PROMISES2KIDS FOUNDATION
A NONPROFIT ORGANIZATION
FINANCIAL STATEMENT
JUNE 30, 2015

PROMISES2KIDS FOUNDATION
A NONPROFIT ORGANIZATION

CONSIDINE & CONSIDINE
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Promises2Kids Foundation

We have audited the accompanying financial statements of Promises2Kids Foundation, which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Foundation'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 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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Promises2Kids Foundation, as of June 30, 2015, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Considine & Considine

CONSIDINE & CONSIDINE
An Accountancy Corporation

October 1, 2015

Earning Your Trust Since 1946

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PROMISES2KIDS FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS		
CURRENT ASSETS		
Cash	$	1,237,049
Receivables (Note 3)		599,607
Prepaid Expenses		31,724
Other Receivable		555
		1,868,935
PROPERTY AND EQUIPMENT (Note 4)		91,874
OTHER ASSETS		
Investments (Note 5)		4,528,940
TOTAL ASSETS		6,489,749
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable		121,135
Accrued Expenses		21,973
TOTAL LIABILITIES		143,108
NET ASSETS (Note 7)		
Unrestricted		2,627,242
Temporarily Restricted		3,180,644
Permanently Restricted		538,755
		6,346,641
TOTAL LIABILITIES AND NET ASSETS	$	6,489,749

PROMISES2KIDS FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE				
Contributions	$ 738,990	$ 1,046,001	$ -	$ 1,784,991
In-Kind Donations	336,001	448,463	-	784,464
Grants	73,002	328,877	-	401,879
Gain on Disposal of Land and Building	318,631	-	-	318,631
Investment Income	116,508	(20,630)	-	95,878
	1,583,132	1,802,711	-	3,385,843
Special Events, Net				
Special Events Revenue	1,031,570	-	-	1,031,570
Direct Benefit to Donors	(299,968)	-	-	(299,968)
	731,602	-	-	731,602
Net Assets Released from Restriction	1,770,969	(1,770,969)	-	-
Total Revenue and Support	4,085,703	31,742	-	4,117,445
EXPENSES				
Program Services				
Children and Young Adult Programs	1,872,306	-	-	1,872,306
In-Kind Children and Young Adult Programs	658,792	-	-	658,792
Total Program Services	2,531,098	-	-	2,531,098
Management and General	158,962	-	-	158,962
Development	543,426	-	-	543,426
	3,233,486	-	-	3,233,486
CHANGE IN NET ASSETS	852,217	31,742	-	883,959
NET ASSETS, BEGINNING	1,775,025	3,148,902	538,755	5,462,682
NET ASSETS, ENDING	$ 2,627,242	$ 3,180,644	$ 538,755	$ 6,346,641

PROMISES2KIDS FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015

	Program Services	Management and General	Development	Total
EXPENSES				
Salaries and Benefits Expense	454,165	129,263	204,522	787,950
Youth Support, Stipends and Recognition	644,830	-	-	644,830
In-Kind Children Program	635,521	-	-	635,521
Special Event Meals and Entertainment	6,775	-	251,481	258,256
Scholarships	248,430	-	-	248,430
Children's Program Services	154,121	-	-	154,121
Printing and Production	8,880	961	111,693	121,534
In-Kind Auction Items	-	-	112,583	112,583
Outside Services	25,418	3,665	34,388	63,471
Youth and Volunteer Training and Education	62,636	-	-	62,636
Youth Activities	60,595	-	-	60,595
Marketing and Public Relations	26,396	-	14,192	40,588
Bank Fees	16,704	4,923	18,561	40,188
Rental Equipment	5,193	974	33,856	40,023
Occupancy	23,271	4,363	8,726	36,360
Children's Program Materials	29,817	-	-	29,817
Volunteer and Donor Recognition	19,339	-	6,723	26,062
Mileage and Travel	18,590	717	4,429	23,736
Insurance	15,134	1,407	2,813	19,354
Graphic Art and Design	6,800	-	8,634	15,434
Postage and Mailing	5,847	660	7,827	14,334
Telephone and Internet	8,497	1,630	3,436	13,563
Audit and Tax	7,360	1,380	2,760	11,500
Supplies	4,731	2,944	3,265	10,940
Staff and Board Development	6,583	1,040	2,225	9,848
Dues and Subscriptions	2,153	486	924	3,563
Tax and License	1,031	27	814	1,872
Repairs and Maintenance	160	30	559	749
TOTAL EXPENSES BEFORE DEPRECIATION	2,498,977	154,470	834,411	3,487,858
Depreciation	32,121	4,492	8,983	45,596
TOTAL EXPENSES	2,531,098	158,962	843,394	3,533,454
Less: Direct Benefit to Donors at Special Events Included in Revenue	-	-	(299,968)	(299,968)
TOTAL EXPENSES INCLUDED IN THE EXPENSE SECTION OF THE STATEMENT OF ACTIVITIES	$ 2,531,098	$ 158,962	$ 543,426	$ 3,233,486

