



LISA & DOUGLAS GOLDMAN FUND

Financial Statements

For the Years Ended
December 31, 2017 and 2016

LISA AND DOUGLAS GOLDMAN FUND

(A California Non-Profit Corporation)

December 31, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees Lisa and Douglas Goldman Fund

We have audited the accompanying financial statements of the Lisa and Douglas Goldman Fund (a California nonprofit organization classified as a Private Foundation) which comprise the statements of financial position as of December 31, 2017 and 2016 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, 2017 and 2016, 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.

November 2, 2018
Danville, California

Regalia & Associates

LISA AND DOUGLAS GOLDMAN FUND

Statements of Financial Position December 31, 2017 and 2016

Assets

	2017	2016
Current Assets:		
Cash and cash equivalents	\$ 696,861	\$ 505,324
Investments	253,425,621	231,505,931
Loan receivable	7,000,000	-
Other receivables	525,080	1,174,145
Prepaid expenses and other current assets	45,750	47,032
Total current assets	<u>261,693,312</u>	<u>233,232,432</u>
Other Assets:		
Security deposit	16,805	16,805
Property and equipment, net	49,672	65,952
Total assets	<u>\$ 261,759,789</u>	<u>\$ 233,315,189</u>

Liabilities and Net Assets

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 135,751	\$ 183,646
Grants payable	11,000	100,000
Deferred rent	-	12,425
Total current liabilities	<u>146,751</u>	<u>296,071</u>
Net Assets:		
Unrestricted	<u>261,613,038</u>	<u>233,019,118</u>
Total net assets	<u>261,613,038</u>	<u>233,019,118</u>
Total liabilities and net assets	<u>\$ 261,759,789</u>	<u>\$ 233,315,189</u>

LISA AND DOUGLAS GOLDMAN FUND

Statements of Activities and Changes in Net Assets For the Years Ended December 31, 2017 and 2016

	2017	2016
<i>Changes in unrestricted net assets:</i>		
Revenue and support:		
Contributions	\$ 43,500	\$ 3,209,794
Interest and dividend income	4,525,829	4,097,606
Realized investment gains	18,538,089	1,072,236
Capital gain distributions	653,412	3,935,886
Other Income	78,407	40,311
Total revenue and support	23,839,237	12,355,833
Expenses:		
Programs	9,679,916	9,402,981
Fundraising	-	-
General and administrative	2,457,671	1,843,679
Total expenses	12,137,587	11,246,660
Increase in unrestricted net assets	11,701,650	1,109,173
Increase in net assets before unrealized gains on investments	11,701,650	1,109,173
Unrealized investment gains	16,890,252	6,644,135
Tax refunds	2,018	407,332
Net assets at beginning of year	233,019,118	224,858,478
Net assets at end of year	\$ 261,613,038	\$ 233,019,118

LISA AND DOUGLAS GOLDMAN FUND

Statements of Cash Flows For the Years Ended December 31, 2017 and 2016

	2017	2016
<i>Cash flows from operating activities:</i>		
Increase in net assets	\$ 28,593,920	\$ 8,160,640
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	31,882	29,674
Loss on disposal of property and equipment	-	862
Realized investment gains	(18,538,089)	(1,072,236)
Unrealized investment gains	(16,890,252)	(6,644,135)
Changes in:		
Other receivables	649,065	(646,237)
Prepaid expenses and other current assets	1,282	(605)
Accounts payable and accrued liabilities	(47,895)	(511,946)
Grants payable	(89,000)	6,196
Deferred rent	(12,425)	(9,370)
Net cash used for operating activities	(6,301,512)	(687,157)
<i>Cash flows from investing activities:</i>		
Acquisition of investments and income reinvested	(65,921,295)	(18,200,747)
Proceeds from sale/redemption of investments	79,429,946	19,113,392
Issuance of loan receivable	(7,000,000)	-
Acquisition of property and equipment	(15,602)	(10,298)
Net cash provided by investing activities	6,493,049	902,347
Increase in cash and cash equivalents	191,537	215,190
Cash and cash equivalents at beginning of year	505,324	290,134
Cash and cash equivalents at end of year	\$ 696,861	\$ 505,324
<i>Supplemental Disclosures:</i>		
Interest expense	\$ -	\$ -
Excise taxes paid	\$ 519,189	\$ 198,660

