual in natural and will be 5% of the average market value calculated from the prior twelve quarter-end balances (3-year trailing value).

Endowment net assets composition by type of fund as of June 30, 2020 and 2019:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b>June 30, 2020</b>			
Board designated endowment funds	\$6,594,416	\$ -	\$ 6,594,416
Donor-restricted endowment	<u>                    </u>	<u>3,971,583</u>	<u>3,971,583</u>
Endowment net assets, end of year	<u>\$6,594,416</u>	<u>\$3,971,583</u>	<u>\$10,565,999</u>

LINCOLN

NOTES TO FINANCIAL STATEMENTS

15. Net Assets With Donor Restrictions – Perpetual in Nature (Endowment), continued

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<u>June 30, 2019</u>			
Board designated endowment funds	\$6,890,338	\$ -	\$ 6,890,338
Donor-restricted endowment		<u>3,941,285</u>	<u>3,941,285</u>
Endowment net assets, end of year	<u>\$6,890,338</u>	<u>\$3,941,285</u>	<u>\$10,831,623</u>

Changes in endowment net assets for the years ended June 30, 2020 and 2019 are as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<u>June 30, 2020</u>			
Endowment net assets, beginning of year	\$6,890,338	\$3,941,285	<b>\$10,831,623</b>
Interest and dividend	135,277	40,196	<b>175,473</b>
Investment returns	131,355	85,488	<b>216,843</b>
Investment expended	<u>(562,554)</u>	<u>(95,386)</u>	<u><b>(657,940)</b></u>
Endowment net assets, end of year	<u>\$6,594,416</u>	<u>\$3,971,583</u>	<u><b>\$10,565,999</b></u>
<u>June 30, 2019</u>			
Endowment net assets, beginning of year	\$6,362,153	\$3,822,972	\$10,185,125
Interest and dividend	100,379	96,639	197,018
Investment returns	362,958	170,355	533,313
Investment expended	<u>64,848</u>	<u>(148,681)</u>	<u>(83,833)</u>
Endowment net assets, end of year	<u>\$6,890,338</u>	<u>\$3,941,285</u>	<u>\$10,831,623</u>

Lincoln's endowment funds at June 30, 2020 consist of the following:

Without donor restrictions – board designated	\$ 6,594,416
With donor restrictions – perpetual in nature	2,810,935
With donor restrictions – purpose	<u>1,160,648</u>
Total endowment funds	<u>\$10,565,999</u>

Endowment net assets at June 30, 2020 and 2019 consist of the following investment portfolios held with Charles Schwab:

	<u>2020</u>	<u>2019</u>
Facilities fund	\$ 2,852,535	\$ 3,166,825
Conyes fund	2,469,540	2,476,716
2 <sup>nd</sup> Century fund	2,347,713	2,349,812
Edoff fund	1,524,955	1,495,086
General fund	1,272,341	1,246,796
Siegmund fund	<u>98,915</u>	<u>96,388</u>
	<u>\$10,565,999</u>	<u>\$10,831,623</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 15. Net Assets With Donor Restrictions – Perpetual in Nature (Endowment), continued

Investment earnings including gains and losses on the Edoff and Siegmund Funds are temporarily restricted for use in educational instruction and activities for the children at Lincoln. Investment earnings on the Facilities, Conyes, General and 2nd Century Funds may be used for general operations.

### 16. Program Service Fees from Government Agencies/Contracts and Grants

Program service fees from government agencies/contracts and grants for the years ended June 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Community-based services	\$19,365,773	\$17,497,441
Other government grants	1,426,642	706,920
Other programs	<u>767,016</u>	<u>537,769</u>
	<u>\$21,559,431</u>	<u>\$18,742,130</u>

### 17. Employee Benefit Plan

Lincoln has a defined contribution plan available to substantially all employees. Employer contributions for non-union employees are based on tenure and range from 5% to 9%. Lincoln makes matching contributions up to a maximum of 5% for union employees. Employer contributions under this plan for the years ended June 30, 2020 and 2019 were \$548,671 and \$510,671, respectively.



