



LISA AND DOUGLAS GOLDMAN FUND

# Financial Statements

*For the Years Ended*  
December 31, 2011 and 2010

# LISA AND DOUGLAS GOLDMAN FUND

(A California Non-Profit Corporation)

December 31, 2011

## CONTENTS

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements:</b>	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Cash Flows	4
Statement of Functional Expenses	5
Notes to Financial Statements	6 - 15

### **LISA AND DOUGLAS GOLDMAN FUND**

One Daniel Burnham Court, Suite 330C

San Francisco, California 94109

(415) 771-1717

Web Site Address: <http://ldgfund.org/>

**INDEPENDENT AUDITORS' REPORT**

**The Board of Trustees**  
**Lisa and Douglas Goldman Fund**

We have audited the statements of financial position of the Lisa and Douglas Goldman Fund as of December 31, 2011 and 2010 and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of Lisa and Douglas Goldman Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized information on the statements of functional expenses has been derived from the Lisa and Douglas Goldman Fund December 31, 2010 financial statements, and in our report dated June 22, 2011, we expressed an unqualified opinion on those financial statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lisa and Douglas Goldman Fund as of December 31, 2011 and 2010 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Regalia & Associates*

*August 22, 2012*  
*Danville, California*

# LISA AND DOUGLAS GOLDMAN FUND

## Statements of Financial Position December 31, 2011 and 2010

### Assets

	<u>2011</u>	<u>2010</u>
Current Assets:		
Cash and cash equivalents	\$ 272,346	283,162
Investments	69,152,015	36,553,666
Notes receivable	19,720,000	-
Other receivables	36,560	39,329
Prepaid expenses	10,413	8,939
Total current assets	<u>89,191,334</u>	<u>36,885,096</u>
Other Assets:		
Property and equipment, net	<u>27,465</u>	<u>40,536</u>
Total assets	<u>\$ 89,218,799</u>	<u>36,925,632</u>

### Liabilities and Net Assets

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 3,460	2,087
Grants payable	6,000	-
Accrued payroll liabilities	-	5,092
Total current liabilities	<u>9,460</u>	<u>7,179</u>
Net Assets:		
Unrestricted	68,426,661	19,831,455
Temporarily restricted	20,782,678	17,086,998
Total net assets	<u>89,209,339</u>	<u>36,918,453</u>
Total liabilities and net assets	<u>\$ 89,218,799</u>	<u>36,925,632</u>

# LISA AND DOUGLAS GOLDMAN FUND

## Statements of Activities and Changes in Net Assets For the Years Ended December 31, 2011 and 2010

	2011	2010
<i>Changes in unrestricted net assets:</i>		
Revenue and support:		
Contributions	\$ 49,183,829	-
Interest and dividend income	1,345,656	517,216
Realized investment gains (losses)	355,796	(371,996)
Capital gain distributions	171,803	9,762
Miscellaneous Income	237	-
Net assets released from restrictions	3,919,940	2,752,750
Total revenue and support	54,977,261	2,907,732
Expenses:		
Programs	4,086,210	2,923,111
Fundraising	-	-
General and administrative	290,242	208,571
Total expenses	4,376,452	3,131,682
Decrease in unrestricted net assets	50,600,809	(223,950)
<i>Changes in temporarily restricted net assets:</i>		
Grants and contributions	7,615,620	6,711,973
Net assets released from restrictions	(3,919,940)	(2,752,750)
Increase in temporarily restricted net assets	3,695,680	3,959,223
Increase in net assets before unrealized gains on investments	54,296,489	3,735,273
Unrealized gains (losses) on investments	(2,005,603)	2,975,067
Net assets at beginning of year	36,918,453	30,208,113
Net assets at end of year	\$ 89,209,339	36,918,453