LISA AND DOUGLAS GOLDMAN FUND

Statement of Functional Expenses

For the Year Ended December 31, 2017

(with Summarized Financial Information for the Year Ended December 31, 2016)

	Programs	Fund- raising	General and Adminis- trative	2017 Total Expenses	2016 Total Expenses
Conferences/education	\$ -	\$ -	\$ 10,446	\$ 10,446	\$ 3,898
Depreciation	-	-	31,882	31,882	29,674
Grants to organizations	8,666,150	-	-	8,666,150	8,433,600
Insurance	66,209	-	12,888	79,097	79,642
Investment fees and expenses	-	-	1,539,695	1,539,695	1,262,059
Legal and professional services	-	-	159,116	159,116	160,851
Office and administrative	227,399	-	44,266	271,665	260,248
Taxes	-	-	519,189	519,189	198,660
Salaries and related costs	720,158	-	140,189	860,347	818,028
Total expenditures	\$ 9,679,916	\$ -	\$ 2,457,671	\$12,137,587	\$11,246,660

LISA AND DOUGLAS GOLDMAN FUND

Statement of Functional Expenses

For the Year Ended December 31, 2016

(with Summarized Financial Information for the Year Ended December 31, 2015)

	Programs	Fund- raising	General and Adminis- trative	2016 Total Expenses	2015 Total Expenses
Conferences/education	\$ -	\$ -	\$ 3,898	\$ 3,898	\$ 6,651
Depreciation	-	-	29,674	29,674	30,192
Grants to organizations	8,433,600	-	-	8,433,600	9,773,354
Insurance	66,674	-	12,968	79,642	78,665
Investment fees and expenses	-	-	1,262,059	1,262,059	1,222,309
Legal and professional services	-	-	160,851	160,851	117,836
Office and administrative	217,873	-	42,375	260,248	266,498
Taxes	-	-	198,660	198,660	447,272
Salaries and related costs	684,834	-	133,194	818,028	772,934
Total expenditures	\$ 9,402,981	\$ -	\$ 1,843,679	\$11,246,660	\$12,715,711

Notes to Financial Statements
December 31, 2017 and 2016

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 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, 2017 and 2016, there were no temporarily or 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* 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, 2017 and 2016. 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 and must also file Form 990-T for allocated unrelated business income (see Note 9).

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.

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.

3. Cash and Cash Equivalents

Cash and cash equivalents of \$696,861 and \$505,324 at December 31, 2017 and 2016, 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, 2017 and 2016). 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.

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

4. Investments

Investments consist of the following at December 31, 2017 and 2016:

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
Aperio	\$ 26,764,596	\$ 33,694,893	\$ 26,786,956	\$ 28,550,250
Aurora	1,290,071	42,579	1,731,099	598,504
Baird Short Term Bond	44,150,417	44,300,799	11,932,272	11,865,384
Borealis	-	-	649,625	630,567
Capital Guardian Mutual Funds	13,173,470	16,173,470	12,622,603	12,902,916
Dodge & Cox Global Stock	20,556,154	26,390,180	20,057,664	21,291,995
Francisco Partners, LP	247,250	6,563	256,653	40,820
H.I.G. Brightpoint Cap	9,503	2,384	44,493	88,182
Jackson Square Partners	16,151,411	15,745,244	27,711,549	24,644,131
JP Morgan Digital Growth	1,087,140	1,137,183	1,331,874	1,499,045
Koshla Venture Partners	738,266	618,282	779,638	1,036,945
Legacy Venture V, LLC	1,216,700	2,303,532	1,287,194	2,203,765
Lightspeed Venture Partners	108,546	14,752	180,207	91,826
Money Market/Cash Funds	5,440,427	5,440,427	2,871,624	2,871,624
Next Century Growth	-	-	3,602,458	4,005,071
Northern Trust	26,400,156	32,787,314	25,587,592	29,699,328
NT Cap International	32,598,553	43,170,668	18,953,997	20,649,912
NT Equity	14,082,834	14,535,920	2,219	98,350
Other stocks and equities	270,195	292	284,291	12,787
OZ Overseas Fund	7,328,590	7,328,590	6,549,245	6,549,245
Pzena Large Cap	-	-	23,667,485	29,925,636
Pzena Small Cap	-	-	4,533,969	5,890,503
Raven Asset Based Opportunity Fund II	2,500,000	2,500,000	2,500,000	2,500,000
Silver Creek - Hedge Funds	586,745	980,661	971,673	1,292,430
Stevenson Street	294,028	66,604	649,704	158,848
Two Sigma	5,783,398	5,885,445	5,157,056	5,292,556
U.S. Venture Partners	34,247	42,151	124,209	132,033
Vantage Point	812,318	257,688	936,269	313,315
Wells Fargo Mutual Funds and Equities	-	-	16,097,910	15,907,273
Wylan Energy Partners Fund II	-	-	762,690	762,690
Total investments	\$ 221,625,015	\$ 253,425,621	\$ 218,624,218	\$ 231,505,931

