



LISA & DOUGLAS GOLDMAN FUND

Financial Statements

For the Years Ended
December 31, 2012 and 2011

LISA AND DOUGLAS GOLDMAN FUND

(A California Non-Profit Corporation)

December 31, 2012

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LISA AND DOUGLAS GOLDMAN FUND

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REGALIA & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Lisa and Douglas Goldman Fund

We have audited the accompanying financial statements of Lisa and Douglas Goldman Fund (a California nonprofit organization) which comprise the statements of financial position as of December 31, 2012 and 2011 and the related statements of activities and changes in net assets, cash flows and functional expenses 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial 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 Lisa and Douglas Goldman Fund as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Regalia & Associates

October 15, 2013
Danville, California

LISA AND DOUGLAS GOLDMAN FUND

Statements of Financial Position December 31, 2012 and 2011

Assets

	2012	2011
Current Assets:		
Cash and cash equivalents	\$ 247,751	\$ 272,346
Investments	166,508,975	69,152,015
Notes receivable	19,720,000	19,720,000
Other receivables	35,269	36,560
Prepaid expenses	25,830	10,413
Total current assets	<u>186,537,825</u>	<u>89,191,334</u>
Other Assets:		
Property and equipment, net	<u>32,520</u>	<u>27,465</u>
Total assets	<u>\$ 186,570,345</u>	<u>\$ 89,218,799</u>

Liabilities and Net Assets

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 13,799	\$ 3,460
Grants payable	-	6,000
Total current liabilities	<u>13,799</u>	<u>9,460</u>
Net Assets:		
Unrestricted	165,154,714	68,426,661
Temporarily restricted	21,401,832	20,782,678
Total net assets	<u>186,556,546</u>	<u>89,209,339</u>
Total liabilities and net assets	<u>\$ 186,570,345</u>	<u>\$ 89,218,799</u>

LISA AND DOUGLAS GOLDMAN FUND

Statements of Activities and Changes in Net Assets For the Years Ended December 31, 2012 and 2011

	2012	2011
<i>Changes in unrestricted net assets:</i>		
Revenue and support:		
Contributions	\$ 84,003,695	\$ 49,183,829
In-kind contributions		
Interest and dividend income	3,097,334	1,345,656
Realized investment gains	968,450	355,796
Capital gain distributions	392,550	171,803
Miscellaneous Income	107	237
Net assets released from restrictions	8,088,040	3,919,940
Total revenue and support	96,550,176	54,977,261
Expenses:		
Programs	8,811,782	4,086,210
Fundraising	-	-
General and administrative	1,023,021	290,242
Total expenses	9,834,803	4,376,452
Increase in unrestricted net assets	86,715,373	50,600,809
<i>Changes in temporarily restricted net assets:</i>		
Grants and contributions	8,707,193	7,615,620
Net assets released from restrictions	(8,088,040)	(3,919,940)
Increase in temporarily restricted net assets	619,153	3,695,680
Increase in net assets before unrealized gains on investments	87,334,526	54,296,489
Unrealized gains (losses) on investments	10,012,681	(2,005,603)
Net assets at beginning of year	89,209,339	36,918,453
Net assets at end of year	\$ 186,556,546	\$ 89,209,339

LISA AND DOUGLAS GOLDMAN FUND

Statements of Cash Flows For the Years Ended December 31, 2012 and 2011

	2012	2011
<i>Cash flows from operating activities:</i>		
Increase in net assets	\$ 97,347,207	\$ 52,290,886
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	12,981	13,071
Realized investment gains	968,450	367,121
Unrealized gains (losses) on investments	(10,012,681)	2,005,603
Changes in:		
Notes receivable	-	(19,720,000)
Other receivables	1,291	2,769
Prepaid expenses	(15,417)	(1,474)
Accounts payable and accrued liabilities	10,339	1,373
Grants payable	(6,000)	6,000
Accrued payroll liabilities	-	(5,092)
Net cash provided by operating activities	88,306,170	34,960,257
<i>Cash flows from investing activities:</i>		
Acquisition of investments and income reinvested	(99,544,645)	(67,964,318)
Proceeds from sale/redemption of investments	11,231,916	32,993,245
Acquisition of property and equipment	(18,036)	-
Net cash used for investing activities	(88,330,765)	(34,971,073)
Decrease in cash and cash equivalents	(24,595)	(10,816)
Cash and cash equivalents at beginning of year	272,346	283,162
Cash and cash equivalents at end of year	\$ 247,751	\$ 272,346
<i>Supplemental Disclosures:</i>		
Interest expense	\$ -	\$ -
Excise taxes paid	\$ 353,331	\$ 66,632