PROMISES2KIDS FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

CASH FLOWS PROVIED BY OPERATING ACTIVITIES		
Increase in Net Assets	$	883,959
ADJUSTMENT TO RECONCILE CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation		45,596
Net Realized and Unrealized Loss on Investments		38,513
Gain on Disposal of Land and Building		(318,631)
Changes in Operating Assets and Liabilities:		
Pledges and Grants Receivable		(305,978)
Prepaid Expenses		(12,159)
Other Receivable		791
Accounts Payable		54,159
Accrued Expenses		(251)
Deferred Revenue		(1,500)
		(499,460)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		384,499
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Purchases of Investments		(581,453)
Purchase of Property and Equipment		(51,428)
Proceeds from Sale of Land and Building		620,000
		(12,881)
NET INCREASE IN CASH		371,618
CASH, BEGINNING		865,431
CASH, ENDING	$	1,237,049

NOTE 1 THE FOUNDATION

Promises2Kids Foundation (the “Foundation”) is a California Nonprofit Corporation formed in 1981 for public and charitable purposes. The mission of the Foundation is to create a brighter future for foster children.

The following is a brief description of the Foundation's programs:

A.B. and Jessie Polinsky Children's Center - Previously the Foundation raised $12 million to build the A.B. and Jessie Polinsky Children’s Center (the “Polinsky Center”), the County’s emergency shelter for abused and neglected children. In October 1994, the Foundation deeded the facility to the County of San Diego. The Polinsky Center offers a full range of assessment and care programs to more than 1,000 children every year. The Foundation continues to support the Polinsky Center by raising funds for the urgent and long-term needs of the young residents during their stay. The following are just a few examples of the programs and projects at the Polinsky Center supported by the Foundation during the year ended June 30, 2015:

- Developmental Screening and Enhancement Program (DSEP)
- Youth2Youth Advocates Program
- Developmental Preschool
- Pet Therapy Program
- Health, Recreation and Wellness Program

Guardian Scholars - Guardian Scholars is a scholarship and support program that was established to assist current and former foster youth to further their education and become successful, independent adults. The program is much more than just financial aid - it is an investment in the future of each individual recipient. A unique component to Guardian Scholars reaches foster youth while they are in high school – intervening at a critical time in their lives – preparing them for graduation, a higher education, and beyond. Guardian Scholars provides multifaceted support through mentoring, SAT preparation, college planning, financial aid and college application workshops, and STE[+a]M programs at the University of California, San Diego (UCSD).

Camp Connect - The Foundation provides siblings in foster care, who are placed in separate homes, the opportunity to reconnect through a four-day summer camp, as well as recreational and educational day camp activities throughout the year. Camp Connect allows brothers and sisters to maintain critical relationships and gain support from each other during this difficult time. This program is a partnership with Health & Human Services Agency of San Diego County.

Foster Funds - The Foundation understands that foster children often feel alone and isolated. They may go without simple pleasures of childhood such as birthday gifts, cap and gown for graduation, a sports uniform or a musical instrument. We ensure foster children know that they too are heard, special and deserving. The Foundation has special funds set up to support these needs not met through typical funding, which include Something Special Fund, Birthday Club, Community Drives and Driver Education.