# LISA AND DOUGLAS GOLDMAN FUND

## Statements of Cash Flows For the Years Ended December 31, 2011 and 2010

	2011	2010
<i>Cash flows from operating activities:</i>		
Increase in net assets	\$ 52,290,886	6,710,340
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	13,071	12,587
Realized investment gains (losses)	367,121	367,121
Unrealized gains (losses) on investments	2,005,603	(2,975,067)
Changes in:		
Notes receivable	(19,720,000)	-
Other receivables	2,769	(39,329)
Prepaid expenses	(1,474)	(1,900)
Accounts payable and accrued liabilities	1,373	(4,766)
Grants payable	6,000	-
Accrued payroll liabilities	(5,092)	5,092
Net cash provided by operating activities	34,960,257	4,074,078
<i>Cash flows from investing activities:</i>		
Acquisition of investments	(67,964,318)	(19,240,942)
Proceeds from sale/redemption of investments	32,993,245	13,565,431
Acquisition of property and equipment	-	(8,267)
Net cash used for investing activities	(34,971,073)	(5,683,778)
Decrease in cash and cash equivalents	(10,816)	(1,609,700)
Cash and cash equivalents at beginning of year	283,162	1,892,862
Cash and cash equivalents at end of year	\$ 272,346	283,162
<i>Supplemental Disclosures:</i>		
Interest expense	\$ -	-
Excise taxes paid	\$ 66,632	160

## LISA AND DOUGLAS GOLDMAN FUND

### Statement of Functional Expenses

For the Year Ended December 31, 2011

*(with Summarized Financial Information for the Year Ended December 31, 2010)*

	Programs	Fund- raising	General and Adminis- trative	2011 Total Expenses	2010 Total Expenses
Conferences/education	\$ -	-	6,597	<b>6,597</b>	2,956
Depreciation	-	-	13,071	<b>13,071</b>	12,587
Grants	3,919,940	-	-	<b>3,919,940</b>	2,752,750
Insurance	13,132	-	5,398	<b>18,530</b>	15,351
Investment fees	-	-	44,752	<b>44,752</b>	20,742
Legal and professional	-	-	29,126	<b>29,126</b>	19,178
Office and administrative	27,607	-	82,823	<b>110,430</b>	100,368
Taxes	-	-	66,632	<b>66,632</b>	160
Salaries and related costs	125,531	-	41,843	<b>167,374</b>	207,590
Total expenditures	\$ 4,086,210	-	290,242	<b>4,376,452</b>	3,131,682

**Notes to Financial Statements**  
**December 31, 2011**

**1. Organization**

Established in 1992, the Lisa and Douglas Goldman Fund (the Fund) is a private foundation committed to providing support for charitable organizations that enhance our society.

The Lisa and Douglas Goldman Fund's interests include programs making valuable contributions in a variety of fields: children and youth, civic affairs, civil and human rights, education, environment, health, Jewish affairs, children's literacy, and social and human services. In general, the Fund places highest priority on projects in the San Francisco area.

**2. Summary of Significant Accounting Policies**

*Basis of Accounting*

The financial statements of the Fund have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

*Basis of Presentation*

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958.205, *Presentation of Financial Statements of Not-for-Profit Entities*. Under ASC 958.205, the Fund is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. As of December 31, 2011 and 2010, there were no permanently restricted net assets.

*Revenue Recognition*

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions in accordance with the recommendations of ASC 958.605, *Revenue Recognition of Not-for-Profit Entities*.

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

*Property and Equipment*

Property and equipment purchased by the Fund will be recorded at cost or, if donated, at the approximate fair value at the date of donation. Repairs and maintenance are charged to expense as incurred. Property and equipment will be depreciated using the straight-line method over the estimated useful lives of the assets.

*Investments*

Investments include cash, cash equivalents, stocks, mutual funds, and hedge funds. Purchased investments are initially stated at cost. Investments received by gift are recorded at market value at the date of contribution. Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included on the statement of activities and changes in net assets.