Investment income (interest, dividends, and capital gain distributions) amounted to \$5,179,241 and \$8,033,492 for the years ended December 31, 2017 and 2016, respectively. Investment fees and expenses reflected on the statement of functional expenses amounted to \$1,539,695 and \$1,262,059 for the years ended December 31, 2017 and 2016, respectively. Included in investment fees and expenses are pro-bono advisory services estimated by management to have a fair value of \$343,000 for the year ended December 31, 2016. There were no pro-bono advisory services for the year ended December 31, 2017. *(continued)*

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

4. Investments *(continued)*

Net realized investment gains amounted to \$18,538,089 and \$1,072,236 for the years ended December 31, 2017 and 2016, respectively. Net unrealized investment gains (losses) amounted to \$16,890,252 and \$6,644,135 for the years ended December 31, 2017 and 2016, 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, 2017 is as follows:

	Totals	Level 1	Level 2	Level 3
Aperio	\$ 33,694,893	\$ 33,694,893	\$ -	\$ -
Aurora	42,579	-	-	42,579
Baird Short Term Bond	44,300,799	-	44,300,799	-
Capital Guardian Mutual Funds	16,173,470	16,173,470	-	-
Dodge & Cox Global Stock	26,390,180	26,390,180	-	-
Francisco Partners, LP	6,563	-	-	6,563
H.I.G. Brightpoint Cap	2,384	-	-	2,384
Jackson Square Partners	15,745,244	15,745,244	-	-
JP Morgan Digital Growth	1,137,183	-	-	1,137,183
Koshla Venture Partners	618,282	-	-	618,282
Legacy Venture V, LLC	2,303,532	-	-	2,303,532
Lightspeed Venture Partners	14,752	-	-	14,752
Money Market/Cash Funds	5,440,427	5,440,427	-	-
Northern Trust	32,787,314	32,787,314	-	-
NT Cap International	43,170,668	43,170,668	-	-
NT Equity	14,535,920	14,535,920	-	-
Other stocks and equities	292	292	-	-
OZ Overseas Fund	7,328,590	-	-	7,328,590
Raven Asset Based Opportunity Fund II	2,500,000	-	-	2,500,000
Silver Creek - Hedge Funds	980,661	-	-	980,661
Stevenson Street	66,604	-	-	66,604
Two Sigma	5,885,445	-	-	5,885,445
U.S. Venture Partners	42,151	-	-	42,151
Vantage Point	257,688	-	-	257,688
Totals	\$ 253,425,621	\$ 187,938,408	\$ 44,300,799	\$ 21,186,414

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

4. Investments *(continued)*

Composition of investments utilizing fair value measurements at December 31, 2016 is as follows:

	Totals	Level 1	Level 2	Level 3
Aperio	\$ 28,550,250	\$ 28,550,250	\$ -	\$ -
Aurora	598,504	-	-	598,504
Baird Short Term Bond	11,865,384	-	11,865,384	-
Borealis	630,567	-	-	630,567
Capital Guardian Mutual Funds	12,902,916	12,902,916	-	-
Dodge & Cox Global Stock	21,291,995	21,291,995	-	-
Francisco Partners, LP	40,820	-	-	40,820
H.I.G. Brightpoint Cap	88,182	-	-	88,182
Jackson Square Partners	24,644,131	24,644,131	-	-
JP Morgan Digital Growth	1,499,045	-	-	1,499,045
Koshla Venture Partners	1,036,945	-	-	1,036,945
Legacy Venture V, LLC	2,203,765	-	-	2,203,765
Lightspeed Venture Partners	91,826	-	-	91,826
Money Market/Cash Funds	2,871,624	2,871,624	-	-
Next Century Growth	4,005,071	4,005,071	-	-
Northern Trust	29,699,328	29,699,328	-	-
NT Cap International	20,649,912	20,649,912	-	-
Other stocks and equities	111,137	111,137	-	-
OZ Overseas Fund	6,549,245	-	-	6,549,245
Pzena Large Cap	29,925,636	29,925,636	-	-
Pzena Small Cap	5,890,503	5,890,503	-	-
Raven Asset Based Opportunity Fund II	2,500,000	-	-	2,500,000
Silver Creek - Hedge Funds	1,292,430	-	-	1,292,430
Stevenson Street	158,848	-	-	158,848
Two Sigma	5,292,556	-	-	5,292,556
U.S. Venture Partners	132,033	-	-	132,033
Vantage Point	313,315	-	-	313,315
Wells Fargo Mutual Funds and Equities	15,907,273	15,907,273	-	-
Wylan Energy Partners Fund II	762,690	-	-	762,690
Totals	\$ 231,505,931	\$ 196,449,776	\$ 11,865,384	\$ 23,190,771

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.

Notes to Financial Statements

5. Loan Receivable

Loan receivable of \$7,000,000 at December 31, 2017 represents funds advanced to Partnership for Haas Preeminence (a California nonprofit public benefit corporation) in connection with the construction of a new building for the Haas School of Business on the campus of the University of California, Berkeley. The loan bears interest at the fixed rate of 6.5% per annum through December 31, 2018 (the maturity date). Management has assessed the fair value of the loan receivable at December 31, 2017 and determined a reserve for collectability is not necessary. Loan receivable is classified as Level 2 hierarchy.

6. Other Receivables

Other receivables of \$525,080 and \$1,174,145 at December 31, 2017 and 2016, respectively, consist of interest and dividends receivable, pending trade sales, and other receivables. Management has evaluated the fair value of all receivables at December 31, 2017 and 2016 and determined amounts are fully collectible and a reserve for bad debts is not necessary. Other receivables are classified as Level 2 hierarchy.

7. Property and Equipment

A summary of property, equipment and improvements is as follows at December 31, 2017 and 2016:

	2017	2016
Furniture and equipment	\$ 133,877	\$ 118,275
Leasehold improvements	70,406	70,406
Software and website	13,493	13,493
Subtotal	217,776	202,174
Less accumulated depreciation	(168,104)	(136,222)
Total property and equipment (net)	\$ 49,672	\$ 65,952

Total depreciation expense for the years ended December 31, 2017 and 2016 amounted to \$31,882 and \$29,674, respectively, and is included on the statement of functional expenses. During the year ended December 31, 2016, the Fund disposed of certain property and equipment with original capitalized costs of \$18,061 and accumulated depreciation of \$17,199, resulting in a realized loss of \$862 which is a component of Other Income on the Statement of Activities and Changes in Net Assets. There were no disposals during the year ended December 31, 2017.

8. Net Assets

Unrestricted net assets of \$261,613,038 and \$233,019,118 as of December 31, 2017 and 2016, respectively, represent the cumulative net surpluses since the inception of the Fund.

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

9. Excise Taxes and Unrelated Business Income Tax (UBIT)

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 year ended December 31, 2017, the Fund remitted \$475,000 in estimated tax payments which, along with an overpayment of \$174,619 from 2016, were applied to a Federal income tax liability of \$440,883, resulting in an overpayment of \$208,736. During the year ended December 31, 2016, the Fund remitted \$172,156 in estimated tax payments which, along with an overpayment of \$158,941 from 2015, were applied to a Federal income tax liability of \$156,478, resulting in an overpayment of \$174,619.