Additional Community Programs - In addition to the above mentioned major programs, the Foundation also has the community program, Law Enforcement, which was developed to teach agencies how to work together in identifying, investigating and prosecuting child abuse. The Foundation with the help of its community, collaborate by hosting advanced trainings. Another community program the Foundation supported this year was Mary’s House, a female transitional housing program for former foster youth operated by the YMCA Youth and Family Services. This program was transitioned fully to the YMCA upon the Foundation’s sale of the property that was housing Mary’s House. This sale occurred during this year and is included in these financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles in the United States of America (GAAP).

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

Financial Statement Presentation - The financial statements present information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

- Unrestricted Net Assets – Net assets not subject to donor imposed stipulations.

- Temporarily Restricted Net Assets – Net assets subject to donor imposed stipulations that will be met by actions of the Foundation and/or the passage of time. When a donor stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

- Permanently restricted net assets – Net assets subject to donor imposed stipulations requiring that they be maintained permanently by the Foundation. The income from these assets is available for either general operations or specific programs as specified by the donor.

The Financial Accounting Standards Board (FASB) has issued reporting standards for endowments of not-for-profit organizations subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and enhanced disclosures for all endowment funds. The standards provide guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of UPMIFA, which serves as a model act for states to modernize their laws governing donor-restricted endowment funds. The standards also require additional disclosures about endowments (both donor-restricted funds and board-designated funds) to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policies, and related investment policies of its endowment funds.

Risks and Uncertainties - The Foundation invests in various types of investment securities which are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statement of financial position.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash - The Foundation considers financial instruments with a fixed maturity date of less than three months to be cash equivalents. The Foundation maintains its cash in bank and brokerage accounts with national financial institutions of high credit ratings. The balances in these accounts at times may exceed federally insured deposit limits. As of June 30, 2015, the accounts had amounts in excess of deposit limits of approximately $900,000. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant risk on its cash.

Property and Equipment - Property and equipment are recorded at cost. Depreciation is computed using the straight-line method of depreciation over the assets' estimated useful lives of three to thirty years. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. It is the Foundation's policy to capitalize all property and equipment costs in excess of $500. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is recognized in the current period financial statements.

Fair Value Measurement - The Foundation 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 statement elements.

Pledges and Grants Receivable - The pledges and grants receivable consist of donor promises to give and reimbursement grants. It is the Organization’s policy to charge off uncollectible pledges receivable when management determines the pledge will not be collected. All pledges receivable are considered collectible as of June 30, 2015.

Revenue Recognition - The financial statements of the Foundation are presented on the accrual method of accounting. Under this method of accounting, revenues are recognized when a donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Donor-Imposed Restrictions - All contributions are considered to be unrestricted unless specifically restricted by donor. Amounts received designated for future periods or restricted by the donor for specific purpose are reported as temporarily or permanently restricted, increasing those net assets classes. If a restriction is fulfilled in the same period in which the contribution is received, the support is reported as temporarily restricted and then released from restriction in the same period.

In-Kind Donations - The Foundation follows standards relating to contributions received and contributions made as consistent with the FASB Codification. These standards require recording the value of donated services that create or enhance non-financial assets or require specialized skills. Volunteers have contributed significant amounts of their time to activities of the Foundation; however, since the above requirements were not met, the value of the contributed services were not recorded in the financial statements.

The Foundation records donated goods at fair value. The fair value of donated goods is measured on a nonrecurring basis using quoted prices for similar financial statement elements in inactive markets (Level 2 inputs). If donors stipulate the length of an asset's use, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of donated goods are recorded as unrestricted support.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Marketing - Marketing expenses are charged to expense as incurred.

Income Taxes - The Foundation is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code.

The Foundation follows accounting standards which provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax position and believes that all of the positions taken in its exempt Foundation tax returns are more likely than not to be sustained upon examination. As of June 30, 2015, the Foundation has no accrued interest or penalties related to uncertain tax positions. The Foundation files tax returns in the U.S. Federal jurisdiction and the State of California. The Foundation is no longer subject to U.S. and California examination by tax authorities for year before 2011 and 2010, respectively.

