

**LINCOLN**

---

**FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION**

**JUNE 30, 2022 and 2021**

## CONTENTS

---

Independent Auditors' Report	1-3
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to Financial Statements	9-23
Supplementary Information:	
Statement of Expenditures of County of Alameda Grants	24-26

## INDEPENDENT AUDITORS' REPORT

---

To the Board of Directors  
Lincoln

### Opinion

We have audited the accompanying financial statements of Lincoln (a nonprofit organization), which comprise the Statements of Financial Position as of June 30, 2022, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lincoln as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

## INDEPENDENT AUDITORS' REPORT

continued

---

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lincoln's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln's ability to continue as a going concern for a reasonable period of time.

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

### Other Matters

#### *Report on Summarized Comparative Information*

We have previously audited Lincoln's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 31, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### *Report on Supplementary 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 the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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, such information is fairly stated in all material respects in relation to the financial statements as a whole.

## INDEPENDENT AUDITORS' REPORT

continued

---

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2023, 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 1, 2023

# LINCOLN

## STATEMENTS OF FINANCIAL POSITION

June 30, 2022 and 2021

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 1,705,551	\$ 5,567,729
Accounts receivable, net of allowance of \$361,478 and \$81,396, respectively	5,648,305	3,720,305
Pledges receivable, current portion (Note 4)	55,000	127,500
Prepaid expenses	251,607	266,362
Total current assets	7,660,463	9,681,896
<b>NON-CURRENT ASSETS</b>		
Pledges receivable, non-current portion (Note 4)	-	60,000
Intangible asset (Note 5)	130,985	163,705
Investments (Note 6)	12,203,996	13,656,333
Property and equipment (Note 8)	702,707	985,332
Receivable from split-interest agreement (Note 9)	1,890,201	2,094,159
Total non-current assets	14,927,889	16,959,529
<b>TOTAL ASSETS</b>	\$ 22,588,352	\$ 26,641,425
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 181,017	\$ 217,484
Accrued liabilities (Note 10)	1,636,709	1,951,616
Deferred revenue (Note 11)	371,727	2,308,914
Line of credit (Note 18)	-	-
Paycheck protection program loan (Note 12)	-	2,000,000
Total current liabilities	2,189,453	6,478,014
<b>TOTAL LIABILITIES</b>	2,189,453	6,478,014
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	6,026,781	4,111,315
Designated by the Board for endowment (Note 15)	7,825,340	8,759,991
Total without donor restrictions	13,852,121	12,871,306
With donor restrictions		
Purpose restrictions (Note 14)	3,735,843	4,481,170
Perpetual in nature (Note 15)	2,810,935	2,810,935
Total with donor restrictions	6,546,778	7,292,105
<b>TOTAL NET ASSETS</b>	20,398,899	20,163,411
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 22,588,352	\$ 26,641,425

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

# LINCOLN

## STATEMENTS OF ACTIVITIES For the years ended June 30, 2022 and 2021

	Year ended June 30, 2022			Year ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Program revenues (Note 16)	\$ 1,349,024	\$ 19,306,077	\$ 20,655,101	\$ 1,417,047	\$ 17,167,107	\$ 18,584,154
Other revenue	32,855		32,855	41,421		41,421
Contributions	159,614	1,004,134	1,163,748	797,758	397,000	1,194,758
Interest and dividends	208,921	49,845	258,766	131,361	43,977	175,338
Special events	174,151	10,000	184,151	68,757	3,500	72,257
Net assets released from restrictions (Note 14)	20,343,892	(20,343,892)	-	17,479,490	(17,479,490)	-
<b>TOTAL REVENUE AND SUPPORT</b>	<u>22,268,457</u>	<u>26,164</u>	<u>22,294,621</u>	<u>19,935,834</u>	<u>132,094</u>	<u>20,067,928</u>
<b>EXPENSES</b>						
Program services	19,186,467		19,186,467	19,288,315		19,288,315
Support services	3,450,533		3,450,533	2,649,704		2,649,704
<b>TOTAL EXPENSES</b>	<u>22,637,000</u>	<u>-</u>	<u>22,637,000</u>	<u>21,938,019</u>	<u>-</u>	<u>21,938,019</u>
<b>CHANGE IN NET ASSETS BEFORE OTHER CHANGES</b>	(368,543)	26,164	(342,379)	(2,002,185)	132,094	(1,870,091)
<b>OTHER CHANGES</b>						
Forgiveness of paycheck protection program loan (Note 12)	2,000,000		2,000,000	3,397,503		3,397,503
Net (loss) gain on investments (net of management fees of \$77,641 and \$51,744, respectively)	(650,642)	(567,533)	(1,218,175)	1,455,013	919,411	2,374,424
Change in value of split-interest agreement		(203,958)	(203,958)		487,356	487,356
<b>CHANGE IN NET ASSETS</b>	980,815	(745,327)	235,488	2,850,331	1,538,861	4,389,192
<b>NET ASSETS, BEGINNING 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>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 13,852,121</u>	<u>\$ 6,546,778</u>	<u>\$ 20,398,899</u>	<u>\$ 12,871,306</u>	<u>\$ 7,292,105</u>	<u>\$ 20,163,411</u>

