

**LINCOLN**

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**FINANCIAL STATEMENTS  
and  
SUPPLEMENTAL INFORMATION**

**JUNE 30, 2021 and 2020**

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## INDEPENDENT AUDITORS' REPORT

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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, 2021 and 2020, 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, 2021, and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT

continued

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### 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 January 31, 2022, 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  
January 31, 2022

# LINCOLN

## STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

	2021	2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 5,567,729	\$ 4,369,141
Accounts receivable, net of allowance of \$81,396	3,720,305	3,394,971
Pledges receivable, current portion (Note 4)	127,500	15,000
Prepaid expenses	266,362	198,004
Total current assets	9,681,896	7,977,116
<b>NON-CURRENT ASSETS</b>		
Pledges receivable, non-current portion (Note 4)	60,000	-
Intangible asset (Note 5)	163,705	196,424
Investments (Note 6)	13,656,333	10,565,999
Property and equipment (Note 8)	985,332	1,350,323
Receivable from split-interest agreement (Note 9)	2,094,159	1,606,803
Total non-current assets	16,959,529	13,719,549
<b>TOTAL ASSETS</b>	<b>\$ 26,641,425</b>	<b>\$ 21,696,665</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 217,484	\$ 187,522
Accrued liabilities (Note 10)	1,951,616	2,037,521
Deferred revenue (Note 11)	2,308,914	299,900
Line of credit (Note 12)	-	-
Paycheck protection program loan (Note 13)	2,000,000	3,397,503
Total current liabilities	6,478,014	5,922,446
<b>TOTAL LIABILITIES</b>	<b>6,478,014</b>	<b>5,922,446</b>
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	4,111,315	3,426,559
Designated by the Board for endowment (Note 16)	8,759,991	6,594,416
Total without donor restrictions	12,871,306	10,020,975
With donor restrictions		
Purpose restrictions (Note 15)	4,481,170	2,942,309
Perpetual in nature (Note 16)	2,810,935	2,810,935
Total with donor restrictions	7,292,105	5,753,244
<b>TOTAL NET ASSETS</b>	<b>20,163,411</b>	<b>15,774,219</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 26,641,425</b>	<b>\$ 21,696,665</b>

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

# LINCOLN

## STATEMENTS OF ACTIVITIES For the years ended June 30, 2021 and 2020

	Year ended June 30, 2021			Year ended June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Program revenues (Note 17)	\$ 1,417,047	\$ 17,167,107	\$ 18,584,154	\$ 6,334,588	\$ 15,224,843	\$ 21,559,431
Other revenue	41,421		41,421	22,205		22,205
Contributions	797,758	397,000	1,194,758	462,595	572,895	1,035,490
Interest and dividends	131,361	43,977	175,338	135,277	40,196	175,473
Special events	68,757	3,500	72,257	2,265		2,265
Net assets released from restrictions (Note 15)	17,479,490	(17,479,490)	-	15,950,602	(15,950,602)	-
<b>TOTAL REVENUE AND SUPPORT</b>	<u>19,935,834</u>	<u>132,094</u>	<u>20,067,928</u>	<u>22,907,532</u>	<u>(112,668)</u>	<u>22,794,864</u>
<b>EXPENSES</b>						
Program services	19,288,315		19,288,315	20,116,797		20,116,797
Support services	2,649,704		2,649,704	2,841,858		2,841,858
<b>TOTAL EXPENSES</b>	<u>21,938,019</u>	<u>-</u>	<u>21,938,019</u>	<u>22,958,655</u>	<u>-</u>	<u>22,958,655</u>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	(2,002,185)	132,094	(1,870,091)	(51,123)	(112,668)	(163,791)
<b>OTHER CHANGES</b>						
Forgiveness of paycheck protection program loan (Note 13)	3,397,503		3,397,503			-
Net gain on investments	1,455,013	919,411	2,374,424	109,801	107,042	216,843
Prior year contract adjustments			-	124,703		124,703
Change in value of split-interest agreement		487,356	487,356		100,143	100,143
<b>CHANGE IN NET ASSETS</b>	2,850,331	1,538,861	4,389,192	183,381	94,517	277,898
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>10,020,975</u>	<u>5,753,244</u>	<u>15,774,219</u>	<u>9,837,594</u>	<u>5,658,727</u>	<u>15,496,321</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 12,871,306</u>	<u>\$ 7,292,105</u>	<u>\$ 20,163,411</u>	<u>\$ 10,020,975</u>	<u>\$ 5,753,244</u>	<u>\$ 15,774,219</u>