LISA AND DOUGLAS GOLDMAN FUND

Statement of Functional Expenses For the Year Ended December 31, 2012

(with Summarized Financial Information for the Year Ended December 31, 2011)

	Programs	Fund- raising	General and Adminis- trative	2012 Total Expenses	2011 Total Expenses
Conferences/education	\$ -	\$ -	\$ 6,189	\$ 6,189	\$ 6,597
Depreciation	-	-	12,981	12,981	13,071
Grants	8,088,040	-	-	8,088,040	3,919,940
Insurance	61,079	-	16,236	77,315	18,530
Investment fees and expenses	-	-	436,416	436,416	44,752
Legal and professional services	-	-	74,712	74,712	29,126
Office and administrative	129,745	-	24,113	153,858	110,430
Taxes	-	-	353,331	353,331	66,632
Salaries and related costs	532,918	-	99,043	631,961	167,374
Total expenditures	\$ 8,811,782	\$ -	\$ 1,023,021	\$ 9,834,803	\$ 4,376,452

Notes to Financial Statements
December 31, 2012

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, 2012 and 2011, 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, 2012. 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 8).

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 \$247,751 and \$272,346 at December 31, 2012 and 2011, 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, 2012). 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 consist of the following at December 31, 2012 and 2011:

	2012		2011	
	Cost	Fair Value	Cost	Fair Value
Aurora Harris	\$ 8,344,860	\$ 8,470,356	\$ -	\$ -
Baird Short Term Bond	6,493,530	6,509,605	22,033,839	21,801,738
Capital Guardian Mutual Funds	13,323,685	14,693,282	6,308,315	6,151,143
Columbia Acorn Fund	-	-	2,062,140	1,986,231
Delaware Investments	4,560,540	4,794,673	-	-
Dodge & Cox Global Stock	12,891,595	13,931,057	6,154,288	5,993,664
JP Morgan Digital Growth	992,619	1,063,052	833,124	964,665
Koshla Venture Partners	870,270	1,271,374	128,558	178,246
Legacy Venture V, LLC	1,236,120	1,237,230	207,646	262,626
Lightspeed Venture Partners	359,644	373,587	-	-
Liquidity Management Agency	13,036,404	13,162,381	-	-
Money Market/Cash Funds	2,618,428	2,618,428	2,538,123	2,538,123
New Enterprises Associates VI	2,454	2,454	-	-
Next Century Growth	2,806,355	2,912,257	830,156	1,000,338
NT Cap International	13,620,602	15,396,087	4,730,537	5,085,050
Pzena	7,268,934	7,421,102	882,973	905,935
Sands Capital Management	4,795,345	5,081,991	-	-
Silver Creek – Hedge Funds	4,185,974	4,115,423	5,252,663	4,738,970
State Street Global Advisors	18,382,907	19,350,019	-	-
Stock Equity Funds	86,539	103,075	86,538	143,885
U.S. Venture Partners	2,991	3,012	-	-
Vanguard Total International Stock Fund	9,744,386	9,332,716	9,744,385	7,959,076
Victory Diversified Fund	10,985,685	10,901,180	10,985,685	9,442,325
Weiss Peck & Greer Venture Associates	134,527	165,959	-	-
Wells Fargo Mutual Funds and Equities	22,518,124	23,598,675	-	-
Total investments	\$ 159,262,518	\$ 166,508,975	\$ 72,778,970	\$ 69,152,015

Investment income (interest, dividends, and capital gain distributions) amounted to \$3,489,884 and \$1,517,459 for the years ended December 31, 2012 and 2011, respectively. Investment, management fees and related expenses amounted to \$436,416 and \$44,752 for the years ended December 31, 2012 and 2011, respectively.