Notes to Financial Statements

2. Summary of Significant Accounting Policies *(continued)*

The Fund follows the provisions of *Accounting Standards Update (ASU) 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRSs* [effective December 15, 2011] and has estimated the fair value of its investments using available market information and other valuation methodologies. Accordingly, the estimates presented are not necessarily indicative of the amounts that the Fund could realize in a current market exchange. The use of different assumptions and/or estimation methods may have a material effect on the estimated fair value amounts. The estimates are based on pertinent information available to management as of December 31, 2011. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, current estimates of fair value may differ significantly from the statements presented.

*Income Taxes*

Financial statement presentation follows the recommendations of ASC 740, *Income Taxes*. Under ASC 740, the Fund is required to report information regarding its exposure to various tax positions taken by the Fund and requires a two-step process that separates recognition from measurement. The first step is determining whether a tax position has met the recognition threshold; the second step is measuring a tax position that meets the recognition threshold. Management believes that the Fund has adequately addressed all tax positions and that there are no unrecorded tax liabilities.

The Fund has received notification from the Internal Revenue Service and the State of California that it qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The exemptions are subject to periodic review by the federal and state taxing authorities and management believes that the Fund continues to satisfy all federal and state statutes in order to qualify for continued tax exemption status. Because the Fund is a Private Foundation, it must file Form 990-PF with the Internal Revenue Service and remit excise taxes on its net investment income (see Note 7).

*Contributed Services*

Several unpaid volunteers have made significant contributions of time to various departments or programs of the Fund. The value of this contributed time is not reflected in the financial statements since it is not susceptible to objective measurement or valuation.

*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. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

*Functional Allocation of Expenses*

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

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 3. Cash and Cash Equivalents

Cash and cash equivalents of \$272,346 and \$283,162 at December 31, 2011 and 2010, respectively, include all funds deposited in a bank with a maturity of three months or less. Such funds have been placed in a money fund account bearing interest at an annualized rate of approximately .01% (as of December 31, 2011). The Fund maintains its cash balances in high quality financial institutions, which at times may exceed federally insured limits. The Fund has not experienced any losses in such accounts.

### 4. Investments

Investments are domiciled at [1] Wells Fargo Bank and [2] Capital Group Private Client Services and consist of the following at December 31, 2011 and 2010:

	2011		2010	
	Cost	Fair Value	Cost	Fair Value
[1] Baird Short Term Bond	\$ 22,033,839	21,801,738	4,685,749	4,687,066
[2] Capital Guardian Mutual Funds	6,308,315	6,151,143	-	-
[1] Columbia Acorn Fund	2,062,140	1,986,231	-	-
[1] Dodge & Cox Global Stock	6,154,288	5,993,664	-	-
[1] JP Morgan Digital Growth	833,124	964,665	-	-
[1] Koshla Venture Partners	128,558	178,246	79,231	128,918
[1] Legacy Venture V, LLC	207,646	262,626	128,161	145,539
[1] Money Market/Cash Funds	2,538,123	2,538,123	5,352,405	5,352,405
[1] Next Century Growth	830,156	1,000,338	-	-
[1] NT Cag International	4,730,537	5,085,050	-	-
[1] Pzena	882,973	905,935	-	-
[1] Silver Creek - Hedge Funds	5,252,663	4,738,970	7,653,967	6,827,739
[1] Stock Equity Funds	86,538	143,885	101,544	143,712
[1] Vanguard Total International Stock Fund	9,744,385	7,959,076	9,522,052	9,292,855
[1] Victory Diversified Fund	10,985,685	9,442,325	10,827,937	9,975,432
Total investments	<b>\$ 72,778,970</b>	<b>69,152,015</b>	<b>38,351,046</b>	<b>36,553,666</b>

Investment income (including interest and dividends) amounted to \$1,345,656 and \$517,216 for the years ended December 31, 2011 and 2010, respectively. Investment, management fees and related expenses amounted to \$44,752 and \$20,742 for the years ended December 31, 2011 and 2010, respectively. Net realized gains (losses) amounted to \$355,796 and (\$371,996) for the years ended December 31, 2011 and 2010, respectively. Net unrealized gains (losses) amounted to (\$2,005,603) and \$2,975,067 for the years ended December 31, 2011 and 2010, respectively.