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

LINCOLN

STATEMENTS OF FUNCTIONAL EXPENSES  
For the years ended June 30, 2022 and 2021

	Year ended June 30, 2022					Year ended June 30, 2021				
	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	\$ 12,816,429	\$ 1,342,213	\$ 395,993	\$ 1,738,206	\$ 14,554,635	\$ 12,966,289	\$ 1,243,261	\$ 401,482	\$ 1,644,743	\$ 14,611,032
Payroll taxes and benefits	3,357,966	295,312	74,655	369,967	3,727,933	3,541,565	22,596	86,227	108,823	3,650,388
Total personnel costs	16,174,395	1,637,525	470,648	2,108,173	18,282,568	16,507,854	1,265,857	487,709	1,753,566	18,261,420
Professional fees	888,116	374,651	121,128	495,779	1,383,895	922,947	366,414	33,418	399,832	1,322,779
Occupancy	743,498	102,162	13,572	115,734	859,232	563,001	95,910	11,754	107,664	670,665
Office expenses	473,734	152,278	50,119	202,397	676,131	511,952	148,308	33,239	181,547	693,499
Client-related expenses	404,828	22,245	37,097	59,342	464,170	270,943	1,813	36,708	38,521	309,464
Depreciation and amortization	294,758	71,238	9,237	80,475	375,233	322,191	66,377	9,142	75,519	397,710
Bad debt		280,082		280,082	280,082		421		421	421
Insurance and taxes	119,964	15,465	2,406	17,871	137,835	111,593	14,096	2,157	16,253	127,846
Staff development	65,802	67,664	1,780	69,444	135,246	71,708	61,152	2,660	63,812	135,520
Transportation	21,251	1,368	2,188	3,556	24,807	6,126	3,372	146	3,518	9,644
Other	121	6,926	10,754	17,680	17,801	-	6,099	2,952	9,051	9,051
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 19,186,467</b>	<b>\$ 2,731,604</b>	<b>\$ 718,929</b>	<b>\$ 3,450,533</b>	<b>\$ 22,637,000</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>

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



# LINCOLN

## STATEMENTS OF FUNCTIONAL EXPENSES

For the years ended June 30, 2022 and 2021

continued

	Program Services				Total	
	Community and School Based Programs	Training	Kinship	Other Programs	2022	2021
	Salaries	\$ 11,031,766	\$ 173,873	\$ 433,824	\$ 1,176,966	\$ 12,816,429
Payroll taxes and benefits	2,872,879	45,424	144,456	295,207	3,357,966	3,541,565
Total personnel costs	13,904,645	219,297	578,280	1,472,173	16,174,395	16,507,854
Professional fees	481,102	157,479	9,752	239,783	888,116	922,947
Occupancy	609,404	12,147	78,276	43,671	743,498	563,001
Office expenses	422,061	4,316	15,307	32,050	473,734	511,952
Client-related expenses	192,518	10	55,682	156,618	404,828	270,943
Depreciation and amortization	206,433	4,318	4,229	79,778	294,758	322,191
Insurance and taxes	98,406	974	4,148	16,436	119,964	111,593
Staff development	39,214	390	1,197	25,001	65,802	71,708
Transportation	16,885	40	3,042	1,284	21,251	6,126
Other				121	121	-
Bad debts					-	-
<b>TOTAL 2022 FUNCTIONAL EXPENSES</b>	<b>\$ 15,970,668</b>	<b>\$ 398,971</b>	<b>\$ 749,913</b>	<b>\$ 2,066,915</b>	<b>\$ 19,186,467</b>	
<b>TOTAL 2021 FUNCTIONAL EXPENSES</b>	<b>\$ 16,101,823</b>	<b>\$ 407,221</b>	<b>\$ 683,143</b>	<b>\$ 2,096,128</b>		<b>\$ 19,288,315</b>