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

LINCOLN

STATEMENTS OF FUNCTIONAL EXPENSES  
For the years ended June 30, 2021 and 2020

	Year ended June 30, 2021					Year ended June 30, 2020				
	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	\$ 12,966,289	\$ 1,243,261	\$ 401,482	\$ 1,644,743	\$ 14,611,032	\$ 13,475,985	\$ 1,147,758	\$ 424,822	\$ 1,572,580	\$ 15,048,565
Payroll taxes and benefits	3,541,565	22,596	86,227	108,823	3,650,388	3,609,081	219,624	87,578	307,202	3,916,283
Total personnel costs	16,507,854	1,265,857	487,709	1,753,566	18,261,420	17,085,066	1,367,382	512,400	1,879,782	18,964,848
Professional fees	922,947	366,414	33,418	399,832	1,322,779	700,865	341,176	8,139	349,315	1,050,180
Occupancy	563,001	95,910	11,754	107,664	670,665	793,294	116,572	18,120	134,692	927,986
Office expenses	511,952	148,308	33,239	181,547	693,499	449,790	201,493	36,615	238,108	687,898
Depreciation and amortization	322,191	66,377	9,142	75,519	397,710	362,834	67,485	9,541	77,026	439,860
Client-related expenses	270,943	1,813	36,708	38,521	309,464	448,761	6,791	61,572	68,363	517,124
Staff development	71,708	61,152	2,660	63,812	135,520	82,155	62,229	2,870	65,099	147,254
Insurance and taxes	111,593	14,096	2,157	16,253	127,846	131,908	17,650	3,074	20,724	152,632
Transportation	6,126	3,372	146	3,518	9,644	62,124	8,165	584	8,749	70,873
Other	-	6,520	2,952	9,472	9,472	-	-	-	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 19,288,315</b>	<b>\$ 2,029,819</b>	<b>\$ 619,885</b>	<b>\$ 2,649,704</b>	<b>\$ 21,938,019</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>

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

# LINCOLN

## STATEMENTS OF FUNCTIONAL EXPENSES

For the years ended June 30, 2021 and 2020

continued

	Program Services				Total	
	Community and School Based Programs	Training	Kinship	Other Programs	Program Services	
					2021	2020
Salaries	\$ 11,235,032	\$ 172,898	\$ 429,635	\$ 1,128,724	\$ 12,966,289	\$ 13,475,985
Payroll taxes and benefits	3,051,953	45,534	149,788	294,290	<b>3,541,565</b>	3,609,081
Total personnel costs	14,286,985	218,432	579,423	1,423,014	<b>16,507,854</b>	17,085,066
Professional fees	415,417	172,950	10,756	323,824	<b>922,947</b>	700,865
Occupancy	458,247	6,202	57,871	40,681	<b>563,001</b>	793,294
Office expenses	442,089	4,157	14,121	51,585	<b>511,952</b>	449,790
Client-related expenses	139,490		11,322	120,131	<b>270,943</b>	448,761
Depreciation and amortization	232,445	4,396	4,465	80,885	<b>322,191</b>	362,834
Insurance and taxes	96,651	982	4,523	9,437	<b>111,593</b>	131,908
Staff development	24,838	63	535	46,272	<b>71,708</b>	82,155
Transportation	5,661	39	127	299	<b>6,126</b>	62,124
Other					-	-
<b>TOTAL 2021 FUNCTIONAL EXPENSES</b>	<b><u>\$ 16,101,823</u></b>	<b><u>\$ 407,221</u></b>	<b><u>\$ 683,143</u></b>	<b><u>\$ 2,096,128</u></b>	<b><u>\$ 19,288,315</u></b>	
<b>TOTAL 2020 FUNCTIONAL EXPENSES</b>	<b><u>\$ 17,053,548</u></b>	<b><u>\$ 480,542</u></b>	<b><u>\$ 644,412</u></b>	<b><u>\$ 1,938,295</u></b>		<b><u>\$ 20,116,797</u></b>