Fair value measurements establish a fair value hierarchy that prioritizes the input used to measure fair value. This hierarchy consists of three broad levels: (a) Level 1 measurement reflects the value of the investments at

*(continued)*

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 4. Investments *(continued)*

quoted prices in active markets for identical assets, generally without any adjustments, (b) Level 2 assets and liabilities are valued based on "observable inputs" other than quoted active market prices, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, and interest rates and yield curves, and (c) Level 3 assets and liabilities are valued based on "unobservable inputs," such as a company's own estimates and pricing models.

Composition of investments utilizing fair value measurements at December 31, 2011 is as follows:

	Totals	Level 1	Level 2	Level 3
Baird Short Term Bond	\$ 21,801,738	21,801,738	-	-
Capital Guardian Mutual Funds	6,151,143	6,151,143	-	-
Columbia Acorn Fund	1,986,231	1,986,231	-	-
Dodge & Cox Global Stock	5,993,664	5,993,664	-	-
JP Morgan Digital Growth	964,665	-	-	964,665
Koshla Venture Partners	178,246	-	-	178,246
Legacy Venture V, LLC	262,626	-	-	262,626
Money Market/Cash Funds	2,538,123	2,538,123	-	-
Next Century Growth	1,000,338	1,000,338	-	-
NT Cag International	5,085,050	5,085,050	-	-
Pzena	905,935	905,935	-	-
Silver Creek - Hedge Funds	4,738,970	-	-	4,738,970
Stock Equity Funds	143,885	143,885	-	-
Vanguard Total International Stock Fund	7,959,076	7,959,076	-	-
Victory Diversified Fund	9,442,325	9,442,325	-	-
Totals	\$ 69,152,015	63,007,508	-	6,144,507

#### Assets Classified as Level 3

The significant unobservable inputs used in the fair value measurement of the entity's asset-backed securities are the probability of default and loss severity in the event of default. Significant increases or decreases in either of those inputs in isolation would result in a significantly lower or higher fair value measurement. In general, a change in the assumption of the probability of default is accompanied by a directionally similar change in the assumption used for the loss severity in an event of default.

The Fund has a Finance Committee which has the responsibility for establishing the Fund's return objectives (generally lower rates of return associated with more stable and safer investments) and to define the risk parameters (generally low risk securities, certificates of deposit and mutual funds). The committee routinely oversees investment performances and reviews cash flows necessary to sustain the Fund's operating activities.

### 5. Notes Receivable

Notes receivable of \$19,720,000 at December 31, 2011 represent the Fund's 46.4% ownership interest in four separate notes due from The Richard N. Goldman Trust. The notes bear interest at rates ranging from 2.06% to 2.15% per annum with interest compounded annually. Notes receivable are classified as Level 2 assets.

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 6. Property and Equipment

A summary of property, equipment and improvements is as follows at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Furniture and equipment	\$ 55,606	57,406
Leasehold improvements	4,763	4,763
Software and website	15,287	15,287
Subtotal	75,656	77,456
Less accumulated depreciation	(48,191)	(36,920)
Total property and equipment (net)	<u>\$ 27,465</u>	<u>40,536</u>

Total depreciation expense for the years ended December 31, 2011 and 2010 amounted to \$13,071 and \$12,587, respectively, and is included on the statement of functional expenses. During the year ended December 31, 2011, the Fund disposed of fully depreciated equipment in the amount of \$1,800. There was no gain or loss on the disposal. During the year ended December 31, 2010, the Fund disposed of fully depreciated equipment in the amount of \$2,319. There was no gain or loss on the disposal.