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

# LINCOLN

## STATEMENTS OF CASH FLOWS For the years ended June 30, 2022 and 2021

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 235,488	\$ 4,389,192
Adjustments to reconcile change in net assets to net cash (used) by operating activities:		
Depreciation	342,513	364,991
Intangible asset amortization	32,720	32,719
Net loss (gain) on investments	1,218,175	(2,374,424)
Reinvested interest and dividends	(258,766)	(175,338)
Change in value of split-interest agreement	203,958	(487,356)
Change in allowance for doubtful account	280,082	1,382
Forgiveness of paycheck protection program loan	(2,000,000)	(3,397,503)
(Increase) decrease in operating assets:		
Accounts receivable	(2,208,082)	(326,716)
Pledges receivable	132,500	(172,500)
Prepaid expenses	14,755	(68,358)
Increase (decrease) in operating liabilities:		
Accounts payable	(36,467)	29,962
Accrued liabilities	(314,907)	(85,905)
Deferred revenue	(1,937,187)	2,009,014
	<b>(4,295,218)</b>	<b>(260,840)</b>
<b>NET CASH (USED) BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(59,888)	-
Purchase of investments	(1,445,320)	(2,367,013)
Proceeds from sales of investments	1,938,248	1,826,441
	<b>433,040</b>	<b>(540,572)</b>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from paycheck protection program loan	-	2,000,000
	<b>-</b>	<b>2,000,000</b>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,862,178)</b>	<b>1,198,588</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>5,567,729</b>	<b>4,369,141</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,705,551</b>	<b>\$ 5,567,729</b>

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

### 1. **Organization**

Founded in 1883, Lincoln 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 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 as well as direct services to 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 and Secondary:** Providing extensive supports to improve attendance, work through emotional and behavioral barriers to learning, strengthen literacy skills, address underlying 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 and 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: 26% identify as Black, 25% Latino, 5% White, 3% Asian/Pacific Islander, 3% Middle Eastern, 4% Other Non-white, 1% Multi-Racial and 33% Unknow.

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 Statements 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, 2022 and 2021, 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 90% and 76% of revenue and support generated by Lincoln for the years ended June 30, 2022 and 2021, 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 Statements 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

---

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

#### Reclassification

Certain amounts from the June 30, 2021 financial statements have been reclassified to conform to the June 30, 2022 presentation.

### 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 operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of June 30, 2022, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash	\$ 1,705,551
Accounts receivable	5,648,305
Pledges receivable, due in one year	55,000
Investments	<u>12,203,996</u>
Total financial assets	19,612,852
Less: Donor restricted funds – time and purpose	(3,735,843)
Donor restricted funds – perpetual in nature	<u>(2,810,935)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$13,066,074</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 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, 2022 and are deemed fully collectible. Accordingly, no allowance for uncollectible pledges has been recorded as of June 30, 2022. Total amount of pledges receivable is \$55,000 as of June 30, 2022, pledges receivable of \$50,000 were received in November 2022, and \$5,000 are expected to be collected within one year. There were pledges receivable of \$127,500 at June 30, 2021.

### 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, 2022 and 2021 was \$130,985 and \$163,705, respectively.

### 6. Investments

Investments at June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Equities	\$ 5,960,876	\$ 7,189,247
Fixed income	2,384,365	1,909,594
Exchange traded funds	1,875,159	1,860,762
Mutual funds	1,430,592	1,783,091
Money market funds	<u>553,004</u>	<u>913,639</u>
	<u>\$12,203,996</u>	<u>\$13,656,333</u>