NOTE 3 RECEIVABLES

Receivables consist of the following at June 30, 2015:

Special Events Receivable	$	376,529
Pledges Receivable		205,278
Grants Receivable		17,800
	$	599,607

NOTE 4 PROPERTY AND EQUIPMENT

Major categories of property and equipment are summarized as follows:

Office Equipment	$	93,006
Software and Other		66,188
Leasehold Improvements		54,210
Automobile		38,644
		252,048
Less Accumulated Depreciation		(160,174)
	$	91,874

NOTE 5 INVESTMENTS

Investments at fair market value at June 30, 2015 total $4,528,940.

The following schedule summarizes the Foundation's return on long-term investments and its classification in the statement of activities for the year ended June 30, 2015:

	Unrestricted	Temporarily Restricted	Total
Interest and Dividend Income	$ 116,499	$ 17,892	$ 134,391
Realized and Unrealized Gains/(Losses), Net	9	(38,522)	(38,513)
Total Investment Income	$ 116,508	$ (20,630)	$ 95,878

Bank fees related to the management of investment accounts for the year ended June 30, 2015 totaled $22,933.

NOTE 6 FAIR VALUE MEASUREMENT

The following table summarizes assets measured at fair value by classification within the fair value hierarchy as of June 30, 2015:

	Quoted Prices in Active Markets for Identical Assets (level 1)	Significant Other Observable Inputs (level 2)	Significant Unobservable Inputs (level 3)	Balance as of June 30, 2015
Mutual and Index Funds:				
U.S Large Cap Stock Funds	$ 1,764,894	$ -	$ -	$ 1,764,894
U.S. Bond Funds	1,159,888	-	-	1,159,888
Foreign Stock Funds	785,140	-	-	785,140
U.S. Small and Medium Cap Stock Funds	470,491	-	-	470,491
Real Estate Securities	248,676	-	-	248,676
Foreign Bond Funds	99,851	-	-	99,851
	$ 4,528,940	$ -	$ -	$ 4,528,940

NOTE 7 RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets consisted of the following at June 30, 2015:

Hattie Brookes Endowment	$ 2,475,992
Guardian Scholars	238,057
Camp Connect	171,534
Polinsky Children’s Center Endowment	156,463
Polinsky Children’s Center	72,790
SD County Office of Education	37,150
Foster Funds	12,881
Junior League Endowment	10,821
Driver's Education	4,956
Total Temporarily Restricted Net Assets	$ 3,180,644

NOTE 7 RESTRICTIONS ON NET ASSETS (Continued)

Net assets totaling of $1,770,969 were released from donor restrictions by incurring expenses satisfying the purpose or by occurrence of other events such as the passage of time restrictions specified by donors for the year ended June 30, 2015.

NOTE 8 ENDOWMENTS

The Foundation's endowment consists of four individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (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 Foundation classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment (2) investment income or increases in fair value if required to be restricted by the donors. 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 Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2015.

The Foundation has adopted investment and spending policies for endowment funds that:

- Protect the invested assets

- Preserve spending capacity of the fund income

- Maintain a diversified portfolio of assets that meet investment return objectives while keeping risk at a level commensurate with that of the median fund in comparable foundations

- Comply with applicable laws

The Foundation's endowment funds are invested in debt and other securities that are structured 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).

NOTE 8 ENDOWMENTS (Continued)

The Foundation's spending policy is to disburse funds available to meet the current program needs of the Foundation.

Endowment composition by type of fund at June 30, 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Hattie Brooks	$ 347,485	$ 2,475,993	$ -	$ 2,823,478
Polinsky Children's Center Endowment	-	156,462	381,410	537,872
General Endowment	18,195	-	87,345	105,540
Junior League Scholarship Endowment	-	10,821	70,000	80,821
Total Donor-Restricted Endowment Funds	$ 365,680	$ 2,643,276	$ 538,755	$ 3,547,711

