



**City of Mission Viejo
Community Development Block Grant (CDBG)
Program Year 2016-2017
Public Service Grant Application**

A. GENERAL INFORMATION

1. Legal Name of Applicant Organization: South County Outreach
2. Name of Proposed Program: Emergency Assistance Services
3. Application Contact Person: Pat Hughes
4. Phone: 949-380-8144 x 222
5. Mailing Address: 7 Whatney, Suite B Irvine, CA 92618
6. E-Mail: phughes@sco-oc.org
7. Location Where Services Will Be Provided: 7 Whatney, Suite B Irvine, CA 92618
8. Official Authorized to Sign Contract: Lara Fisher, Executive Director
9. Federal Tax I.D. #: 33-0330233 DUNS Number: 806928511
10. Provide a CD-ROM with a copy of the following documents:
 - Proof of Tax Exempt status
 - Articles of Incorporation & By-Laws
 - Most recent 990 tax return filed with the IRS
 - Most recent audit or A-133 Single Audit if applicable

**E-MAIL ELECTRONIC VERSION OF THIS FORM TO MLINARES@CITYOFMISSIONVIEJO.ORG &
MAIL PAPER COPIES OF ALL APPLICATION MATERIALS TO:**

CITY OF MISSION VIEJO
COMMUNITY DEVELOPMENT DEPT.
200 CIVIC CENTER
MISSION VIEJO, CA 92691

APPLICATION IS DUE 3 PM DECEMBER 21, 2015

B. PROGRAM INFORMATION

1. This request is for a New or Existing program. If it is an existing program, how will services be expanded in the City? (Be as specific as possible; attach additional pages if necessary.)

With support from the City of Mission Viejo, South County Outreach will be able to maintain its existing operating infrastructure and emergency assistance programs including a community Food Pantry available to residents of Mission Viejo facing household food insecurity and the possibility of homelessness. Past support for South County Outreach through the CDBG Program has been crucial to the successful delivery of hunger and homeless prevention services to MV residents, and continued support will assure ongoing availability of these emergency assistance services to help Mission Viejo households meet basic needs.

2. Have you previously received funding from the City of Mission Viejo CDBG Program? Yes No . If yes, identify the year(s), amount(s), and program(s) funded. In the 2nd table below, provide the year(s), name of agencies, program name and amount of CDBG funding received from communities other than Mission Viejo.

Previous MV Funding Information (last 5 years)

| Year | MV CDBG Amount | Program Name |
|---------|----------------|-------------------------------|
| 2015-16 | \$11,775.00 | Emergency Assistance Services |
| 2014-15 | \$9,950.00 | Emergency Assistance Services |
| 2013-14 | \$11,520.00 | Emergency Assistance Services |
| 2012-13 | \$10,661.00 | Emergency Assistance Services |
| 2011-12 | \$13,325.00 | Emergency Assistance Services |

Previous Non-MV Funding Information (last 3 years)

| Year | Agency | Program Name | Grant Amount |
|------|--------------------------------|-------------------------------|--------------|
| 2015 | City of Lake Forest | Emergency Assistance Services | \$5,000.00 |
| 2015 | City of Irvine | Emergency Assistance Services | \$13,720.00 |
| 2015 | City of Laguna Niguel | Emergency Assistance Services | \$10,000.00 |
| 2015 | City of Rancho Santa Margarita | Emergency Assistance Services | \$10,000.00 |
| 2015 | City of Aliso Viejo | Homeless Prevention Program | \$2,500.00 |

3. Is your agency based in the City of Mission Viejo? Yes No

5. Funding is requested under which category? **(Limit one)**

- | | |
|---|---|
| <input type="checkbox"/> Elderly/Frail Elderly Services | <input type="checkbox"/> Youth Services |
| <input type="checkbox"/> Physically/Developmentally Disabled Adults | <input type="checkbox"/> Crime Awareness |
| <input type="checkbox"/> HIV/AIDS Services | <input checked="" type="checkbox"/> Homeless Services |
| <input type="checkbox"/> Fair Housing Services | <input type="checkbox"/> Substance Abuse Services |
| <input type="checkbox"/> Mental Illness Services | <input type="checkbox"/> Childcare Services |
| <input type="checkbox"/> Other Public Services (Specify) _____ | <input type="checkbox"/> Health Services |

6. Provide the following proposed program budget information:

| | |
|---|---------------------|
| FY 2016-2017 CDBG funds requested from Mission Viejo: | \$ <u>20,000</u> |
| Total Program budget: | \$ <u>2,938,177</u> |
| Total Agency budget: | \$ <u>2,938,177</u> |

7. Provide the following information regarding the number of **unduplicated** clients to be served by the proposed program between July 1, 2016 & June 30, 2017:

- Total number of unduplicated clients to be served by the proposed program **regardless of city of residence**: 9,000
- Of the number listed above in "a", what is the total number of unduplicated **Mission Viejo clients** to be served? 1,100
- Of the total Mission Viejo residents to be served listed above in "b", how **many will be assisted with CDBG funds**? 1,100

8. Can you provide documentation verifying the following:

- Program applicant/client household income? Yes No
- Program applicant/client race and ethnicity? Yes No

9. All CDBG-funded activities must meet a HUD Objective and Outcome.

Objectives: Select **one** HUD objective that best applies to the proposed program:

- Suitable Living Environment** – The activity is designed to benefit community, families, or individuals by addressing issues in their living environment.
- Decent Housing** – The activity is designed to cover a wide range of housing opportunities that meet an individual family or community need.
- Creating Economic Opportunities** – The activity will generate economic development, commercial revitalization, or job creation.