Investment income on the Statements of Activities for the years ended June 30, 2022 and 2021 is shown net of management fees of \$77,641 and \$51,744, 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, 2022 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, 2022</u></b>				
Equities				
Technology	\$1,630,362	\$ -	\$ -	\$ 1,630,362
Healthcare	1,101,523			1,101,523
Consumer goods	1,063,723			1,063,723
Financial services	1,036,632			1,036,632
Energy	568,375			568,375
Industrial goods	439,787			439,787
Services	<u>120,476</u>			<u>120,476</u>
Total equities	<u>5,960,878</u>	<u>-</u>	<u>-</u>	<u>5,960,878</u>
Fixed income				
Corporate bonds		1,170,571		1,170,571
Municipal bonds		1,066,819		1,066,819
U.S Treasury notes	144,478			144,478
Mortgage pools		<u>2,497</u>		<u>2,497</u>
Total fixed income	<u>144,478</u>	<u>2,239,887</u>	<u>-</u>	<u>2,384,365</u>
Exchange traded funds				
Foreign large blend	689,660			689,660
Healthcare	323,941			323,941
PIMCO	470,773			470,773
Technology	193,375			193,375
Corporate bonds		187,860		187,860
Diversified emerging markets	4,998			4,998
Real estate	<u>4,556</u>			<u>4,556</u>
Total exchange traded funds	<u>1,687,303</u>	<u>187,860</u>	<u>-</u>	<u>1,875,163</u>
Mutual funds				
Foreign large cap	<u>1,430,592</u>			<u>1,430,592</u>
Money market funds				
	<u>552,998</u>	<u>-</u>	<u>-</u>	<u>552,998</u>
Total investments	<u>9,776,249</u>	<u>2,427,747</u>	<u>-</u>	<u>12,203,996</u>
Split-interest agreement	<u>-</u>	<u>1,890,201</u>	<u>-</u>	<u>1,890,201</u>
Fair value at June 30, 2022	<u>\$9,776,249</u>	<u>\$4,317,948</u>	<u>\$ -</u>	<u>\$14,094,197</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, 2021</u>				
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
Real estate	5,093			5,093
Diversified emerging markets	<u>6,515</u>			<u>6,515</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>

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, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Lease improvements	\$ 3,399,357	\$ 3,399,357
Furniture and equipment	181,488	181,488
Automobiles	43,201	26,109
Software	447,171	434,171
Construction in progress	<u>3,688</u>	<u>-</u>
	4,074,905	4,041,125
Less: accumulated depreciation	<u>(3,372,198)</u>	<u>(3,055,793)</u>
	<u>\$ 702,707</u>	<u>\$ 985,332</u>

Depreciation and amortization expense for the years ended June 30, 2022 and 2021 were \$375,233 and \$397,710, 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, 2022 and 2021, based on Internal Revenue Service guidelines as follows:

	<u>2022</u>		<u>2021</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>\$1,890,201</u>	<u>\$1,890,201</u>	<u>\$2,094,159</u>	<u>\$2,094,159</u>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 10. Accrued Liabilities

Accrued liabilities at June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Accrued vacation	\$ 813,059	\$ 953,165
Accrued payroll, taxes, and benefits	661,293	786,968
Other accrued liabilities	145,902	209,301
Accrued unemployment liability	<u>16,455</u>	<u>2,182</u>
	<u>\$1,636,709</u>	<u>\$1,951,616</u>

Lincoln has elected to be self-insured for the purposes of California State Unemployment Insurance. Estimated accrued unemployment liability at June 30, 2022 and 2021, of \$16,459 and \$2,186, respectively, represents estimated future claims arising from payroll paid to date. Unemployment expense for the years ended June 30, 2022 and 2021 were \$27,905 and \$39,697, respectively.

### 11. Deferred Revenue

Deferred revenue from government agencies/contracts and grants for the years ended June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Other programs	\$283,876	\$ 307,211
Provider Relief Fund	<u>87,851</u>	<u>2,001,703</u>
	<u>\$371,727</u>	<u>\$2,308,914</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 the full amount by the end of Fiscal Year June 30, 2022. Lincoln spent down the full amount by the end of fiscal year June 30, 2022.

On December 16, 2021, Lincoln received the PRF for \$87,851. Lincoln anticipates to spend down the full amount by the end of fiscal year June 30, 2023. Deferred revenue related to PRF for the year ended June 30, 2022, was \$87,851.

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

---

### 12. Paycheck Protection Program Loan

In March 2021, Lincoln received second loan proceeds in the amount of \$2,000,000 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, 2022 were \$2,000,000.

The Small Business Administration (“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.