Changes in endowment net assets as of June 30, 2015 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Endowment Assets
Endowment Net Assets, Beginning of Year	$ 295,857	$ 2,677,321	$ 538,755	$ 3,511,933
Investment Income	85,887	17,892	-	103,779
Amounts Appropriated for Expenditure	(14,409)	(13,415)	-	(27,824)
Net Appreciation/(Depreciation)	(1,655)	(38,522)	-	(40,177)
Endowment Net Assets, End of Year	$ 365,680	$ 2,643,276	$ 538,755	$ 3,547,711

NOTE 9 SPECIAL EVENTS

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

Revenue	
Challenge	$ 380,705
Sponsorships	225,054
Ticket Sales	211,175
Live Auction Other	106,710
Silent Auction Other	26,555
Opportunity Drawing	24,105
Restaurant Frenzy	13,400
Contributions	12,219
Honorary Committee	11,000
Super Silent Auction	10,800
Special Event Revenue Other	9,072
Upgraded Wine	775
	1,031,570
Expenses	
Performers Expense	132,876
In Kind Special Event Expense	112,583
Production Expense	85,562
Catering Expense	68,032
Special Event Expense Other	39,353
Rental Expense	31,909
Beverage Expense	5,643
Merchant Fees	2,161
Event Program Expense	1,562
Auction Expense	1,087
	480,768
Net Special Events Revenue	$ 550,802

Included in Special Event Expenses above are $299,968 of direct benefit to donors as noted on the statement of activities. In addition to the Special Event Revenue above, $112,583 of in-kind auction items were donated to the Foundation.

NOTE 10 IN-KIND GOODS AND SERVICES

The Foundation received donated office space, contributions of goods for program services, supplies, equipment and special event items. Included in special events revenue on the statement of activites is $112,583 of in-kind auciton items. The Foundation donated facility space to the YMCA of San Diego County for the operation of Mary’s House which was sold in May 2015 (See Note 13). These in-kind items have been recorded at fair value as in-kind contributions in the statement of activities.

The in-kind donations consist of the following for the year ended June 30, 2015:

Children's Programs	$ 635,521
In-Kind Auction Items	112,583
Occupancy	36,360
	$ 784,464

NOTE 11 PROGRAM SERVICES

Children's Programs - Children’s programs consist of funds provided to the following agencies or programs for the year ended June 30, 2015:

Guardian Scholars	$	501,376
Holiday Gifts		321,828
General Program Support		312,357
Back to School Days		242,129
Polinsky Children's Center		212,702
Camp Connect		101,930
Community Events and Partnerships		42,996
Volunteers		36,922
Something Special		35,923
Birthday Club		31,932
Law Enforcement		12,385
Mary's House		12,233
Theatrical Tickets		5,350
Driver Education		2,243
	$	1,872,306

During 2003, the Foundation renovated a house located in Escondido, California. The Foundation donated the use of the house to the YMCA, which operates a transitional living program for former foster youths. Rent totaling $20,000 for the donated space for the year ended June 30, 2015, has been reflected in the accompanying financial statements. Depreciation of this asset is considered a program service expense for financial statement purposes and is included in children’s programs. In May 2015 the Foundation the land and building (See Note 13).

In-Kind Children’s Programs - In-kind children’s programs, the value of which is determined by estimating the fair value of the gift, consist of in-kind contributions given to the following agencies or programs for the year ended June 30, 2015:

Holiday Gifts	$	237,446
General Program Support		233,598
Back to School Days		64,588
Mary's House		44,000
Guardian Scholars		39,474
Polinsky Children's Center		20,881
Camp Connect		18,805
	$	658,792

NOTE 12 COMMITMENT

The Foundation maintains a Memorandum of Agreement with the County of San Diego that states that the Foundation shall use its best efforts to provide to Polinsky Center monetary and in-kind support for programs that contribute to the well-being, health, recreation and happiness of residents of Polinsky Center in the annual amount of $175,000. For the year ended June 30, 2015, the Foundation had met their requirement and was in compliance.

NOTE 13 RELATED PARTY

During the year ended June 30, 2015 the Foundation sold land and building to a co-founder and non-voting, emeritus board member, in the amount of $620,000. Before the sale, the Foundation listed the property with a realtor and received a third-party appraisal.

NOTE 14 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through October 1, 2015, the date at which the financial statements were available to be issued, and noted no material subsequent events that requires disclosure.