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



# LINCOLN

## STATEMENTS OF CASH FLOWS For the years ended June 30, 2021 and 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 4,389,192	\$ 277,898
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation	364,991	407,140
Intangible asset amortization	32,719	32,720
Net (gain) on investments	(2,374,424)	(216,843)
Reinvested interest and dividends	(175,338)	(175,473)
Change in value of split-interest agreement	(487,356)	(100,143)
Change in allowance for doubtful account	1,382	(79,335)
Forgiveness of paycheck protection program loan	(3,397,503)	-
(Increase) decrease in operating assets:		
Accounts receivable	(326,716)	3,017
Pledges receivable	(172,500)	20,000
Prepaid expenses	(68,358)	(3,456)
Increase (decrease) in operating liabilities:		
Accounts payable	29,962	(15,093)
Accrued liabilities	(85,905)	229,036
Deferred revenue	2,009,014	299,900
	<b>(260,840)</b>	<b>679,368</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	-	(56,967)
Purchase of investments	(2,367,013)	(305,483)
Proceeds from sales of investments	1,826,441	963,423
	<b>(540,572)</b>	<b>600,973</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payments on line of credit	-	(7,830,000)
Proceeds from borrowings on line of credit	-	7,440,000
Proceeds from paycheck protection program loan	2,000,000	3,397,503
	<b>2,000,000</b>	<b>3,007,503</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,198,588</b>	<b>4,287,844</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>4,369,141</b>	<b>81,297</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 5,567,729</b>	<b>\$ 4,369,141</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Operating activities reflect interest paid of:	<b>\$ -</b>	<b>\$ 36,378</b>

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

### 1. **Organization**

Founded in 1883, *Lincoln Families disrupts cycles of poverty and trauma, empowering children and families to build strong futures* in Alameda and Contra Costa counties. Our approach is simple: we provide children with support and services as early as possible and make programs available to them during their school years through high school graduation. These services go hand in hand with programming that engages families and communities to create sustaining impacts.

Building on the individual strengths of youth and family members and providing them with services, supports, and opportunities are at the heart of our program delivery. An innovative approach providing comprehensive school- and community- based services, uniquely integrating team-based delivery with trauma-informed care and cultural humility has established Lincoln as a leading Bay Area provider.

**School-Based** Lincoln Families provides supports to youth in pre-school through high school to remove roadblocks to learning and engage students to attend school, love reading, and thrive.

**Preschool:** Providing resources to teachers and caregivers for our youngest students so that they can attend an engaging and responsive classroom, meet developmental milestones, get support when needed, and be ready for kindergarten.

**Elementary & Secondary:** Providing extensive supports to improve attendance, work through emotional and behavioral barriers to learning, strengthen literacy skills, address symptoms of trauma, and build a bridge between families and schools.

**Community-Based** We go where the youth and families we serve are to provide support for healing, connecting to resources, creating economic mobility, and achieving dreams.

**Family Stability:** Youth and families receive supports to keep youth out of systems, create positive peer connections, set goals for school and career and with family where they do best.

**Health & Recovery:** Youth struggling with substance use and behavioral challenges receive intensive therapy, including family coaching.

**Community Resources:** Neighborhood hubs where families receive coordinated services, create community change, and build sustainable supports for the future.