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

4. Investments *(continued)*

Net realized gains amounted to \$968,450 and \$355,796 for the years ended December 31, 2012 and 2011, respectively. Net unrealized gains (losses) amounted to \$10,012,681 and (\$2,005,603) for the years ended December 31, 2012 and 2011, 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 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, 2012 is as follows:

	Totals	Level 1	Level 2	Level 3
Aurora Harris	\$ 8,470,356	\$ -	\$ -	\$ 8,470,356
Baird Short Term Bond	6,509,605	6,509,605	-	-
Capital Guardian Mutual Funds	14,693,282	14,693,282	-	-
Delaware Investments	4,794,673	4,794,673	-	-
Dodge & Cox Global Stock	13,931,057	13,931,057	-	-
JP Morgan Digital Growth	1,063,052	-	-	1,063,052
Koshla Venture Partners	1,271,374	-	-	1,271,374
Legacy Venture V, LLC	1,237,230	-	-	1,237,230
Lightspeed Venture Partners	373,587	-	-	373,587
Liquidity Management Agency	13,162,381	13,162,381	-	-
Money Market/Cash Funds	2,618,428	2,618,428	-	-
New Enterprises Associates VI	2,454	-	-	2,454
Next Century Growth	2,912,257	2,912,257	-	-
NT Cap International	15,396,087	15,396,087	-	-
Pzena	7,421,102	7,421,102	-	-
Sands Capital Management	5,081,991	5,081,991	-	-
Silver Creek - Hedge Funds	4,115,423	-	-	4,115,423
State Street Global Advisors	19,350,019	-	-	19,350,019
Stock Equity Funds	103,075	103,075	-	-
U.S. Venture Partners	3,012	-	-	3,012
Vanguard Total International Stock Fund	9,332,716	9,332,716	-	-
Victory Diversified Fund	10,901,180	10,901,180	-	-
Weiss Peck & Greer Venture Associates	165,959	-	-	165,959
Wells Fargo Mutual Funds and Equities	23,598,675	23,598,675	-	-
Totals	\$ 166,508,975	\$ 130,456,509	\$ -	\$ 36,052,466

(continued)

Notes to Financial Statements

4. Investments *(continued)*

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, 2012 and 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.

6. Property and Equipment

A summary of property, equipment and improvements is as follows at December 31, 2012 and 2011:

	2012	2011
Furniture and equipment	\$ 68,200	\$ 55,606
Leasehold improvements	4,763	4,763
Software and website	20,729	15,287
Subtotal	93,692	75,656
Less accumulated depreciation	(61,172)	(48,191)
Total property and equipment (net)	\$ 32,520	\$ 27,465

Total depreciation expense for the year ended December 31, 2011 amounted to \$12,981 and \$13,071, 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. There were no disposals during the year ended December 31, 2012.

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

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, 2012 and 2011:

	2012	2011
Available for future periods	<u>\$ 21,401,832</u>	<u>20,782,678</u>

Contributions to temporarily restricted net assets amounted to \$8,707,193 and \$7,615,620 for the years ended December 31, 2012 and 2011. During the years ended December 31, 2012 and 2011, \$8,088,040 and \$3,919,940, 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, 2012 and 2011, the Fund incurred Federal tax liabilities amounting to \$79,054 and \$192,829, respectively.

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, 2012 and 2011, the Douglas Goldman 1997 Charitable Lead Trust contributed \$8,707,193 and \$7,615,620 to the Fund, respectively.

10. Grant Expenses

During the years ended December 31, 2012 and 2011, the Fund agreed to pay certain grant requests as follows:

	2012	2011
<i>Individual grants of \$10,000 or more during the combined last two years:</i>		
ACLU Foundation of Northern Calif., Inc.	\$ 136,000	\$ 7,500
AfterImage Public Media	75,000	75,000
All Stars Helping Kids	-	5,000
Alzheimer's Disease and Related Disorders	31,100	-
American Conservatory Theatre Foundation	25,000	-