Outcomes: Select **one** HUD outcome that best applies to the proposed program:

- Availability/Accessibility** – The activity makes services, infrastructure, housing or shelter available/accessible to low and moderate-income persons, including individuals with disabilities.
- Affordability** – The activity provides affordability in a variety of ways for low and moderate-income persons, including creation or maintenance of affordable housing, basic infrastructure hook-ups, or services.
- Sustainability (promoting livable & viable communities)** – The activity aims to improve the community or neighborhoods, helps to make them livable or viable by providing benefits to low and moderate-income persons, or by removing/eliminating slums/blighted areas.

10. In any of the past three years has your agency expended more than \$750,000 in cumulative federal funds during one fiscal year? Yes No

If yes, did your agency prepare a Single Audit compliant with OMB Circular A-133? Yes No If yes, provide a copy of most recently completed Single Audit. If no, explain why a Single Audit was not prepared. n/a

11. Please complete the budget proposal provided as **Attachment A** of this application.

12. **Narratives:** Please provide the following information. (**NOTE:** Your responses are limited to 1,000 characters per question. Narratives beyond this limit may be deleted during final production of your application for presentation to commissions and the City Council):
 - a) Identify the nature and extent of the community need to be addressed by the proposed program/service. Provide data that supports the unmet demand for the proposed service in Mission Viejo. Many residents of Orange County who have been able to secure jobs are usually underemployed, and despite the growing employment rate, an estimated 370,000 people are at-risk of hunger in this county annually. Mission Viejo ranked 30th out of 34 OC cities in total job growth (2015 South OC Economic Report); a significant number of MV residents require assistance to meet basic needs. As a result, clients come to South County Outreach requesting emergency food, rental or utility assistance in order to make ends meet monthly, or when eviction is imminent, they request transitional shelter. The threat of hunger and homelessness is a real fear for many families who reside in South Orange County. Orange County ranks 2nd in California for food insecurity as households struggle to maintain adequate housing, transportation, and other basic necessities. South County Outreach provides a safety net for our most at-risk and vulnerable citizens which include over 4,000 children annually.

 - b) Describe the proposed program/service. Include information on how the program/service will address the specific community need. Specific activities to be undertaken, the average amount or length of service will be provided, and the expected outcome of the program/service: South County Outreach provides a wide range of emergency assistance to Mission Viejo and other South Orange County residents who are at-risk of hunger and homelessness. Services include a community Food Pantry which operates 5-days-week and one Saturday per month, year-round. Residents in need can obtain a supply of free food (80 pounds per household) including fresh produce, bakery and dairy items, and non-perishable food items. Residents may utilize the Food Pantry once per month, for as long as needed. They may also receive additional food items for Thanksgiving and holiday meals. Providing food enables households to free up dollars to help pay for rent, medical care, and other necessities. Residents may also receive case management services for additional resource and referrals, free computer skills classes, clothing vouchers to use at our Thrift Store, and seasonal assistance with holiday gifts for children and back-to-school supplies.

 - c) Describe your organization detailing professional qualifications to carry out the proposed program. List all appropriate credentials (if applicable) and related experience. Also discuss organization resources (e.g., facilities, materials, etc.) that are available to provide services. South County Outreach has over 1,500 community volunteers currently assisting 8 paid staff with program operations. Founded in 1989, SCO has grown tremendously in the last 26 years and provided services to 9,000 low-income residents last year. We have successfully administered government and/or public funding for over 19 years. Staff have the appropriate professional qualifications to carry out the important work of the agency: Executive Director, Lära Fisher, has an M.A. in Public Relations and over twenty years of non-profit experience; Director of Operations/Food Pantry, Renee Stevenson, has many years of experience working with at-risk families and supervising volunteer staff. Homeless Prevention Services and the Transitional Housing Program are under the direction of Diane Harrison, a Master's-level Social Worker, and Homeless Prevention Coordinator Julia Breyer is also an M.S.W.

 - d) Describe the organization's capacity to implement the program and meet projected service goals. South County Outreach has been in operation for the past 26 years, and has successfully

administered government and public funding since its first award 19 years ago. Past grants have included funds from cities (CDBG and Community Services grants) for operating expenses, rental and utility assistance, more complex grants for property acquisition, multiple year HUD grants for Transitional Housing, and multiple Federal stimulus grants for rental assistance (HPRP). In January 2014, South County Outreach moved to a much larger facility near the 405/5 freeways off Bake Ave., which is more accessible to residents in our South Orange County service area. With all staff positions filled and continued volunteer support from 250 weekly-scheduled volunteers and additional 1250+ community volunteers throughout the year, South County Outreach is properly staffed and located to meet the demand for these emergency assistance services for Mission Viejo residents and its surrounding neighborhoods.

- e) Provide specific information on how CDBG funds awarded to the program will be used (e.g., program staff, office supplies, food costs)? Also include information regarding the percentage of agency resources utilized for fundraising and agency management. CDBG funds will be used to help pay for our building rent (which includes the Food Pantry warehouse) - \$15,000 - and the cost of our general liability insurance - \$5,000 - to cover our more than 250 volunteers who staff the Food Pantry on a weekly basis. South County Outreach is efficient and effective at utilizing funding toward direct client services, with agency management/fundraising representing only 8% of total agency costs.

- f) What is the alternative plan if the City of Mission Viejo does not grant funds or if funding is provided at a lower level than requested? The amount of funds available dictates how many needy residents South County Outreach is able to serve. This grant is not the only funding source for our Food Pantry program but it will greatly enhance the overall numbers of at-risk residents who can be assisted. If funding for this project decreases, it is possible that fewer Mission Viejo residents will be able to receive emergency assistance.

C. CERTIFICATION

1. I hereby certify that, if funds are granted from the City of Mission Viejo to our organization, they will be used to only benefit lower income residents of Mission Viejo. We understand that funding is provided on a reimbursable basis only, that proof of liability insurance will be required, and that our formal agreement with the City will define other reporting and programmatic requirements.

2. No federal appropriated funds have been paid or will be paid, by or on behalf of the grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or, cooperative agreement.

3. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

Name: Pat Hughes

Title: Grants Manager

Signature: ORIGINAL SIGNATURE ON FILE

Date: 12/21/2015

**CDBG PUBLIC SERVICES AND GRANTS APPLICATION
ATTACHMENT A**

Proposed Budget

Organization: South County Outreach

Program: Emergency Assistance Services

EXPENDITURES

| CATEGORY | MISSION VIEJO CDBG FUNDS | OTHER SOURCES (Specify Amount) | TOTAL BUDGET |
|--|-------------------------------------|---|-----------------------|
| Administration Salaries & Benefits | | \$60,790.00 | \$60,790.00 |
| Program Salaries & Benefits | | \$547,105.00 | \$547,105.00 |
| Program Supplies | | \$84,900.00 | \$84,900.00 |
| Facilities (Specify) | \$15,000.00 | \$184,300.00 | \$199,300.00 |
| Communications | | \$9,575.00 | \$9,575.00 |
| Insurance | \$5,000.00 | \$6,694.00 | \$11,694.00 |
| Utilities | | \$23,364.00 | \$23,364.00 |
| Professional Services (Specify) (Audit, Accounting) | | \$194,531.00 | \$194,531.00 |
| Other (Please specify) Direct Client Services | | \$1,762,718.00 | \$1,762,718.00 |
| Other (Please specify) Fundraising/Travel/Meals | | \$31,500.00 | \$31,500.00 |
| Other (Please specify) Conferences/Meetings | | \$12,700.00 | \$12,700.00 |
| TOTAL | \$20,000.00 | \$2,918,177.00 | \$2,938,177.00 |

REVENUES

| Source (Specify) | OTHER SOURCES (Specify Amount) | Is Source Secured via Contract? |
|--|---|---|
| Source: Private Foundation Grants | \$135,000.00 | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Source: Individual and Corporate Donations | \$839,900.00 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Source: Other Foundation Grants | \$273,777.00 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Source: Thrift Store and Rental Income | \$278,000.00 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Source: In-kind food and services | \$1,411,500.00 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| TOTAL | \$2,938,177.00 | |

SOUTH COUNTY OUTREACH
Financial Statements
(with Independent Auditors' Report Thereon)
December 31, 2014



An Independent CPA Firm

SOUTH COUNTY OUTREACH
Financial Statements

December 31, 2014

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An Independent CPA Firm

Board of Directors
South County Outreach
Irvine, California

INDEPENDENT AUDITORS' REPORT

Report on Financial Statements

We have audited the accompanying financial statements of South County Outreach (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 South County Outreach as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Directors
South County Outreach
Irvine, California
Page Two

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2015, on our consideration of South County Outreach's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering South County Outreach's internal control over financial reporting and compliance.

David L. Gruber and Associates, Inc.

David L. Gruber and Associates, Inc.
Huntington Beach, CA
February 26, 2015

SOUTH COUNTY OUTREACH
Statement of Financial Position
December 31, 2014

Assets

| | |
|---|---------------------|
| Cash and cash equivalents | \$ 659,847 |
| Certificate of deposit | 170,379 |
| Grants receivable (Note 2) | 35,755 |
| Inventory | 51,125 |
| Deposits | 15,511 |
| Other assets | 2,500 |
| Property, furniture and equipment, net (Note 3) | <u>1,028,269</u> |
| Total assets | <u>\$ 1,963,386</u> |

Liabilities and Net Assets

| | |
|--------------------------------------|----------------|
| Accounts payable | \$ 15,072 |
| Accrued liabilities | 9,925 |
| Accrued vacation | 16,480 |
| Notes payable - current (Note 4) | 17,832 |
| Security deposits and other deposits | 33,338 |
| Notes payable - long-term (Note 4) | <u>422,280</u> |
| Total liabilities | <u>514,927</u> |

Net assets:

| | |
|---------------------------------|------------------|
| Temporarily restricted (Note 6) | 30,831 |
| Unrestricted | <u>1,417,628</u> |
| Total net assets | <u>1,448,459</u> |

| | |
|----------------------------------|---------------------|
| Total liabilities and net assets | <u>\$ 1,963,386</u> |
|----------------------------------|---------------------|

See accompanying notes to financial statements.

SOUTH COUNTY OUTREACH
Statement of Activities
Year Ended December 31, 2014

| | |
|---|---------------------|
| Unrestricted revenue and support: | |
| Government grants (Note 2) | \$ 317,274 |
| Thrift store sales | 181,239 |
| Contributions-foundations | 243,168 |
| Contributions-corporate | 50,938 |
| Contributions-individuals and others | 391,481 |
| Special events: | |
| Empty Bowls- (gross revenue of \$43,675 less \$15,553 direct expenses) | 28,122 |
| Festival of Trees- (gross revenue of \$41,100 less \$22,254 direct expenses) | 18,846 |
| Coto de Caza Tennis Pro Am- (gross revenue \$30,000 less \$0 direct expenses) | 30,000 |
| Transitional housing rent | 59,221 |
| Donated supplies-food | 1,109,243 |
| Donated supplies-other | 10,330 |
| Miscellaneous | 27,797 |
| Interest income | 4,245 |
| Subtotal | <u>2,471,904</u> |
| Net assets released from restrictions (Note 6) | <u>76,436</u> |
| Total unrestricted support and revenue | <u>2,548,340</u> |
| Expenses: | |
| Program services | <u>2,272,368</u> |
| Supporting services: | |
| General and administrative | 168,685 |
| Fundraising | <u>28,626</u> |
| Subtotal supporting services | <u>197,312</u> |
| Total expenses | <u>2,469,680</u> |
| Increase (decrease) in unrestricted net assets | 78,660 |
| <u>TEMPORARILY RESTRICTED NET ASSETS</u> | |
| Support and revenue: | |
| Contributions - foundations (Note 6) | <u>30,831</u> |
| Total temporarily restricted support and revenues | 30,831 |
| Net assets released from restriction (Note 6) | <u>(76,436)</u> |
| Increase (decrease) in temporarily restricted net assets | <u>(45,605)</u> |
| Increase (decrease) in net assets | 33,055 |
| Net assets beginning of year | <u>1,415,404</u> |
| Net assets at end of year | <u>\$ 1,448,459</u> |

See accompanying notes to financial statements.