Unrelated Business Income Taxes (UBIT): The Fund is liable for income taxes on unrelated business income allocated on Schedules K-1 from various investments. During the years ended December 31, 2017 and 2016, the Fund incurred combined Federal and California UBI tax liabilities of \$2,848 and \$21,584, respectively.

10. Grant Expenses

During the years ended December 31, 2017 and 2016, the Fund agreed to pay certain grant requests as follows:

	2017	2016
<i>Individual grants of \$5,000 or more during the year ended December 31, 2017:</i>		
826 Valencia-The Writing Center	\$ -	\$ 30,000
Alzheimer's Disease & Related Disorders	-	40,000
American Civil Liberties Union Foundation Inc	10,000	10,000
American Friends of Tel-Aviv University	-	-
American Friends of The Israel Dem Inst	50,000	-
American Friends of the Israel Museum	10,000	12,000
American Friends of Vibe Israel	132,000	-
American Jewish Joint Distribution Communication, Inc.	-	30,000
American Jewish World Service	35,000	25,000
Americans For Responsible Solutions Foundation	-	50,000
Americans United for Sep Church and State	5,000	-
Association for the Advancement of Sustain in Higher Ed	36,000	-
As You Sow	25,000	5,000
Atherton Now	-	25,000
Baykeeper	-	20,000
Beyond Type 1	-	25,000
Board of Trustees of the Glide Foundation	50,000	-
Booker T. Washington Community Svc. Ctr.	-	10,000
Breast Cancer Fund	-	25,000
Cal Men's Golf - UCB	-	50,000

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	<u>2017</u>	<u>2016</u>
California Pacific Medical Center Foundation	\$ 15,000	\$ 15,000
Center For American Progress	45,000	-
Center For Biological Diversity	-	50,000
Center for Disaster Philanthropy	150,000	-
Center For Environmental Health	30,000	-
Center for Reproductive Rights	100,000	-
Challah For Hunger	17,000	15,000
Charley Hoffman Foundation	8,800	-
Chico Feminist Women's Health Center	65,000	65,000
Chronicle Season of Sharing Fund	60,000	-
Civic Nation	-	50,000
Clean Water Fund	50,000	-
Climate Collaborative	25,000	-
Community Foundation of Greater Flint	-	50,000
Community Foundation of Sonoma County	25,000	-
Community Foundation of the Napa Valley	25,000	-
Community Heath Charities of California	-	5,000
Community Initiatives	30,000	-
Community Partners	25,000	-
Congregation Emanu-El	37,500	37,500
Contemporary Jewish Museum	-	14,500
Corporate Accountability International	-	50,000
Corporation of the Fine Arts Museums	263,000	225,600
Crohn's and Colitis Foundation of America	55,000	25,000
Cultural Landscape Foundation	-	6,000
Democracy Initiative Education Fund	85,000	-
Demos A Network For Ideas And Action Ltd	50,000	50,000
Discovery Land Company Foundation	27,000	-
Dogwood Alliance	-	30,000
Earthjustice	-	27,000
Economic Inequality Video Project	-	30,000
Educational Fund To Stop Gun Violence	60,000	60,000
Edward Charles Foundation	100,000	-
Ellis Marsalis Center for Music Inc.	-	30,000
Environment California Research and Policy Center	-	15,000
Environmental Defense Fund Incorporated	8,000	-
Environmental Grantmakers Association	5,000	6,000
Environmental Protection Info Center Inc	-	25,000