**SUPPLEMENTAL SCHEDULE**

---

LINCOLN

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2020

Helping Open Pathways to Education (HOPE)

	Allendale	Bridge Academy (ACOE)	Esperanza Elementary/ Korematsu Discovery Academy	Fruitvale Elementary	Grass Valley Elementary	Howard	La Esquelita Elementary/M et West High School	Laurel	New Highland Academy & RISE Community School	Oakland High School	Oakland Technical High School	Sankofa Elementary	Skyline High School	Total
	RU # 01170	RU # 01P91	RU # 01LA1	RU # 01M01	RU # 01QA1	RU # 01ML2	RU # 018331/01NJ1	RU # 01LB1	RU # 01NX1	RU # 01MB1	RU # 01LC1	RU # 01FN1	RU # 01QS1	
Contract number:														
Contract period:	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	
Total contract amount	\$ 675,000	\$ 333,768	\$ 462,354	\$ 202,024	\$ 561,696	\$ 300,000	\$ 269,358	\$ 269,361	\$ 466,406	\$ 202,024	\$ 342,266	\$ 269,362	\$ 269,376	\$ 4,622,995
Salaries	\$ 158,342	\$ -	\$ 331,489	\$ 99,748	\$ 149,935	\$ 102,132	\$ 149,685	\$ 144,791	\$ 388,703	\$ 102,634	\$ 211,291	\$ 187,701	\$ 135,382	\$ 2,161,833
Benefits	44,687	-	93,552	28,151	42,314	28,823	42,244	40,863	109,699	28,965	59,630	52,973	38,207	610,108
Total salaries and benefits	203,029	-	425,041	127,899	192,249	130,955	191,929	185,654	498,402	131,599	270,921	240,674	173,589	2,771,941
Administrative cost	28,767		114,570	43,781	55,674	53,251	55,882	81,346	85,756	53,173	69,833	57,378	68,682	768,093
Occupancy	3,603		7,542	2,270	3,411	2,324	3,406	3,294	8,844	2,335	4,807	4,271	3,080	49,187
Transportation	1,680		3,517	1,058	1,591	1,084	1,588	1,536	4,124	1,089	2,242	1,992	1,436	22,937
Program/service related expenses	2,997		6,274	1,888	2,838	1,908	2,796	2,705	7,262	1,917	3,947	3,507	2,529	40,568
Depreciation	2,732		5,719	1,721	2,587	1,762	2,583	2,498	6,707	1,771	3,645	3,239	2,336	37,300
Communication	1,461		3,058	920	1,383	942	1,381	1,336	3,586	947	1,949	1,731	1,249	19,943
Insurance, taxes, and other fees	2,207		4,621	1,390	2,090	1,424	2,086	2,018	5,418	1,431	2,945	2,616	1,887	30,133
Staff development/trainings	603		1,263	380	571	389	570	552	1,481	391	805	715	516	8,236
Professional and specialized services														-
Office related expenses	231		484	146	219	149	218	211	567	150	308	274	198	3,155
<b>Total expenses</b>	<b>\$ 247,310</b>	<b>\$ -</b>	<b>\$ 572,089</b>	<b>\$ 181,453</b>	<b>\$ 262,613</b>	<b>\$ 194,188</b>	<b>\$ 262,439</b>	<b>\$ 281,150</b>	<b>\$ 622,147</b>	<b>\$ 194,803</b>	<b>\$ 361,402</b>	<b>\$ 316,397</b>	<b>\$ 255,502</b>	<b>\$ 3,751,493</b>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS

For the year ended June 30, 2020

continued

	<u>School Engagement Program</u>	<u>Therapeutic Behavioral Service (TBS)</u>	<u>Multi- Dimensional Family Therapy Program (MDFT)</u>	<u>Project Perm- Wraparound Includes Katie (A)</u>	<u>Total</u>	<u>Total Master Contract</u>
Contract number:	RU # 01FB2	RU # 01FB3	RU # 01FB6	RU # 01FB1 - Social		
Contract period:	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	Services/Probation		
Total contract amount	<u>\$ 1,316,577</u>	<u>\$ 1,225,473</u>	<u>\$ 757,844</u>	<u>\$ 3,669,317</u>	<u>\$ 6,969,211</u>	<u>\$ 11,592,206</u>
Salaries	\$ 545,221	\$ 701,212	\$ 582,913	\$ 1,479,900	\$ 3,309,246	\$ 5,471,079
Benefits	159,179	199,686	136,858	441,594	937,317	1,547,425
Total salaries and benefits	<u>704,400</u>	<u>900,898</u>	<u>719,771</u>	<u>1,921,494</u>	<u>4,246,563</u>	<u>7,018,504</u>
Administrative cost	233,547	244,668	208,810	645,096	1,332,121	2,100,214
Occupancy	21,828	22,809	18,243	79,212	142,092	191,279
Transportation	14,209	15,940	17,914	31,135	79,198	102,135
Program/service related expenses	8,067	9,934	16,821	71,716	106,538	147,106
Depreciation	16,788	17,185	13,512	58,297	105,782	143,082
Communication	4,978	6,303	5,645	16,470	33,396	53,339
Insurance, taxes, and other fees	10,245	10,366	7,827	31,670	60,108	90,241
Staff development/trainings	496	1,668	2,510	2,445	7,119	15,355
Professional and specialized services					-	-
Office related expenses	<u>586</u>	<u>827</u>	<u>640</u>	<u>1,627</u>	<u>3,680</u>	<u>6,835</u>
<b>Total expenses</b>	<u>\$ 1,015,144</u>	<u>\$ 1,230,598</u>	<u>\$ 1,011,693</u>	<u>\$ 2,859,162</u>	<u>\$ 6,116,597</u>	<u>\$ 9,868,090</u>
<b>Amount Reimbursed by Alameda County as of 6/30/20</b>						<b>10,066,893</b>
<b>Amount to be reimbursed</b>						<u>\$ (198,803)</u>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS

For the year ended June 30, 2020

continued

	<u>McClymonds</u>	<u>Skyline</u>	<u>MLK</u>	<u>Howard</u>	<u>Total</u>
Contract number:	RU # 1241	RU # 01QS2	RU # 1231	RU # 01ML1	ERMHS
Contract period:	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20	7/1/19-6/30/20
Total contract amount	\$ 182,250	\$ 182,250	\$ 364,500	\$ 437,516	\$ 1,166,516
Salaries	\$ 61,644	\$ 74,704	\$ 182,061	\$ 247,726	\$ 566,135
Benefits	13,338	16,164	39,394	53,603	122,499
Total salaries and benefits	74,982	90,868	221,455	301,329	688,634
Administrative cost	19,036	23,069	56,220	76,808	175,133
Occupancy	909	1,101	2,685	3,653	8,348
Transportation	96	117	172	388	773
Program/service related expenses	270	327	797	1,085	2,479
Depreciation	425	515	1,256	1,709	3,905
Communication	497	602	1,467	1,996	4,562
Insurance, taxes, and other fees	551	668	1,627	2,213	5,059
Staff development/trainings	465	564	1,374	1,870	4,273
Professional and specialized services				2,213	2,213
Office related expenses	15	18	44	60	137
<b>Total expenses</b>	<u>\$ 97,246</u>	<u>\$ 117,849</u>	<u>\$ 287,097</u>	<u>\$ 393,324</u>	<u>\$ 895,516</u>
<b>Amount Reimbursed by Alameda County as of 6/30/20</b>					<b>559,349</b>
<b>Subsequent Reimbursement by Alameda County</b>					<b>408,770</b>
					<u><b>968,119</b></u>
<b>Amount to be reimbursed</b>					<u><b>\$ (72,603)</b></u>

See independent auditors' report.