SOUTH COUNTY OUTREACH
Statement of Functional Expenses
Year Ended December 31, 2014

| | Supporting Services | | | Subtotal | Total |
|--|---------------------|-------------------------------|---------------|----------------|------------------|
| | Program | General and Administrative | Fundraising | | |
| Salaries and related expenses: | | | | | |
| Salaries and related expenses | \$ 389,589 | 64,932 | 9,276 | 74,208 | 463,797 |
| Employee benefits | 27,057 | 4,510 | 644 | 5,154 | 32,211 |
| Payroll taxes | 33,697 | 5,616 | 802 | 6,418 | 40,115 |
| | | | | | |
| Total salaries and related expenses | <u>450,343</u> | <u>75,057</u> | <u>10,722</u> | <u>85,780</u> | <u>536,123</u> |
| | | | | | |
| Other expenses: | | | | | |
| Professional services | 53,402 | 5,802 | - | 5,802 | 59,204 |
| Rental and utility assistance | 60,578 | - | - | - | 60,578 |
| Training and counseling | 73,391 | - | - | - | 73,391 |
| Transitional housing program expenses | 101,370 | - | - | - | 101,370 |
| Donated supplies- food | 1,109,243 | - | - | - | 1,109,243 |
| Donated supplies- other | 10,330 | - | - | - | 10,330 |
| Food purchase | 17,496 | - | - | - | 17,496 |
| Rent -facilities | 126,780 | 14,087 | - | 14,087 | 140,867 |
| Interest | 22,667 | - | - | - | 22,667 |
| Utilities and telephone | 35,293 | 3,921 | - | 3,921 | 39,214 |
| Office supplies | 50,627 | 27,260 | - | 27,260 | 77,887 |
| Accounting and audit | 6,468 | 3,482 | - | 3,482 | 9,950 |
| Repairs and maintenance | 5,506 | 1,377 | - | 1,377 | 6,883 |
| License fees, bank fees and other fees | - | 9,512 | - | 9,512 | 9,512 |
| Transportation and travel | 50,110 | 12,528 | - | 12,528 | 62,638 |
| Miscellaneous | - | 3,628 | - | 3,628 | 3,628 |
| Insurance | 10,446 | 2,612 | - | 2,612 | 13,058 |
| Staff development and meetings | 8,824 | 1,557 | - | 1,557 | 10,381 |
| Public relations and marketing | - | - | 17,904 | 17,904 | 17,904 |
| | | | | | |
| Total other expenses | <u>1,742,531</u> | <u>85,766</u> | <u>17,904</u> | <u>103,670</u> | <u>1,846,201</u> |
| | | | | | |
| Total expenses before depreciation | <u>2,192,874</u> | <u>160,823</u> | <u>28,626</u> | <u>189,450</u> | <u>2,382,324</u> |
| | | | | | |
| Depreciation (Note 3) | <u>79,494</u> | <u>7,862</u> | <u>-</u> | <u>7,862</u> | <u>87,356</u> |
| | | | | | |
| Total expenses | <u>\$ 2,272,368</u> | <u>168,685</u> | <u>28,626</u> | <u>197,312</u> | <u>2,469,680</u> |

See accompanying notes to financial statements.

SOUTH COUNTY OUTREACH
Statement of Cash Flows
Year Ended December 31, 2014

| | |
|---|--------------------------|
| Cash flows from operating activities: | |
| Change in net assets | \$ 33,055 |
| Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities: | |
| Depreciation | 87,356 |
| Donated inventory | (19,630) |
| Decrease (increase) in grants receivable | 15,520 |
| Decrease (increase) in deposits receivable | 6,261 |
| (Decrease) increase in account payable | 5,376 |
| (Decrease) increase in accrued liabilities | (1,524) |
| (Decrease) increase in accrued vacation | 3,831 |
| (Decrease) increase in deposits payable | <u>11,374</u> |
| Net cash provided by (used for) operating activities | <u>141,619</u> |
| Cash flows from investing activities: | |
| Acquisition of property, furniture and equipment | (15,205) |
| Interest earned and paid to certificate of deposit | <u>(3,742)</u> |
| Net cash provided by (used for) investing activities | <u>(18,947)</u> |
| Cash flows from financing activities: | |
| Principal payments on notes payable | (18,404) |
| Net cash provided by (used for) financing activities | <u>(18,404)</u> |
| Increase (decrease) in cash and cash equivalents | 104,268 |
| Cash and cash equivalents at beginning of year | <u>555,579</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 659,847</u></u> |
| | |
| <u>Supplemental disclosure of cash flow information:</u> | |
| Cash paid for interest expense | <u><u>\$ 22,667</u></u> |

See accompanying notes to financial statements.

SOUTH COUNTY OUTREACH

Notes to the Financial Statements

December 31, 2014

(1) Summary of Significant Accounting Policies

The significant accounting policies of the South County Outreach are presented to assist in the understanding of South County Outreach's financial statements. The financial statements and notes are representations of South County Outreach's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

(a) Organization and Sources of Revenues

South County Outreach (formerly Saddleback Community Outreach) was incorporated in 1988 as a California nonprofit public benefit corporation. South County Outreach provides comprehensive homeless prevention and transitional housing services to south Orange County families and individuals. South County Outreach offers the following services: food pantry; rent and utility assistance; computer training; and a transitional housing program operated by a 17 unit condominium complex owned by South County Outreach. In addition, South County Outreach operates a thrift store which sells a variety of new and second hand goods which are donated. The operation is "volunteer driven" and is primarily dependent upon public and private contributions, "in-kind" contributions of goods and services, and fundraising events.