### 7. Net Assets

The Fund recognizes support from temporarily restricted net assets when the restrictions imposed by the donors have been satisfied or expired. Temporarily restricted net assets consist of the following at December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Available for future periods	<u>\$ 20,782,678</u>	<u>17,086,998</u>

Contributions to temporarily restricted net assets amounted to \$7,615,620 and \$6,711,973 for the years ended December 31, 2011 and 2010. During the years ended December 31, 2011 and 2010, \$3,919,940 and \$2,752,750, respectively, in temporarily restricted net assets were released from restriction and transferred to unrestricted net assets. Earnings (including realized and unrealized gains) from investments may be used for general operating purposes and are annually transferred to unrestricted net assets.

### 8. Excise Taxes

The Fund is classified as a private foundation under the provisions of Internal Revenue Code Section 501(c)(3), and as such, is taxed on its net investment earnings. During the years ended December 31, 2011 and 2010, the Fund incurred Federal tax liabilities amounting to \$192,829 and \$4,852, respectively.

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 9. Related Party Transactions

The Lisa and Douglas E. Goldman Philanthropic Fund is a donor-advised fund at the Jewish Community Federation of San Francisco. It was established with a contribution from Lisa and Douglas Goldman. Although grants are recommended by the Lisa and Douglas Goldman Fund Board for funding, they are subject to the approval of the Federation's board of directors. In April 2007, the Board of Directors of the Fund agreed to continue to pay grants to various charities from the Philanthropic Fund until the balance in the Philanthropic Fund was reduced to \$100,000, at which time all future grants were to be paid out from the Lisa and Douglas Goldman Fund. During the years ended December 31, 2011 and 2010, the Douglas Goldman 1997 Charitable Lead Trust contributed \$7,615,620 and \$6,711,973 to the Fund, respectively.

### 10. Grant Expenses

During the fiscal years ended December 31, 2011 and 2010, the Fund agreed to pay certain grant requests as follows:

	2011	2010
<i>Individual grants of \$10,000 or more during the combined last two years:</i>		
ACLU Foundation of Northern Calif., Inc.	\$ 7,500	7,500
AfterImage Public Media	75,000	-
All Stars Helping Kids	5,000	-
American Friends Israel Philharmonic Orchestra	10,000	-
American Friends of Tel-Aviv University	15,000	10,000
American Friends of the Israel Museum	14,000	5,000
American Jewish World Service	30,000	135,000
As You Sow	25,000	-
Basel Action Network	25,000	-
Bay Area Council Foundation	-	15,000
Bay Area Wilderness Training	15,000	-
BBYO, Inc.	25,000	-
Birthright Israel Foundation	-	10,000
BlueStar PR	15,000	-
Breast Cancer Action	15,000	-
Breast Cancer Fund	25,000	-
Bureau of Jewish Education	-	1,000
California Academy of Sciences	111,000	101,000
Cal Athletic Backers	5,000	5,000
Cal Men's Golf/U.C. Regents	5,000	-
California League of Conservation Voters Education Fund	25,000	-
California Reinvestment Coalition	20,000	-
California Water Impact Network	15,000	-
Carpe Diem West	25,000	-
Clean Water Fund	15,000	15,000
Community Initiatives	-	12,000
Congregation Emanu-El	\$ 145,000	145,000

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 10. Grant Expenses *(continued)*