Lincoln provides a continuum of preventative, responsive, and intensive support services to improve outcomes for some of the Bay Area's most vulnerable populations: 38% identify as Black, 27% Latino, 15% White, 4% Asian, 1% Native American, 1% Multi-Racial, and 14% Other.

Lincoln is committed to providing no-cost educational engagement, family strengthening, and well-being programming for children, youth, and families. Fundraising strategies include an annual campaign, one major annual fundraising event, direct appeal letters, and the ongoing submission of grant proposals to foundations, corporations, and government sources. The organization's income is derived from government, foundation, individual giving, and earned income.

**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.

**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.

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

**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, 2021 and 2020, 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 76% and 93% of revenue and support generated by Lincoln for the years ended June 30, 2021 and 2020, 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.

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

**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.

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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

#### Reclassification

Certain amounts from the June 30, 2020 financial statements have been reclassified to conform to the June 30, 2021 presentation.

#### Subsequent Events

Management has evaluated subsequent events through January 31, 2022, 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.

### 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, 2021, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ 5,567,729
Accounts receivable	3,720,305
Pledges receivable, due in one year	127,500
Investments	13,656,333
Line of credit for use over next 12 months	<u>1,500,000</u>
Total financial assets	24,571,867
Less: Donor restricted funds – time and purpose	(4,481,170)
Donor restricted funds – perpetual in nature	(2,810,935)
Board designated funds	<u>(8,759,991)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 8,519,771</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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### 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, 2021 and are deemed fully collectible. Accordingly, no allowance for uncollectible pledges has been recorded as of June 30, 2021. Total amount of pledges receivable is \$187,500 as of June 30, 2021. Pledges receivable of \$127,500 are expected to be collected within one year, and \$60,000 are expected to be collected within two years. There were pledges receivables of \$15,000 at June 30, 2020.

### 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).

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, 2021 and 2020 was \$163,705 and \$196,424, respectively.

### 6. Investments

Investments at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Equities	\$ 7,189,247	\$ 5,201,238
Fixed income	1,909,594	1,681,948
Exchange traded funds	1,860,762	1,020,346
Mutual Funds	1,783,091	707,611
Money market funds	<u>913,639</u>	<u>1,954,856</u>
	<u>\$13,656,333</u>	<u>\$10,565,999</u>

Investment income on the Statement of Activities for the years ended June 30, 2021 and 2020 is shown net of management fees of \$51,744 and \$55,752, 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, 2021 on a recurring basis:

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>
<b><u>June 30, 2021</u></b>				
Equities				
Technology	\$ 1,717,073	\$ -	\$ -	\$ 1,717,073
Healthcare	1,295,892			1,295,892
Financial services	1,570,018			1,570,018
Consumer goods	1,362,022			1,362,022
Industrial goods	491,632			491,632
Energy	368,862			368,862
Utilities	208,077			208,077
Services	<u>175,671</u>			<u>175,671</u>
Total equities	<u>7,189,247</u>	<u>-</u>	<u>-</u>	<u>7,189,247</u>
Fixed income				
Corporate bonds		1,001,616		1,001,616
Municipal bonds		905,112		905,112
Mortgage pools		<u>2,863</u>		<u>2,863</u>
Total fixed income	<u>-</u>	<u>1,909,591</u>	<u>-</u>	<u>1,909,591</u>
Exchange traded funds				
Foreign large blend	708,229			708,229
Healthcare	458,987			458,987
Technology	245,335			245,335
PIMCO	229,433			229,433
Corporate bonds		207,173		207,173
Diversified emerging markets	6,515			6,515
Real estate	<u>5,093</u>			<u>5,093</u>
Total exchange traded funds	<u>1,653,592</u>	<u>207,173</u>	<u>-</u>	<u>1,860,765</u>
Mutual funds				
Foreign large cap	<u>1,783,091</u>			<u>1,783,091</u>
Money market funds				
	<u>913,639</u>	<u>-</u>	<u>-</u>	<u>913,639</u>
Total investments	<u>11,539,569</u>	<u>2,116,764</u>	<u>-</u>	<u>13,656,333</u>
Split-interest agreement	<u>-</u>	<u>2,094,159</u>	<u>-</u>	<u>2,094,159</u>
Fair value at June 30, 2021	<u>\$11,539,569</u>	<u>\$4,210,923</u>	<u>\$ -</u>	<u>\$15,750,492</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>
<u>June 30, 2020</u>				
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>
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	<u>4,751</u>			<u>4,751</u>
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>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>