South County Outreach operates certain programs under contracts with various federal and non-federal government agencies which provide reimbursement up to a fixed maximum for the cost of contract services performed. South County Outreach is also awarded specific purpose grants.

(b) Basis of Accounting and Revenue Recognition

South County Outreach uses the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recognized when incurred.

(c) Financial Statement Presentation

In accordance with Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 958- Not for Profit Entities*, South County Outreach 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.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

Cash and Cash Equivalents

- (d) For purposes of the statement of cash flows, South County Outreach considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents. South County Outreach maintains cash deposits with its financial institutions that at times exceed amounts covered by the insurance provided by the Federal Deposit Insurance Corporation (FDIC). South County Outreach also actively evaluates the credit worthiness of the institutions with which it invests.

(e) Certificate of Deposit

As of December 31, 2014, the Company owned a certificate of deposit in the amount of \$170,379. This time certificate matures in August 2016, at a rate of interest of 2.19 percent per annum. Because the term of the certificate is greater than three months, it is not included by the Company as a cash equivalent for purposes of the statement of cash flows.

(f) Property, Furniture and Equipment

It is South County Outreach's policy to capitalize long-lived assets over \$500 and a useful life of three years or longer. Lesser amounts are expensed. Property, furniture and equipment are capitalized at cost. Donations of long-lived assets are recorded as contributions at their estimated fair values. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose in which case they are recorded as restricted contributions until such restriction expires. Property, furniture and equipment are depreciated on the straight-line method, using estimated useful lives of 27.5 years for the buildings, 5 to 10 years for the furniture and equipment, and 5 years on vehicles.

(g) Impairment of Long-Lived Assets

South County Outreach evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the estimated future cash-flows (undiscounted and without interest charges) from the use of an asset are less than the carrying value, a write-down would be recorded to reduce the related asset to its estimated fair value.

(h) Thrift Store Inventory

Inventory consists of donated goods such as apparel, clothing and similar merchandise. Inventory is valued at fair value on the date of donation.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

(i) Fair Value of Financial Instruments

South County Outreach follows guidance issued by the ASC 820 *Fair Value Measurements*, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. This guidance establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair values into Levels 1, 2, and 3.

Level 1 inputs consist of unadjusted quoted prices in active markets for identical instruments and have the highest priority. Level 2 inputs include quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or inputs other than quoted prices that are directly or indirectly observable. Level 3 inputs are unobservable and are given the lowest priority.

South County Outreach's financial instruments, including cash and cash equivalents, grants receivable, and accounts payable and other accrued expenses are carried at cost, which approximates fair value because of the short-term nature of these instruments. South County Outreach records its inventory at fair value on the date of donation based on values provided by the donors. These inputs are based on observable inputs of similar assets and are considered level 3 for the year ended December 31, 2014.

(j) Restricted and Unrestricted Revenue and Support

In accordance with ASC 958-605, contributions received are categorized as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

All support that is restricted by the donor 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 in the statement of activities as net assets released from restrictions.

Grant contract funds received from U.S Department of Housing and Urban Development, the State of California, and various other grantor agencies are reported as exchange transactions and are recognized as the related expenses are incurred.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

(k) Functional Expense Allocations

Costs of providing South County Outreach's programs and other activities have been presented in the statement of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services benefited.

(l) Accrued Vacation

South County Outreach's policy is to record accumulated vacation when earned. As of December 31, 2014, the accrued vacation liability was \$16,480.

(m) Income Taxes

South County Outreach is a tax-exempt organization under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d) and files all federal and state information returns required by law. The South County Outreach's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending in years 2013, 2012, and 2011 are subject to examination by the IRS, generally for three years after they were filed.

(n) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(o) Pledges receivable

Contributions are recognized when the donor makes a promise to give to the Chapter that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets. South County Outreach uses the allowance method to determine uncollectible promises receivable. The allowance was estimated to be 0% and is based on prior years' experience and management's analysis of specified promises made.

SOUTH COUNTY OUTREACH

Notes to the Financial Statements

(Continued)

(1) Summary of Significant Accounting Policies. (Continued)

(p) Donated services and supplies

Significant services and supplies are donated to South County Outreach by various individuals, corporations and other organizations, and are reflected in the accompanying financial statements at their fair values at the date of donation.

Donations of services are only recognized if the services received: (1) create or enhance nonfinancial assets or require specialized skills; (2) are provided by individuals possessing those skills; and (3) would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements as there is no objective basis for deriving their value.

In addition, a significant portion of the South County Outreach 's functions and programs are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the services do not require specialized skills. During the year ended December 31, 2014, computer lab volunteers donated approximately 3,045 of hours with an estimated value of \$91,350. This value was computed using an estimated hourly rate of \$30, based upon the average hourly earnings of similar employees plus estimated fringe benefits. During the year ended December 31, 2014, labor volunteers donated approximately 33,073 of hours with an estimated value of \$330,730. This value was computed using an estimated hourly rate of \$10, based upon the average hourly earnings of similar employees plus estimated fringe benefits.

Donated supplies consists primarily of food with a fair value of \$1.60 per pound based on management's estimate with the use of a study performed by Feeding America.

(2) Summary of Government Grant Funding

South County Outreach's contract revenues for the year ended December 31, 2014 are summarized as follows:

| | |
|---|-------------------|
| U.S. Dept of Housing & Urban Development-Care | \$ 197,248 |
| Community Development Block Grants* | 67,568 |
| Rescare Workforce Services-CDBG | 52,458 |
| Total | <u>\$ 317,274</u> |

*- Passed through the cities of Laguna Woods, Rancho Santa Margarita, Laguna Niguel, Mission Viejo, Irvine, Lake Forest, and Irvine.