### 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>	
2023	\$ 598,937
2024	522,837
2025	262,006
2026	<u>79,908</u>
	<u>\$1,463,688</u>

Rent and equipment lease expenses under operating leases for the years ended June 30, 2022 and 2021 were \$645,280 and \$593,192, 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.

continued

**13. Commitments and Contingencies, continued**

**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. 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.

**Legal litigation**

On May 25th, 2022, Lincoln received a summons regarding a lawsuit by a former client. Lincoln has been assigned counsel through their general liability insurance. The merits of the case have not been fully evaluated.

**14. Net Assets With Donor Restrictions**

Net assets with donor restrictions as of June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Florence French Trust	\$1,890,201	\$2,094,160
Endowment fund	1,567,720	2,085,407
Other funds - various programs	219,109	206,130
Philip Harley Memorial Fund	<u>58,813</u>	<u>95,473</u>
	<u>\$3,735,843</u>	<u>\$4,481,170</u>

For the years ended June 30, 2022 and 2021, net assets released from restrictions were \$20,343,892 and \$17,479,490, respectively.

**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, 2022 and 2021, 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

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

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, 2022 and 2021:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b><u>June 30, 2022</u></b>			
Board designated endowment funds	\$7,825,340	\$ -	\$ 7,825,340
Donor-restricted endowment		<u>4,378,656</u>	<u>4,378,656</u>
Endowment net assets, end of year	<u>\$7,825,340</u>	<u>\$4,378,656</u>	<u>\$12,203,996</u>
<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>

continued

# LINCOLN

## NOTES TO FINANCIAL STATEMENTS

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

Changes in endowment net assets for the years ended June 30, 2022 and 2021 are as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Endowment Assets</b>
<b><u>June 30, 2022</u></b>			
Endowment net assets, beginning of year	\$8,759,991	\$4,896,342	<b>\$13,656,333</b>
Interest and dividend	208,921	49,845	<b>258,766</b>
Investment returns	(774,529)	(443,646)	<b>(1,218,175)</b>
Investment expended	<u>(369,043)</u>	<u>(123,885)</u>	<b><u>(492,928)</u></b>
Endowment net assets, end of year	<b><u>\$7,825,340</u></b>	<b><u>\$4,378,656</u></b>	<b><u>\$12,203,996</u></b>
<b><u>June 30, 2021</u></b>			
Endowment net assets, beginning of year	\$6,594,416	\$3,971,583	\$10,565,999
Deposits	600,000		600,000
Interest and dividend	131,361	43,977	175,338
Investment returns	1,506,428	938,386	2,444,814
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>

Lincoln's endowment funds at June 30, 2022 consist of the following:

Without donor restrictions – board designated	\$ 7,825,340
With donor restrictions – perpetual in nature	2,810,935
With donor restrictions – purpose	<u>1,567,721</u>
Total endowment funds	<b><u>\$12,203,996</u></b>

Endowment net assets at June 30, 2022 and 2021 consist of the following investment portfolios held with Charles Schwab:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Facilities fund	<b>\$ 3,493,951</b>	\$ 3,920,931
Conyes fund	<b>2,780,986</b>	3,129,860
2 <sup>nd</sup> Century fund	<b>2,601,613</b>	2,933,176
Edoff fund	<b>1,667,420</b>	1,839,446
General fund	<b>1,550,404</b>	1,709,200
Siegmund fund	<u>109,622</u>	<u>123,720</u>
	<b><u>\$12,203,996</u></b>	<b><u>\$13,656,333</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

---

### 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, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Community-based services	\$16,269,305	\$16,251,954
Other government grants	3,520,190	1,576,692
Other programs	<u>865,606</u>	<u>755,508</u>
	<u>\$20,655,101</u>	<u>\$18,584,154</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, 2022 and 2021 were \$657,563 and \$606,882, respectively.

### 18. Subsequent Events

Lincoln is in the process of renewing its line of credit. The credit line has not been used since it expired July 2021. The terms at that time were \$1,500,000 available balance with an interest rate equal to the bank's prime rate plus 1.5%.

Management has evaluated subsequent events through March 1, 2023, the date which the financial statements were available for issue. Except for the note above, no other events or transactions have occurred during this period that appear to require recognition or disclosure in the financial statements.