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, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Lease improvements	\$ 3,399,357	\$ 3,399,357
Furniture and equipment	181,488	181,488
Automobiles	26,109	26,109
Software	434,171	434,171
Construction in progress	<u>-</u>	<u>-</u>
	4,041,125	4,041,125
Less: accumulated depreciation	<u>(3,055,793)</u>	<u>(2,690,802)</u>
	<u>\$ 985,332</u>	<u>\$ 1,350,323</u>

Depreciation and amortization expense for the years ended June 30, 2021 and 2020 were \$397,710 and \$439,860, 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, 2021 and 2020, based on Internal Revenue Service guidelines as follows:

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
	<u>Fair Value</u>	<u>Significant Other Observable Assets (Level 2)</u>		<u>Fair Value</u>	<u>Significant Other Observable 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>\$2,094,159</u>	<u>\$2,094,159</u>		<u>\$1,606,803</u>	<u>\$1,606,803</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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### 10. Accrued Liabilities

Accrued liabilities at June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Accrued vacation	\$ 953,165	\$ 923,168
Accrued payroll, taxes, and benefits	786,968	780,562
Other accrued liabilities	209,301	338,194
Accrued unemployment liability	<u>2,182</u>	<u>(4,403)</u>
	<u>\$1,951,616</u>	<u>\$2,037,521</u>

Lincoln has elected to be self-insured for the purposes of California State Unemployment Insurance. Estimated accrued unemployment liability at June 30, 2021 and 2020, of \$2,186 and \$(4,403), respectively, represents estimated future claims arising from payroll paid to date. Unemployment expense for the years ended June 30, 2021 and 2020 were \$39,697 and \$24,111, respectively.

### 11. Deferred Revenue

Deferred revenue from government agencies/contracts and grants for the years ended June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Provider Relief Fund	\$2,001,703	\$ -
Other programs	<u>307,211</u>	<u>299,900</u>
	<u>\$2,308,914</u>	<u>\$299,900</u>

In April 2021, Lincoln received Provider Relief Fund (PRF), under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, in the amount of \$2,001,703 from the Health Resources and Services Administration (HRSA). The CRRSA Act, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides funds to eligible health care providers for health-care-related expenses or lost revenue attributable to coronavirus. PRF recipients must only use payments for eligible expenses including services rendered and lost revenues during the period of availability. The period of availability is based on the date the payments were received.

On April 5, 2021, and April 6, 2021, Lincoln received the PRF for \$1,682,622 and \$319,081, respectively. The deadline to use the funds is June 30, 2022. As of June 30, 2021, Lincoln did not use any of the PRF. Deferred revenue related to PRF for the year ended June 30, 2021, was \$2,001,703. Lincoln anticipated to spend down the full amount by the end of Fiscal Year June 30, 2022.

### 12. 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 July 2021. Interest rates at June 30, 2020 with maturity dates of April 2021. There was no outstanding balance on the line of credit at June 30, 2020 and 2021.

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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### 13. 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 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.

Revenue related to PPP loans for the year ended June 30, 2021 were \$3,397,503. The use of the loan proceeds met the conditions for forgiveness of the loans, as a result, on June 15, 2021, the PPP loan forgiveness applications for \$3,397,503 was approved by the Small Business Administration (“SBA”).

In March 2021, Lincoln received a second PPP loan in the amount of \$2,000,000. In November 2021, Lincoln applied for PPP loan forgiveness application and is currently waiting for approval from SBA.