At December 31, 2014, grant receivable in the amount of \$35,755 consisted of both federal and non-federal receivables and were reported in the statement of financial position.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(3) Property, Furniture and Equipment

Property, furniture and equipment consist of the following at December 31, 2014:

| | |
|--------------------------|--------------------|
| Residential buildings * | \$1,946,936 |
| Leasehold improvements | 162,446 |
| Office equipment | 110,694 |
| Vehicles | 28,767 |
| Accumulated depreciation | <u>(1,220,574)</u> |
| | <u>\$1,028,269</u> |

*Residential buildings consist of condominium units of which the land is not owned. As required under the terms of grants, certain of the Organization's residential rental properties with an approximate aggregate cost of \$1.8 million are to be used for transitional housing for families and individuals meeting specified eligibility requirements. In addition, certain of the rental properties with an approximate aggregate cost of \$1 million serve as collateral for the Organization's notes payable.

Total depreciation expenses for the year ended December 31, 2014 was \$87,356.

(4) Notes payable

Notes payable at December 31, 2014 are comprised of the following:

A note payable to County of Orange, California, collateralized by a deed of trust on real property and an assignment of rents, bearing interest at 2.0% per annum, payable in monthly principal and interest installments of \$1,023, with final payment due May 25, 2029. The total amount outstanding on the note as of December 31, 2014 was \$153,768.

A note payable to a bank, collateralized by a deed of trust on real property, bearing interest at 7.0% per annum, payable in monthly principal and interest installments of \$599, with final payment due June 1, 2017. The total amount outstanding on the note as of December 31, 2014 was \$72,360.

A note payable to a bank collateralized by a deed of trust on real property, bearing interest at 7.0% per annum, payable in monthly installments of \$799, with final payment due June 1, 2017. The total amount outstanding on the note as of December 31, 2014 was \$96,518.

A note payable to a bank collateralized by a deed of trust on real property, bearing interest at 7.05% per annum, payable in monthly installments of \$669, with final payment due May 1, 2017. The total amount outstanding on the note as of December 31, 2014 was \$80,200.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(4) Notes Payable (Continued)

A note payable to a bank collateralized by a deed of trust on real property, bearing interest at 6.625% per annum, payable in monthly installments of \$360, with final payment due June 26, 2023. The total amount outstanding on the note as of December 31, 2014 was \$37,266.

Total outstanding notes payable as of December 31, 2014 was \$440,112. Scheduled principal payments on notes payable are as follows:

| <u>Year ending June 30:</u> | <u>Totals</u> |
|-----------------------------|------------------|
| 2015 | \$ 17,832 |
| 2016 | 18,541 |
| 2017 | 244,185 |
| 2018 | 10,975 |
| 2019 | 11,250 |
| Thereafter | <u>137,239</u> |
| Totals | <u>440,112</u> |
| Less current portion | <u>(17,832)</u> |
| Long-term portion | <u>\$422,280</u> |

(5) Lease Obligations

Operating leases

South County Outreach entered into new rent agreements in January 2014 and June 2014 for its administrative office and pantry, respectively. South County Outreach also rents a thrift store. All three facilities are classified as operating leases. Monthly payments are approximately \$11,000 for the office and pantry, and \$3,500 for the thrift store. The new lease payments are approximately \$8,000 per month through January 2019. Rent expense for the two facilities was \$140,867 for the year ended December 31, 2014. South County Outreach also leases various equipment. Monthly payments on the equipment range from approximately \$55 to \$912 per month and expire ranging from May 2016 to July 2016. Rent expense for the equipment was \$8,246 for the year ended December 31, 2014. Minimum rental commitments are as follows:

Year ending June 30:

| | |
|-------------------------------------|------------------|
| 2015 | \$111,948 |
| 2016 | 110,153 |
| 2017 | 107,640 |
| 2018 | 97,608 |
| 2019 | <u>96,696</u> |
| Total future minimum lease payments | <u>\$524,045</u> |

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(6) Release of Temporarily Restricted Net Assets

During the year ended December 31, 2014, \$76,436 of temporarily restricted net assets, were released to unrestricted net assets as a result of the satisfaction of donor imposed restrictions.

| <u>Restricted for:</u> | Temporarily Restricted Net Assets- Beginning of Year | Temporarily Restricted Revenues | Released From Restriction | Temporarily Restricted Net Assets- End of Year |
|--|---|--|--|---|
| Rent/ utility assistance, food program, and other | <u>\$76,436</u> | <u>30,831</u> | <u>(76,436)</u> | <u>30,831</u> |

(7) Other Commitments and Contingencies

Financial assistance from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against South County Outreach for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

South County Outreach is also subject to legal proceedings, claims, and assessments which arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability with respect to these actions, should they occur, will not materially affect the South County Outreach's financial statements.

(8) Concentrations and Grant Funding

In recent years, South County Outreach has received significant funding from the Department of Housing and Urban Development (HUD), Rescare Workforce Services, and various Cities in Orange County. Due to potential reductions in funding from other agencies, future grants to South County Outreach are uncertain and/ or may be reduced. For instance, funding from HUD will terminate on June 30, 2015. Although management is reviewing alternatives for continuing operations, if other grants are reduced, any further reduction may impact the future operations of South County Outreach. South County Outreach received numerous grant contracts from various other agencies for funding through December 31, 2015. Additionally, it is the intent of South County Outreach to bid for funding from these and other agencies through December 31, 2016. Actual funding amounts from the various cities are dependent upon amounts allocated by various federal and state awarding agencies. South County Outreach also receives multi-year grant funding from various sources which are recorded in the period received or pledged. However, expenditures related to those grants can occur over several years. As a result, timing differences are created which can have an effect on changes in net assets.

SOUTH COUNTY OUTREACH
Notes to the Financial Statements

(Continued)

(9) Compliance with Laws and Regulations

By accepting subrecipient funds from the various federal grantor agencies, South County Outreach is required to comply with certain laws and regulations provided for under the respective grant agreements. Management believes that it has complied with such laws and regulations.