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	<u>2017</u>	<u>2016</u>
Every Voice Center	\$ -	\$ 35,000
Feminist Majority Foundation	50,000	-
Foundation Center	5,000	5,000
Foundation for Louisiana	-	25,000
Foundation of City College of SF	5,000	-
Friends of Del Norte Conservation Council	25,000	-
Friends of the San Francisco Public Library	6,000	6,000
Friends of the River Foundation	25,000	25,000
Friends of the Urban Forest	6,500	10,000
Girls On the Run of the Bay Area Inc	-	5,000
Global Alliance for Incinerator Alternatives	-	30,000
Global Philanthropy Partnership	-	35,000
Golden Gate National Parks Conservancy	230,000	255,000
Green America	50,000	50,000
Greenbelt Alliance	-	35,000
Harper for Kids	5,000	5,000
Health Care Without Harm	-	50,000
HealthRight 360	-	50,000
Healthy Building Network	60,000	50,000
Hillel The Foundation for Jewish Campus Life	422,000	121,000
Hopewell Fund	100,000	100,000
Immune Deficiency Foundation	15,000	15,000
J Street Education Fund Inc.	-	25,000
Jane Goodall Inst for Wildlife Research	15,000	-
Jewish Agency For Israel-North American Council	25,000	60,000
Jewish Community Center of San Francisco	66,000	66,000
Jewish Community Center of the East Bay	30,000	-
Jewish Community Federation	262,000	25,000
Jewish Community Relations Council	333,000	33,000
Jewish Partisan Education Foundation Incorporated	10,000	-
Jimena Inc.	10,000	10,000
Joshua Venture Philanthropies	25,000	25,000
Kevah	25,000	-
Kitchen Slow Down Jew Up	-	40,000
KQED Inc.	32,500	12,500
Lick-Wilmerding High School	26,000	-
MapLight	35,000	35,000
Marine Mammal Center	53,000	55,000

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	<u>2017</u>	<u>2016</u>
MDP Foundation	\$ 5,500	\$ 5,500
Media Matters	75,000	-
Medical Students For Choice	52,500	32,500
Midwest Access Project	25,000	-
Moishe Foundation	-	70,000
MomsRising Education Fund	50,000	-
My New Red Shoes	5,000	5,000
NARAL Pro-Choice America Foundation	15,000	15,000
National Abortion Federation	90,000	90,000
National Center for Family Philanthropy	5,000	5,000
National Network of Abortion Funds	15,000	-
NatureBridge	50,000	75,000
NCGA Foundation	-	45,000
New Israel Fund	5,000	40,000
New Venture Fund	50,050	-
Northern California Golf Association Foundation	130,000	10,000
Northern California Grantmakers	5,000	5,000
Parents for Public Schools of San Francisco	-	30,000
Partnership for Haas Preeminence	1,000,000	2,000,000
Pesticide Action Network	60,000	-
Physicians For Reproductive Choice & Health	50,000	-
PICO National Network	50,000	-
Planned Parenthood Federation of America	-	100,000
Planned Parenthood Shasta Diablo Inc	11,500	80,600
Playworks Education Energized	5,000	5,000
Product Stewardship Institute Incorporated	20,000	-
Project Drawdown	5,000	-
Prosperity Now	30,000	-
Provide Incorporated	50,000	-
Rainforest Action Network	22,000	-
Rainforest Connection	85,000	10,000
Raising A Reader	-	40,000
Randall Museum Friends	-	51,000
Reach Out and Read	-	35,000
Roots and Branches Conservancy	-	5,000
Rose Foundation for Communities and Environment	50,000	50,000
San Francisco Architectural Heritage	-	50,000
San Francisco Ballet	6,500	8,500

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	2017	2016
San Francisco Chronicle Season of Sharing Fund	\$ -	\$ 60,000
San Francisco Film Society	10,000	-
San Francisco Food Bank	15,000	15,000
San Francisco Foundation	60,000	60,000
San Francisco General Hospital Foundation	252,500	202,500
San Francisco Jewish Community Publications	-	117,500
San Francisco Jewish Film Festival	40,000	-
San Francisco Museum of Modern Art	182,500	181,000
San Francisco Parks Alliance	13,000	301,000
San Francisco Symphony	33,000	38,000
Siskiyou Land Conservancy	25,000	-
Smith River Alliance Inc	-	35,000
Social and Environmental Entrepreneurs	20,000	50,000
Social Good Fund	50,000	-
Southern Poverty Law Center	110,000	110,350
Spark SF Public Schools	-	75,000
Stand	40,000	40,000
Stanford University	25,000	26,000
Stern Grove Festival Association	295,600	355,100
Tandem Partners In Early Learning	25,000	-
Teach for America	12,500	12,500
The Alliance for Youth Organizing	50,000	-
The Campaign To Keep Guns Off Campus	25,000	20,000
The Exploratorium	100,000	100,000
The Story of Stuff Project	35,000	-
Tides Foundation	65,000	-
Tony Hawk Foundation	-	10,000
Transform California	65,000	-
Trust For Conservation Innovation	-	35,000
Tuolumne River Trust	25,000	25,000
UC Berkeley Foundation	629,000	457,500
UCSF Foundation	122,500	20,000
United States Fund for UNICEF	-	12,000
United States Ski Team Foundation	25,000	-
United Way of the Bay Area	10,000	10,000
University of Southern California	77,000	95,000
University of Southern California Athletics	50,000	-
UpStart Bay Area	25,000	-