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	2012	2011
American Friends Israel Philharmonic Orchestra	\$ 5,000	\$ 10,000
American Friends of Israel Union	5,000	-
American Friends of Tel-Aviv University	129,000	15,000
American Friends of the Israel Museum	11,000	14,000
American-Israeli Cooperative Enterprise	80,000	-
American Jewish World Service	10,000	30,000
Americans United for Sep Church and State	52,500	-
As You Sow	25,000	25,000
ASAP	5,000	-
Asian Art Museum Foundation of San Francisco	27,500	-
Basel Action Network	50,000	25,000
Bay Area Wilderness Training	-	15,000
BBYO, Inc.	-	25,000
Birthright Israel Foundation	5,000	-
BlueStar PR	-	15,000
Bnai Brith Youth Organization	25,000	-
Breast Cancer Action	30,000	15,000
Breast Cancer Fund	-	25,000
Bureau of Jewish Education	67,000	-
California Academy of Sciences	101,000	111,000
Cal Athletic Backers	-	5,000
Cal Men's Golf/U.C. Regents	-	5,000
California League of Conservation Voters Education Fund	-	25,000
California Pacific Medical Center Foundation	10,000	-
California Reinvestment Coalition	-	20,000
California Water Impact Network	-	15,000
Carpe Diem West	25,000	25,000
Center for Reproductive Rights	100,000	-
Challenge Success	25,000	-
City Arts and Lectures	50,000	-
Clean Water Fund	-	15,000
Common Cause Education Fund	125,000	-
Community Foundation of New Jersey	25,000	-
Community Funds	25,000	-
Community Initiatives	70,000	-
Congregation Emanu-El	145,000	145,000
Contemporary Jewish Museum	2,500	130,000
Convergence	50,000	-
CPMC Foundation		6,000
Crohn's and Colitis Foundation of America	150,000	28,000
Delta Gamma Foundation	27,000	16,000
Dogwood Alliance	30,000	-

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	2012	2011
Drug Policy Alliance	\$ -	\$ 10,000
Earth Island Institute	15,000	15,000
Earthjustice	-	26,000
Education Pioneers	25,000	-
Fine Arts Museums of San Francisco	15,000	32,500
ForestEthics	-	20,000
Foundation Center	31,000	27,000
Foundations for Students Rising Above	15,000	-
Friends of the Urban Forest	5,500	26,000
Full Circle Fund	-	10,000
GirlVentures	65,000	-
Give2Asia	-	25,000
Global Green USA	30,000	15,000
Golden Gate National Parks Conservancy	75,000	50,000
Goldman School Of Public Policy	-	28,400
Green America	50,000	-
Guttmacher Institute	75,000	-
Haas School Of Business (UC Berkeley)	-	25,000
Harper for Kids	-	15,000
Hazon	70,000	-
Healthy Building Network	-	20,000
Hope Lab Foundation	50,000	-
Ignite	15,000	-
Immune Deficiency Foundation	15,000	10,000
International Medical Corps	-	25,000
Jamestown Community Center	15,000	-
Jewish Community Center of San Francisco	135,000	10,000
Jewish Community Federation	137,000	125,000
Jewish Community Relations Council	312,000	-
Jewish Home and Senior Living Foundation	75,500	-
Jumpstart California	25,000	25,000
KaBOOM!	35,000	35,000
KIPP Bay Area Schools	10,000	-
KQED Inc.	47,000	11,000
Larkin Street Youth Services	75,000	-
Lawyers Committee-Civil Rights Under Law	125,000	-
Little Kids Rock, Inc.	50,000	10,000
Maccabi USA/Sports for Israel	-	10,000
Media Matters	-	25,000
Mural Music and Arts Project	25,000	-
My New Red Shoes	10,000	5,000
NARAL Pro-Choice America Foundation	55,000	5,000

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	<u>2012</u>	<u>2011</u>
National Christian Leadership Conference for Israel	\$ 15,000	\$ -
National Coalition for Marine Conservation	15,000	-
New Israel Fund	70,000	10,000
Northern California Environmental Grassroots	-	20,000
Northern California Golf Association Foundation	10,000	40,000
Oakland Museum of California Foundation	41,000	41,000
Oceana	75,000	-
Outward Bound Bay Area Center	-	10,000
Pacific Forest Trust	-	25,000
Peer Health Exchange	50,000	25,000
PEF Israel Endowment Funds, Inc.	100,000	10,000
Physicians For Reproductive Choice and Healing	20,000	20,000
Point Reyes Bird Observatory	15,000	-
Population Connection	-	15,000
Portola and Excelsior Family Connections	-	25,000
Product Policy Project	50,000	-
Project Vote	125,000	-
Project Vote Smart	15,000	-
PROVIDE	50,000	-
Raising A Reader	25,000	20,000
Reach Out and Read	28,000	-
Reading Partners	20,000	-
Reef Check Foundation	50,000	-
Ronald McDonald House, San Francisco	1,000	11,000
Rose Foundation for Communities and Environment	40,000	-
San Francisco America's Cup Organizing Committee	100,000	-
San Francisco Chronicle Season of Sharing Fund	25,000	10,000
San Francisco Food Bank	20,000	7,500
San Francisco General Hospital Foundation	67,500	27,500
San Francisco Jazz Organization	-	15,000
San Francisco Jewish Community Center	-	56,000
San Francisco Museum of Modern Art	5,000	6,000
San Francisco Parks Trust	-	20,000
San Francisco Police Activities League	-	15,000
San Francisco School Alliance	50,000	-
San Francisco Symphony	51,750	40,000
San Francisco Unified School District	22,500	-
Schools Mentoring and Resource Team	25,000	-
Search for the Cause	25,000	-
Sierra Nevada Alliance	50,000	25,000
Silicon Valley Leadership Group Foundation	-	25,000