**SUPPLEMENTARY INFORMATION**

---

LINCOLN

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2022

	Allendale	Esperanza Elementary/ Korematsu Discovery Academy	Fruitvale Elementary	Grass Valley Elementary	Howard	La Esquelita Elementary/ Met West High School	Laurel	New Highland Academy and RISE Community School	Oakland High School	Oakland Technical High School	Sankofa Elementary	Skyline High School	Total
	RU # 01170	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:	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	
FY21-22 Revised Contract	\$ 651,864	\$ 521,558	\$ 221,086	\$ 395,701	\$ 328,063	\$ 296,278	\$ 296,807	\$ 493,357	\$ 217,311	\$ 325,459	\$ 296,808	\$ 288,830	\$ 4,333,122
Reallocation of Funds	\$ 211,864	\$ 796,558	\$ 551,086	\$ 230,701	\$ 183,063	\$ 401,278	\$ 261,807	\$ 658,357	\$ 187,311	\$ 555,459	\$ 286,808	\$ 213,830	\$ 4,538,122
Salaries	\$ 114,919	\$ 345,785	\$ 236,207	\$ 105,047	\$ 80,728	\$ 186,521	\$ 155,692	\$ 334,877	\$ 77,069	\$ 236,551	\$ 116,667	\$ 109,576	\$ 2,099,639
Benefits	33,337	100,308	68,521	30,473	23,418	54,107	45,164	97,144	22,357	68,621	33,844	31,786	609,080
Total salaries and benefits	148,256	446,093	304,728	135,520	104,146	240,628	200,856	432,021	99,426	305,172	150,511	141,362	2,708,719
Administrative cost	38,358	115,418	78,842	35,063	26,946	62,258	51,967	111,777	25,725	78,957	38,942	36,574	700,827
Occupancy	2,429	7,309	4,993	2,221	1,707	3,943	3,291	7,079	1,629	5,000	2,466	2,316	44,383
Transportation	241	726	496	221	169	391	327	703	162	497	245	230	4,408
Program/service related expenses	1,304	3,923	2,681	1,192	916	2,117	1,767	3,800	875	2,684	1,324	1,244	23,827
Depreciation	1,964	5,911	4,038	1,796	1,380	3,188	2,661	5,724	1,317	4,043	1,994	1,874	35,890
Other allocated cost	31,138	93,693	64,002	28,463	21,874	50,539	42,186	90,737	20,882	64,096	31,612	29,691	568,913
Organizational dues	522	1,570	1,072	476	367	847	707	1,520	350	1,074	530	497	9,532
Communication	1,066	3,208	2,192	975	749	1,731	1,445	3,107	715	2,195	1,082	1,015	19,480
Insurance, taxes, and other fees	1,010	3,038	2,075	923	709	1,639	1,368	2,942	677	2,078	1,025	964	18,448
Staff development/trainings	274	824	563	250	192	445	371	798	184	564	278	262	5,005
Professional and specialized services	2,423	7,292	4,981	2,215	1,702	3,933	3,283	7,062	1,625	4,988	2,460	2,311	44,275
Office related expenses	71	213	145	65	50	115	96	206	47	146	72	66	1,292
<b>Total expenses</b>	<b>\$ 229,056</b>	<b>\$ 689,218</b>	<b>\$ 470,808</b>	<b>\$ 209,380</b>	<b>\$ 160,907</b>	<b>\$ 371,774</b>	<b>\$ 310,325</b>	<b>\$ 667,476</b>	<b>\$ 153,614</b>	<b>\$ 471,494</b>	<b>\$ 232,541</b>	<b>\$ 218,406</b>	<b>\$ 4,184,999</b>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2022  
continued