(continued)

LISA AND DOUGLAS GOLDMAN FUND

Notes to Financial Statements

10. Grant Expenses *(continued)*

	2017	2016
Upstream Policy Institute Inc.	\$ 60,000	\$ 50,000
Urban Adamah	25,000	75,000
Urban Habitat Program	35,000	-
USC Marshall School of Business	-	150,000
US Committee Sports for Israel Incorporated	5,750	-
Violence Policy Center	35,000	35,000
Western Rivers Conservancy	50,000	50,000
WGBH Educational Foundation	50,000	-
William J. Brennan Jr Center for Justice Inc.	-	50,000
Women's Community Clinic	75,000	-
Women's Voices for the Earth	-	25,000
Youth Tennis Advantage	10,000	10,000
	8,547,700	8,303,650
 <i>Individual grants less than \$5,000 during the year ended December 31, 2017:</i>		
Various charitable organizations	118,450	129,950
Total grants expense	\$ 8,666,150	\$ 8,433,600

11. Financial Commitments

Office Lease: The Fund is obligated under a multi-year operating lease agreement in San Francisco through January 31, 2023. The Fund is required to tender monthly rent payments of \$18,113 as of December 31, 2017. Rental rates are subject to adjustment in accordance with the terms of the lease but generally increase at the rate of about 3.0% each February 1st. Rent expense amounted to \$207,977 and \$194,625 for the years ended December 31, 2017 and 2016, respectively, and is included in office and administrative expense on the statement of functional expenses. The Fund is also obligated under an office equipment lease which expires October 31, 2018. Future minimum rental payments under all leases are as follows: **Year ending December 31, 2018: \$233,168, Year ending December 31, 2019: \$257,433, Year ending December 31, 2020: \$265,15, Year ending December 31, 2021: \$252,975, Year ending December 31, 2022: \$281,303 and Year ending December 31, 2023: \$23,499.**

Grant Allocations: The Fund's Board of Directors has agreed to commit the organization to future grant allocations totaling \$19,738,000 which have been scheduled as follows: **Year ending December 31, 2018: \$4,548,000, Year ending December 31, 2019: \$4,460,000, Year ending December 31, 2020: \$3,210,000, Year ending December 31, 2021: \$2,900,000, Year ending December 31, 2022: \$2,700,000 and Year ending December 31, 2023 and beyond: \$1,920,000.** These grant commitments have not been recorded in the financial statements because they are conditional and subject to donee organizations satisfying certain requirements set forth by the Fund.

Notes to Financial Statements

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 and amounted to \$37,943 and \$27,478 at December 31, 2017 and 2016, respectively.

403(b) Retirement Plan: During the year ended December 31, 2009, the 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 Fund. Employer contributions for the years ended December 31, 2017 and 2016 amounted to \$98,393 and \$101,086, respectively. Distributions from the 403(b) plan can only be made pursuant to all applicable laws and regulations.

13. Related Party Transactions

The Lisa and Douglas E. Goldman Philanthropic Fund is a donor-advised fund at the Jewish Community Federation of San Francisco, with variance power resting with the Lisa and Douglas Goldman Fund. 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.

14. 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) Investment income and cash flow 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.

Notes to Financial Statements

15. 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.

16. Reclassifications

Certain reclassifications have been made to the 2016 financial statements in order to conform to the presentation used in 2017.

17. Subsequent Events

In compliance with ASC 855, *Subsequent Events*, the Fund has evaluated subsequent events through November 2, 2018, the date the financial statements were available to be issued. In the opinion of management, there are no subsequent events which need to be disclosed.