The SBA reserves the right to review any loan in their discretion and the SBA will review any loan over \$2 million. Areas of review include eligibility, necessity, calculation of the loan amount, use of loan proceeds, and the calculation of the loan forgiveness amount. PPP loan documentation should be retained for six years after the date the loan is forgiven or repaid in full.

### 14. 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>	
2022	\$ 677,163
2023	599,766
2024	523,692
2025	<u>262,006</u>
	<u>\$2,062,627</u>

Rent and equipment lease expenses under operating leases for the years ended June 30, 2021 and 2020 were \$593,192 and \$618,421, respectively.

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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### 14. Commitments and Contingencies, continued

#### 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.

### 15. Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Florence French Trust	\$2,094,160	\$1,606,803
Endowment fund	2,085,407	1,160,647
Other funds - various programs	206,130	79,386
Philip Harley Memorial Fun	<u>95,473</u>	<u>95,473</u>
	<u>\$4,481,170</u>	<u>\$2,942,309</u>

For the years ended June 30, 2021 and 2020, net assets released for restrictions were \$17,479,490 and \$15,950,602, respectively.

### 16. 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, 2021 and 2020, 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

## NOTES TO FINANCIAL STATEMENTS

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### 16. Net Assets With Donor Restrictions – Perpetual in Nature (Endowment)

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, 2021 and 2020:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b><u>June 30, 2021</u></b>			
Board designated endowment funds	\$8,759,991	\$ -	\$ 8,759,991
Donor-restricted endowment		<u>4,896,342</u>	<u>4,896,342</u>
Endowment net assets, end of year	<u>\$8,759,991</u>	<u>\$4,896,342</u>	<u>\$13,656,333</u>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b><u>June 30, 2020</u></b>			
Board designated endowment funds	\$6,594,416	\$ -	\$ 6,594,416
Donor-restricted endowment		<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>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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

Changes in endowment net assets for the years ended June 30, 2021 and 2020 are as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b><u>June 30, 2021</u></b>			
Endowment net assets, beginning of year	\$6,594,416	\$3,971,583	<b>\$10,565,999</b>
Deposits	600,000		<b>600,000</b>
Interest and dividend	131,361	43,977	<b>175,338</b>
Investment returns	1,506,428	938,386	<b>2,444,814</b>
Investment expended	<u>(72,214)</u>	<u>(57,604)</u>	<b><u>(129,818)</u></b>
Endowment net assets, end of year	<b><u>\$8,759,991</u></b>	<b><u>\$4,896,342</u></b>	<b><u>\$13,656,333</u></b>
<b><u>June 30, 2020</u></b>			
Endowment net assets, beginning of year	\$6,890,338	\$3,941,285	\$10,831,623
Interest and dividend	135,277	40,196	175,473
Investment returns	131,355	85,488	216,843
Investment expended	<u>(562,554)</u>	<u>(95,386)</u>	<b><u>(657,940)</u></b>
Endowment net assets, end of year	<b><u>\$6,594,416</u></b>	<b><u>\$3,971,583</u></b>	<b><u>\$10,565,999</u></b>

Lincoln's endowment funds at June 30, 2021 consist of the following:

Without donor restrictions – board designated	\$ 8,759,991
With donor restrictions – perpetual in nature	2,810,935
With donor restrictions – purpose	<u>2,085,407</u>
Total endowment funds	<b><u>\$13,656,333</u></b>

Endowment net assets at June 30, 2021 and 2020 consist of the following investment portfolios held with Charles Schwab:

	<b><u>2021</u></b>	<b><u>2020</u></b>
Facilities fund	<b>\$ 3,920,931</b>	\$ 2,852,535
Conyes fund	<b>3,129,860</b>	2,469,540
2 <sup>nd</sup> Century fund	<b>2,933,176</b>	2,347,713
Edoff fund	<b>1,839,446</b>	1,524,955
General fund	<b>1,709,200</b>	1,272,341
Siegmund fund	<u>123,720</u>	<u>98,915</u>
	<b><u>\$13,656,333</u></b>	<b><u>\$10,565,999</u></b>

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.