	<b>School Engagement Program</b>	<b>Therapeutic Behavioral Service (TBS)</b>	<b>Multi- Dimensional Family Therapy Program (MDFT)</b>	<b>Project Perm- Wraparound Includes Katie (A)</b>	<b>Total</b>	<b>Total Master Contract</b>
Contract number:	RU # 01FB2	RU # 01FB3	RU # 01FB6	RU # 01FB1 - Social Services/Probation		
Contract period:	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22		
FY21-22 Revised Contract	\$ 987,296	\$ 1,359,322	\$ 1,256,317	\$ 3,048,098	\$ 6,651,033	\$ 10,984,155
Reallocation of Funds	<u>\$ 887,296</u>	<u>\$ 1,489,322</u>	<u>\$ 1,256,317</u>	<u>\$ 2,813,098</u>	<u>\$ 6,446,033</u>	<u>\$ 10,984,155</u>
Salaries	\$ 383,154	\$ 642,279	\$ 484,619	\$ 883,979	\$ 2,394,030	\$ 4,493,669
Benefits	130,782	178,522	99,778	273,534	682,616	1,291,696
Total salaries and benefits	<u>513,936</u>	<u>820,801</u>	<u>584,397</u>	<u>1,157,513</u>	<u>3,076,646</u>	<u>5,785,365</u>
Administrative cost	85,999	222,697	66,103	143,385	518,183	1,219,010
Occupancy	21,361	21,904	17,233	77,390	137,888	182,271
Transportation	203	859	103	877	2,041	6,449
Program/service related expenses	8,136	21,151	11,003	10,511	50,802	74,629
Depreciation	16,154	16,535	13,228	56,459	102,375	138,265
Other allocated cost	67,974	177,660	50,212	106,671	402,517	971,430
Organizational dues	2,648	3,140	1,760	9,240	16,788	26,320
Communication	3,609	6,128	3,936	6,687	20,361	39,841
Insurance, taxes, and other fees	4,213	5,386	4,412	12,109	26,119	44,567
Staff development/trainings	398	3,148	1,526	1,431	6,503	11,508
Professional and specialized services		1,013	31,705	157	32,875	77,150
Office related expenses	109	503	483	1,220	2,315	3,607
<b>Total expenses</b>	<u>\$ 724,740</u>	<u>\$ 1,300,925</u>	<u>\$ 786,101</u>	<u>\$ 1,583,650</u>	<u>\$ 4,395,413</u>	<u>\$ 8,580,412</u>
<b>Amount Reimbursed by Alameda County as of June 30, 2022</b>						5,653,476
<b>Subsequent Reimbursement by Alameda County</b>						751,416
<b>HRSA</b>						161,940
<b>Total</b>						<u>6,566,832</u>
<b>Amount to be reimbursed</b>						<u>\$ 2,013,580</u>

See independent auditors' report.

**LINCOLN**

STATEMENT OF EXPENDITURES OF COUNTY OF ALAMEDA GRANTS  
For the year ended June 30, 2022  
continued

	<b>McClymonds</b>	<b>Skyline</b>	<b>MLK</b>	<b>Howard</b>	<b>Total</b>
Contract number:	RU # 1241	RU # 01QS2	RU # 1231	RU # 01ML1	ERMHS
Contract period:	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22	7/1/21-6/30/22
FY21-22 Revised Contract	\$ 149,446	\$ 186,638	\$ 373,275	\$ 448,049	\$ 1,157,408
Reallocation of Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	\$ 86,256	\$ 107,723	\$ 215,445	\$ 258,602	\$ 668,026
Benefits	22,200	27,725	55,449	66,557	171,931
Total salaries and benefits	108,456	135,448	270,894	325,159	839,957
Administrative cost	17,316	20,561	30,370	44,032	112,279
Occupancy	778	924	1,365	1,979	5,046
Transportation	174	206	304	441	1,125
Program/service related expenses	1,992	2,365	3,494	5,065	12,916
Depreciation	580	688	1,017	1,474	3,759
Other allocated cost	27,918	33,150	48,965	70,990	181,023
Organizational dues	450	535	790	1,145	2,920
Communication	717	851	1,257	1,822	4,647
Insurance, taxes, and other fees	957	1,136	1,678	2,433	6,204
Staff development/trainings	591	701	1,036	1,502	3,830
Professional and specialized services	4,334	5,146	7,601	11,020	28,101
Office related expenses	44	52	77	112	285
<b>Total expenses</b>	<b>\$ 164,307</b>	<b>\$ 201,763</b>	<b>\$ 368,848</b>	<b>\$ 467,174</b>	<b>\$ 1,202,092</b>
<b>Amount Reimbursed by Alameda County as of June 30, 2022</b>					<b>1,081,098</b>
<b>Subsequent Reimbursement by Alameda County</b>					<b>76,310</b>
					<b>1,157,408</b>
<b>Amount to be reimbursed</b>					<b>\$ 44,684</b>

See independent auditors' report.