	2011	2010
Contemporary Jewish Museum	\$ 130,000	127,500
CPMC Foundation	6,000	5,000
Crohn's & Colitis Foundation of America	28,000	25,000
Delta Gamma Foundation	16,000	-
Drug Policy Alliance	10,000	-
Earth Island Institute	15,000	30,000
Earthjustice	26,000	-
Edventure More	-	16,500
Fine Arts Museums of San Francisco	32,500	-
ForestEthics	20,000	15,000
Foundation Center	27,000	27,000
Friends of the Urban Forest	26,000	16,000
Full Circle Fund	10,000	-
Give2Asia	25,000	-
Global Green USA	15,000	-
Golden Gate National Parks Conservancy	50,000	25,000
Goldman School Of Public Policy	28,400	50,000
GRID Alternatives	-	15,000
Guttmacher Institute	-	7,500
Haas School Of Business (UC Berkeley)	25,000	10,000
Harper for Kids	15,000	10,000
Healthy Building Network	20,000	10,000
Immune Deficiency Foundation	10,000	-
International Medical Corps	25,000	-
Jamestown Community Center	-	15,000
Jewish Coalition For Literacy	-	10,000
Jewish Community Center of San Francisco	10,000	2,500
Jewish Community Federation	125,000	150,000
Jumpstart California	25,000	-
KaBOOM!	35,000	-
KQED Inc.	11,000	-
Little Kids Rock, Inc.	10,000	-
Maccabi USA/Sports for Israel	10,000	-
Media Matters	25,000	-
My New Red Shoes	5,000	5,000
NARAL Pro-Choice America Foundation	5,000	5,000
National Coalition for Marine Conservation	-	10,000
New Israel Fund	10,000	15,000
Northern California Environmental Grassroots	20,000	-
Northern California Golf Association Foundation	40,000	10,000
Oakland Museum of California Foundation	41,000	41,000
Occidental Arts And Ecology Center	\$ -	20,000

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 10. Grant Expenses *(continued)*

	2011	2010
One Percent for the Planet	\$ -	20,000
Oshman Family Jewish Community Center	-	7,500
Outward Bound Bay Area Center	10,000	10,000
Pacific Environment	-	15,000
Pacific Forest Trust	25,000	-
Peace Development Fund	-	13,250
Peer Health Exchange	25,000	-
PEF Israel Endowment Funds, Inc.	10,000	25,000
Physicians For Reproductive Choice & Healing	20,000	20,000
Planning and Conservation League	-	20,000
Population Connection	15,000	15,000
Portola & Excelsior Family Connections	25,000	-
Raising A Reader	20,000	-
Reading Is Fundamental, Inc.	-	30,000
Reading Partners	-	20,000
Ronald McDonald House, San Francisco	11,000	-
San Francisco Chronicle Season of Sharing Fund	10,000	10,000
San Francisco Food Bank	7,500	7,500
San Francisco General Hospital Foundation	27,500	-
San Francisco Jazz Organization	15,000	-
San Francisco Jewish Community Center	56,000	-
San Francisco Museum of Modern Art	6,000	-
San Francisco Parks Trust	20,000	22,500
San Francisco Police Activities League	15,000	-
San Francisco School Alliance	-	10,000
San Francisco Symphony	40,000	42,000
Sierra Nevada Alliance	25,000	-
Silicon Valley Leadership Group Foundation	25,000	-
Social & Environmental Entrepreneurs	-	35,000
Spark Program	-	10,000
Stanford University	10,000	10,000
Stern Grove Festival Association	128,600	70,000
Strategic Energy Innovations	-	15,000
Streetside Stories	10,000	-
Students Rising Above	15,000	10,000
Sustainable Conservation	25,000	-
Sustainable Valley Foundation	-	25,000
Taproot Foundation	37,500	30,000
Teach for America - Bay Area	-	10,000
Team Up for Youth	10,000	-
The Ocean Conservancy	-	20,000
The Tides Foundation	\$ -	20,000