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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

Program service fees from government agencies/contracts and grants for the years ended June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Community-based services	\$16,251,954	\$19,365,773
Other government grants	1,576,692	1,426,642
Other programs	<u>755,508</u>	<u>767,016</u>
	<u>\$18,584,154</u>	<u>\$21,559,431</u>

### 18. 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, 2021 and 2020 were \$606,882 and \$548,671, respectively.



**SUPPLEMENTAL INFORMATION**

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LINCOLN

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2021

	Esperanza Elementary/ Korematsu Discovery Academy	Fruitvale Elementary	Grass Valley Elementary	Howard	La Esquelita Elementary/ Met West High School	New Highland Academy & RISE Community School	Oakland High School	Oakland Technical High School	Sankofa Elementary	Skyline High School	Total		
	Allendale RU # 01170	RU # 01LA1	RU # 01M01	RU # 01QA1	RU # 01ML2	RU # 018331/01NJ1	Laurel RU # 01LB1	RU # 01NX1	RU #01MB1	RU # 01LC1	RU # 01FN1	RU # 01QS1	
Contract number:													
Contract period:	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	
Total contract amount	\$ 675,000	\$ 462,354	\$ 202,024	\$ 561,696	\$ 300,000	\$ 269,358	\$ 269,361	\$ 441,241	\$ 202,024	\$ 317,101	\$ 269,362	\$ 269,376	\$ 4,238,897
Salaries	\$ 113,158	\$ 288,838	\$ 177,082	\$ 140,766	\$ 136,349	\$ 204,703	\$ 96,469	\$ 225,313	\$ 122,837	\$ 275,965	\$ 145,309	\$ 50,292	\$ 1,977,081
Benefits	32,465	82,868	50,805	40,386	39,118	58,729	27,677	64,642	35,242	79,174	41,690	14,429	567,225
Total salaries and benefits	145,623	371,706	227,887	181,152	175,467	263,432	124,146	289,955	158,079	355,139	186,999	64,721	2,544,306
Administrative cost	44,796	114,342	70,102	55,725	53,977	81,036	38,190	89,195	48,626	109,250	57,522	19,910	782,671
Occupancy	2,196	5,603	3,435	2,731	2,645	3,971	1,872	4,371	2,383	5,354	2,819	975	38,355
Transportation	17	43	26	21	20	30	14	33	18	41	21	7	291
Program/service related expenses	1,360	3,469	2,126	1,691	1,638	2,459	1,158	2,706	1,474	3,314	1,745	604	23,744
Depreciation	2,068	5,278	3,236	2,572	2,491	3,740	1,763	4,117	2,245	5,042	2,655	919	36,126
Furniture and equipment	810	2,067	1,267	1,007	976	1,465	690	1,613	979	1,975	1,040	360	14,249
Organizational dues	609	1,555	954	758	734	1,102	519	1,213	661	1,486	782	271	10,644
Communication	1,396	3,563	2,184	1,736	1,682	2,525	1,190	2,779	1,515	3,404	1,792	620	24,386
Insurance, taxes, and other fees	975	2,488	1,526	1,213	1,174	1,764	831	1,942	1,058	2,378	1,252	433	17,034
Staff development/trainings	301	769	471	375	363	545	257	600	327	734	387	134	5,263
Professional and specialized services	2,622	6,691	4,103	3,262	3,159	4,743	2,235	5,220	2,846	6,393	3,366	1,165	45,805
Office related expenses	342	872	535	425	412	618	291	680	371	833	439	152	5,970
<b>Total expenses</b>	<b>\$ 203,115</b>	<b>\$ 518,446</b>	<b>\$ 317,852</b>	<b>\$ 252,668</b>	<b>\$ 244,738</b>	<b>\$ 367,430</b>	<b>\$ 173,156</b>	<b>\$ 404,424</b>	<b>\$ 220,582</b>	<b>\$ 495,343</b>	<b>\$ 260,819</b>	<b>\$ 90,271</b>	<b>\$ 3,548,844</b>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2021  
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:	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	Services/Probation 7/1/20-6/30/21		
Total contract amount	<u>\$ 1,004,352</u>	<u>\$ 1,221,894</u>	<u>\$ 1,097,840</u>	<u>\$ 3,262,875</u>	<u>\$ 6,586,961</u>	<u>\$ 10,825,858</u>
Salaries	\$ 456,757	\$ 632,022	\$ 609,575	\$ 1,354,789	\$ 3,053,143	\$ 5,030,224
Benefits	127,893	189,194	146,783	401,208	865,078	1,432,303
Total salaries and benefits	<u>584,650</u>	<u>821,216</u>	<u>756,358</u>	<u>1,755,997</u>	<u>3,918,221</u>	<u>6,462,527</u>
Administrative cost	105,991	213,293	149,807	577,823	1,046,914	1,829,585
Occupancy	18,722	19,140	15,051	68,168	121,081	159,436
Transportation		56	348		404	695
Program/service related expenses	2,374	3,701	8,727	18,144	32,946	56,690
Depreciation	16,260	16,644	13,084	56,463	102,451	138,577
Furniture and equipment		1,776	928	2,615	5,319	19,568
Organizational dues	2,880	2,880	1,952	10,080	17,792	28,436
Communication	4,803	6,655	5,395	16,436	33,289	57,675
Insurance, taxes, and other fees	4,859	5,465	4,447	12,922	27,693	44,727
Staff development/trainings	185	1,302	17,586	670	19,743	25,006
Professional and specialized services			350		350	46,155
Office related expenses	607	1,018	1,451	1,126	4,202	10,172
<b>Total expenses</b>	<u>\$ 741,331</u>	<u>\$ 1,093,146</u>	<u>\$ 975,484</u>	<u>\$ 2,520,444</u>	<u>\$ 5,330,405</u>	<u>8,879,249</u>
<b>Amount Reimbursed by Alameda County as of 6/30/21</b>						6,477,168
<b>Subsequent Reimbursement by Alameda County</b>						927,067
<b>PPP Loan Forgiveness</b>						1,286,254
<b>Total</b>						<u>8,690,489</u>
<b>Amount to be reimbursed</b>						<u>\$ 188,760</u>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS

For the year ended June 30, 2021

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:	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/20-6/30/21	7/1/19-6/30/20
Total contract amount	\$ 182,250	\$ 182,250	\$ 364,500	\$ 437,516	\$ 1,166,516
Salaries	\$ 74,134	\$ 62,893	\$ 213,324	\$ 262,614	\$ 612,965
Benefits	17,916	15,199	51,554	63,463	148,132
Total salaries and benefits	92,050	78,092	264,878	326,077	761,097
Administrative cost	22,358	18,443	64,425	86,762	191,988
Occupancy	1,768	1,305	6,133	10,650	19,856
Transportation			9	10	19
Program/service related expenses	1,166	985	3,047	7,679	12,877
Depreciation	215	158	744	2,666	3,783
Furniture and equipment	191	141	662	878	1,872
Organizational dues	313	231	1,086	1,440	3,070
Communication	271	200	941	3,141	4,553
Insurance, taxes, and other fees	383	282	1,328	1,761	3,754
Staff development/trainings	136	101	473	1,652	2,362
Professional and specialized services				7,378	7,378
Office related expenses	128	94	443	864	1,529
<b>Total expenses</b>	<u>\$ 118,979</u>	<u>\$ 100,032</u>	<u>\$ 344,169</u>	<u>\$ 450,958</u>	<u>1,014,138</u>
<b>Amount Reimbursed by Alameda County as of 6/30/21</b>					715,216
<b>Subsequent Reimbursement by Alameda County</b>					294,536
<b>PPP Loan Forgiveness</b>					3,987
					<u>1,013,739</u>
<b>Amount to be reimbursed</b>					<u>\$ 399</u>

See independent auditors' report.