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	<u>2012</u>	<u>2011</u>
Siskiyou Land Conservancy	\$ 25,000	\$ -
Slingshot Fund	16,500	-
Social and Environmental Entrepreneurs	45,000	-
Stanford University	11,000	10,000
Stern Grove Festival Association	245,100	128,600
Streetside Stories	-	10,000
Students Rising Above	-	15,000
Sustainable Conservation	-	25,000
Taproot Foundation	-	37,500
Tawonga Jewish Community Corporation	90,000	-
Team Up for Youth	-	10,000
The American Ireland Fund	10,000	-
The Bar Association of San Francisco	20,000	-
The Bay Institute of San Francisco	35,000	-
The California Water Impact Network	20,000	-
The First Tee	30,000	-
The Women's Building	-	6,000
Third Street Youth Center and Clinic	-	25,000
Tides Foundation	38,210	20,000
Town School for Boys	171,000	-
Transform California	60,000	-
Trust for Public Land	25,000	25,000
Tuolumne River Trust	-	20,000
Turtle Island Restoration Network	-	15,000
Tutorpedia Foundation	-	20,000
UC Berkeley Regents	35,000	255,000
UC Berkeley Foundation	1,566,280	715,000
UCSF Foundation	17,500	5,000
United Way of the Bay Area	10,000	10,000
University of Southern California	274,000	250,000
Upstart Bay Area	100,000	10,000
Urban Adamah	53,000	-
Urban Solutions	-	15,000
USC Alumni Association	-	7,100
USC Associates	-	95,000
USC Athletics	27,500	20,000
USC College of Letters, Arts & Sciences	-	10,000
USC Marshall School of Business	17,500	-
USC Roski School	15,000	-
USC Shoah Foundation Institute	10,000	-

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	2012	2011
Volunteers in Medicine - San Francisco	\$ 12,000	\$ 10,000
Women's Community Clinic	-	20,000
Women's Heart Center at Cedars - Sinai Center	25,000	-
YMCA of San Francisco	25,000	-
Youth Tennis Advantage	5,000	5,000
Zero1-The Art and Technology Network	175,000	-
	7,903,940	3,801,600
 <i>Individual grants less than \$10,000 during the combined last two years:</i>		
Various charitable organizations	184,100	118,340
Total grants	\$8,088,040	\$3,919,940

11. Financial Commitments

Office Lease: During the year ended December 31, 2012, the Fund agreed to move its office location within San Francisco in order to accommodate its expansion. The new office lease is a multi-year operating agreement with an effective date of February 1, 2013 and with an expiration date of January 31, 2018. The Fund is committed to making monthly rent payments of \$15,786 effective February 1, 2013. Rental rates are subject to adjustment in accordance with the terms of the lease but generally increase at the rate of about 1.6% each February 1st. Rent expense amounted to \$82,477 and \$79,878 for the years ended December 31, 2012 and 2011, 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, 2013: \$178,064; Year ending December 31, 2014: \$192,237; Year ending December 31, 2015: \$195,286; Year ending December 31, 2016: \$198,345; and Year ending December 31, 2017 and beyond: \$218,210.**

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, 2013: \$3,339,500; Year ending December 31, 2014: \$3,485,000; Year ending December 31, 2015: \$3,308,220; Year ending December 31, 2016: \$3,000,000; and Year ending December 31, 2017 and beyond: \$10,000,000.**

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.

(continued)

Notes to Financial Statements

12. Compensation Commitments *(continued)*

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, 2012 and 2011 amounted to \$72,098 and \$19,200, 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 2011 financial statements in order to conform to the presentation used in 2012.

15. Subsequent Events

In compliance with ASC 855, *Subsequent Events*, the Fund has evaluated subsequent events through October 15, 2013, the date the financial statements were available to be issued.