(10) Subsequent Events

Management has evaluated subsequent events through February 26, 2015, the date the financial statements were available to be issued.



An Independent CPA Firm

Board of Directors
South County Outreach
Irvine, California

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of South County Outreach, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise South County Outreach's basic financial statements, and have issued our report thereon dated February 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered South County Outreach's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of South County Outreach's internal control. Accordingly, we do not express an opinion on the effectiveness of South County Outreach's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether South County Outreach 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

David L. Gruber and Associates, Inc.

David L. Gruber and Associates, Inc.
Huntington Beach, California
February 26, 2015

Return of Organization Exempt From Income Tax

OMB No. 1545-0047
2014
Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2014 calendar year, or tax year beginning, 2014, and ending, 20

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending.
C Name of organization SOUTH COUNTY OUTREACH
D Employer identification no. 33-0330233
E Telephone number (949) 380-8144
G Gross receipts \$ 2,540,542
F Name and address of principal officer: DEBBY THRAILKILL
H(a) Is this a group return for subordinates? No
H(b) Are all subordinates included? No
H(c) Group exemption number
I Tax-exempt status: 501(c)(3)
J Website: WWW.SCO-OC.ORG
K Form of organization: Corporation
L Year of formation: 1988
M State of legal domicile: CA

Part II Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1. Mission statement, 2-6. Governance metrics, 7a-b. Revenue (8-12), Expenses (13-19), 20-22. Net Assets or Fund Balances.

Part III Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer MATTHEW CONRAD, TREASURER. Date 4/29/15.

Paid Preparer Use Only: Print/Type preparer's name RON LOPEZ, Date 04-14-2015, Firm's name GRUBER AND ASSOCIATES, Firm's address 15151 SPRINGDALE, Huntington Beach CA 92649, Firm's EIN P00758088, Phone no. 714-901-1760.

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

PROVIDES HUNGER AND HOMELESSNESS PREVENTION PROGRAMS TO UNDEREMPLOYED, UNEMPLOYED AND HOMELESS FAMILIES, SENIORS, AND VETERANS. PROGRAMS INCLUDE TRANSITIONAL HOUSING, FOOD PANTRY, RAPID REHOUSING, RENT & UTILITY ASSISTANCE, COMPUTER TRAINING, AND CLOTHING.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ 2,272,368 including grants of \$ _____) (Revenue \$ _____)

SINCE 1989, SOUTH COUNTY OUTREACH (SCO) HAS BEEN SERVING THE AREA'S MOST VULNERABLE POPULATIONS THROUGH HOMELESS & HUNGER PREVENTION SERVICES. ASSISTING RESIDENTS IN 12 SOUTH ORANGE COUNTY COMMUNITIES, SCO IS A NON-SECRETARIAN ORGANIZATION DEDICATED TO HELPING THE UNEMPLOYED, UNDEREMPLOYED, HOUSEHOLDS IN CRISIS, & THE HOMELESS. MANY OF OUR CLIENTS STRUGGLE TO SURVIVE MAKING MINIMUM WAGE. ANNUALLY, SOUTH COUNTY OUTREACH ASSISTS MORE THAN 9,000 RESIDENTS, 45% OF WHICH ARE CHILDREN AND 15% ARE SENIORS. INCLUDED IN OUR ANNUAL SERVICES ARE: AN ONSITE FOOD PANTRY WITH REFRIGERATION & FREEZER STORAGE TO DISTRIBUTE ALMOST 1 MILLION POUNDS OF FOOD; 17 CONDOMINIUMS USED FOR HOUSING 30 HOMELESS FAMILIES; A WORKFORCE DEVELOPMENT PROGRAM FOCUSED ON COMPUTER TRAINING FOR 500 STUDENTS; RENTAL & UTILITY ASSISTANCE DISTRIBUTED TO MORE THAN 300 HOUSEHOLDS; AND A THRIFT STORE. SCO RELIES ON 250 WEEKLY SCHEDULED VOLUNTEERS TO ASSIST WITH FOOD PANTRY TRANSPORTATION AND DISTRIBUTION.

4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe in Schedule O.)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **▶** 2,272,368

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows include questions 1 through 20b regarding organizational requirements for various schedules (A through H).

Part IV Checklist of Required Schedules (continued)

| | | Yes | No |
|-----|---|-----|----|
| 21 | Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | | X |
| 22 | Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | | X |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J | | X |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a | | X |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | |
| 25a | Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I | 25a | X |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I | 25b | X |
| 26 | Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II | 26 | X |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III | 27 | X |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a | A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | 28a | X |
| b | A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | 28b | X |
| c | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV | 28c | X |
| 29 | Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M | 29 | X |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M | 30 | X |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I | 31 | X |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II | 32 | X |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I | 33 | X |
| 34 | Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 | 34 | X |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | 35a | X |
| b | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 | 35b | X |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 | 36 | X |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI | 37 | X |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O | 38 | X |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for line numbers (1a-14b), descriptions of questions, and Yes/No columns. Includes entries for Form 1096, Form W-2G, Form W-3, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 4966, Form 501(c)(7), Form 501(c)(12), Form 4947(a)(1), and Form 501(c)(29).