# LISA AND DOUGLAS GOLDMAN FUND

## Notes to Financial Statements

### 10. Grant Expenses *(continued)*

	2011	2010
The Women's Building	\$ 6,000	-
Third Street Youth Center & Clinic	25,000	-
Tides Foundation	20,000	-
Trust for Public Land	25,000	-
Tuolumne River Trust	20,000	15,000
Turtle Island Restoration Network	15,000	-
Tutorpedia Foundation	20,000	-
UC Berkeley Regents	255,000	710,000
UC Berkeley Foundation	715,000	32,000
UCSF Foundation	5,000	-
United Way of the Bay Area	10,000	10,000
University of Hawaii Foundation	-	5,000
University of Southern California	250,000	-
Upstart Bay Area	10,000	10,000
Urban Solutions	15,000	-
USC Alumni Association	7,100	-
USC Associates	95,000	95,000
USC Athletics	20,000	-
USC College of Letters, Arts & Sciences	10,000	10,000
USC Marshall School of Business	-	55,000
Volunteers in Medicine - San Francisco	10,000	-
Wardrobe for Opportunity	-	20,000
Women's Community Clinic	20,000	-
Youth Tennis Advantage	5,000	5,000
	3,801,600	2,644,250
<i>Individual grants less than \$10,000 during the combined last two years:</i>		
Various charitable organizations	118,340	108,500
Total grants	\$3,919,940	2,752,750

### 11. Financial Commitments

**Office Lease:** The Fund leases its office space in San Francisco under a multi-year operating lease expiring January 31, 2013 with an option to extend for an additional five years. As of December 31, 2011, the Fund is committed to making monthly rent payments of \$4,310 which includes rent and common area maintenance expenses. Rental rates are subject to adjustment in accordance with the terms of the lease but generally increase at the rate of 2.6% each year. Rent expense amounted to \$79,878 and \$77,798 for the years ended December 31, 2011 and 2010, respectively, and is included in office and administrative expense on the statement of functional expenses. Future minimum rental payments under the lease are as follows: **Year ending December 31, 2012: \$53,016; Year ending December 31, 2013: \$4,418.**

*(continued)*



Notes to Financial Statements

11. Financial Commitments *(continued)*

**Grant Allocations:** The Fund's Board of Directors has agreed to commit the organization to future grant allocations which have been estimated as follows: Year ending December 31, 2012: \$2,585,000; Year ending December 31, 2013: \$1,785,000; Year ending December 31, 2014: \$1,515,000; Year ending December 31, 2015: \$1,225,000; and Year ending December 31, 2016: \$1,000,000.

12. Compensation Commitments

**Compensated Absences:** Financial statement presentation follows the recommendations of ASC 710.25, *Compensated Absences*. Under ASC 710.25, the Fund is required to record a liability for the estimated amounts of compensation for future absences. Employees are permitted to accrue a specific number of hours of vacation which is payable upon termination of the employee. Sick leave is not paid upon termination. Annual leave accruals are recorded in the financial statements as an accrued liability on the statement of financial position based on hourly rates in effect at the end of the fiscal year.

**403(b) Plan:** As of December 31, 2009, the Goldman Fund adopted a 403(b) Plan. Employees are eligible to contribute as of their date of hire. The company, in its sole discretion, may make non-elective contributions on employees' behalf. Employees must meet certain eligibility criteria in order to receive contributions by the Goldman Fund. Employer contributions for the years ended December 31, 2011 and 2010 amounted to \$19,200 and \$37,050, respectively. Distributions from the 403(b) plan can only be made pursuant to all applicable laws and regulations.

13. Contingencies

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into contracts related to ongoing operational activities, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) Contractual restrictions and donor conditions which obligate the Fund to fulfill certain requirements as set forth in legal instruments, (b) Funding levels which vary based on factors beyond the Fund's control, such as general economic conditions, (c) Employment contracts and service agreements with outside contractors, and (d) Financial risks associated with funds on deposit in accounts at financial and brokerage institutions. Management believes that such commitments or contingencies have been properly addressed, appropriate amounts have been accrued (where necessary), and there will not be any resolution with a material adverse effect on the financial statements.

14. Reclassifications

Certain reclassifications have been made to the 2010 financial statements in order to conform to the presentation used in 2011.

15. Subsequent Events

In compliance with ASC 855, *Subsequent Events*, the Fund has evaluated subsequent events through August 22, 2012, the date the financial statements were available to be issued.