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[] Own website [] Another's website [X] Upon request [] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records:
Connie O'Hara (949) 380-8144, 7 Whatney, Irvine, CA 92618

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's **five current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) <u>KEN BOWEN</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (2) <u>MATTHEW CONRAD</u> TREASURER | 2.00 | X | | X | | | 0 | 0 | 0 | |
| (3) <u>MARK CODY</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (4) <u>PATRICIA FLACK</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (5) <u>ANDREW MORROW</u> SECRETARY | 1.00 | X | | X | | | 0 | 0 | 0 | |
| (6) <u>LORI MAZAN</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (7) <u>DARRILYN ADAMS</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (8) <u>STEVE SEVERY</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (9) <u>CHRISTINA MAHR</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (10) <u>MIKE THOMPSON</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (11) <u>ANDREW OBERWEGER</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (12) <u>MELINDA WHITE</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (13) <u>KATHY WILBUR</u> BOARDMEMBER | 1.00 | X | | | | | 0 | 0 | 0 | |
| (14) <u>LARRY MOUNT</u> PRESIDENT ELECT | 1.00 | X | | X | | | 0 | 0 | 0 | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below dotted line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (15) DEBBY THRAILKILL PRESIDENT | 2.00 | | | X | | | | 0 | 0 | 0 |
| (16) LARA FISHER EXECUTIVE DIRECTOR | 40.00 | | | | | X | | 114,618 | 0 | 0 |
| (17) | | | | | | | | | | |
| (18) | | | | | | | | | | |
| (19) | | | | | | | | | | |
| (20) | | | | | | | | | | |
| (21) | | | | | | | | | | |
| (22) | | | | | | | | | | |
| (23) | | | | | | | | | | |
| (24) | | | | | | | | | | |
| (25) | | | | | | | | | | |
| 1b Sub-total | | | | | | | | | | |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | | | |
| d Total (add lines 1b and 1c) | | | | | | | | 114,618 | 0 | 0 |
| 2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization | | | | | | | | | | 1 |

| | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 | |
|--|---|--|----------------------|--|---|--|--|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) . . | 1e | 317,274 | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 1,863,788 | | | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | 1,139,408 | | | | |
| | h Total. Add lines 1a-1f | | 2,181,062 | | | | |
| | Program Service Revenue | 2a TRANSITIONAL HOUSE RENT | | Business Code | | | |
| | | | 532000 | 59,221 | 59,221 | | |
| b | | | | | | | |
| c | | | | | | | |
| d | | | | | | | |
| e | | | | | | | |
| f All other program service revenue | | | | | | | |
| g Total. Add lines 2a-2f | | | 59,221 | | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | | 4,245 | 4,245 | | |
| | 4 Income from investment of tax-exempt bond proceeds | | | | | | |
| | 5 Royalties | | | | | | |
| | 6a Gross rents | (i) Real | (ii) Personal | | | | |
| | | b Less: rental expenses | | | | | |
| | | c Rental income or (loss) | | | | | |
| | | d Net rental income or (loss) | | | | | |
| | 7a Gross amount from sales of assets other than inventory | (i) Securities | (ii) Other | | | | |
| | | b Less: cost or other basis and sales expenses | | | | | |
| | | c Gain or (loss) | | | | | |
| | | d Net gain or (loss) | | | | | |
| | 8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | a | | 114,775 | | | |
| | | b Less: direct expenses | b | 37,807 | | | |
| c Net income or (loss) from fundraising events | | | | 76,968 | | 76,968 | |
| 9a Gross income from gaming activities. See Part IV, line 19 | a | | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10a Gross sales of inventory, less returns and allowances | a | | 181,239 | | | | |
| | b Less: cost of goods sold | b | | | | | |
| | c Net income or (loss) from sales of inventory | | | 181,239 | 181,239 | | |
| 11a Miscellaneous Revenue | | Business Code | | | | | |
| b | | | | | | | |
| c | | | | | | | |
| d All other revenue | | | | | | | |
| e Total. Add lines 11a-11d | | | | | | | |
| 12 Total revenue. See instructions | | | 2,502,735 | 244,705 | 0 | 76,968 | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 | Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . | | | | |
| 2 | Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 | Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 | Benefits paid to or for members | | | | |
| 5 | Compensation of current officers, directors, trustees, and key employees | 114,618 | 96,270 | 16,046 | 2,302 |
| 6 | Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 | Other salaries and wages | 349,179 | 293,319 | 48,886 | 6,974 |
| 8 | Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . | | | | |
| 9 | Other employee benefits | 32,211 | 27,057 | 4,510 | 644 |
| 10 | Payroll taxes | 40,115 | 33,697 | 5,616 | 802 |
| 11 | Fees for services (non-employees): | | | | |
| a | Management | | | | |
| b | Legal | | | | |
| c | Accounting | 9,950 | 6,468 | 3,482 | |
| d | Lobbying | | | | |
| e | Professional fundraising services. See Part IV, line 17 . | | | | |
| f | Investment management fees | | | | |
| g | Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . | 59,204 | 53,402 | 5,802 | |
| 12 | Advertising and promotion | 17,904 | | | 17,904 |
| 13 | Office expenses | 77,887 | 50,627 | 27,260 | |
| 14 | Information technology | | | | |
| 15 | Royalties | | | | |
| 16 | Occupancy | 140,867 | 126,780 | 14,087 | |
| 17 | Travel | 62,638 | 50,110 | 12,528 | |
| 18 | Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 | Conferences, conventions, and meetings | 10,381 | 8,824 | 1,557 | |
| 20 | Interest | 22,667 | 22,667 | | |
| 21 | Payments to affiliates | | | | |
| 22 | Depreciation, depletion, and amortization | 87,356 | 79,494 | 7,862 | |
| 23 | Insurance | 13,058 | 10,446 | 2,612 | |
| 24 | Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a | Client training & counseling | 73,391 | 73,391 | | |
| b | Transitional housing | 101,370 | 101,370 | | |
| c | Rental and utility assistanc | 60,578 | 60,578 | | |
| d | In kind- food donations | 1,119,573 | 1,119,573 | | |
| e | All other expenses | 76,733 | 58,295 | 18,438 | |
| 25 | Total functional expenses. Add lines 1 through 24e . | 2,469,680 | 2,272,368 | 168,686 | 28,626 |
| 26 | Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

| | | (A) | | (B) |
|---|---|-------------------|-----------|---------------|
| | | Beginning of year | | End of year |
| Assets | 1 Cash - non-interest-bearing | 555,579 | 1 | 659,847 |
| | 2 Savings and temporary cash investments | 166,637 | 2 | 170,379 |
| | 3 Pledges and grants receivable, net | 51,275 | 3 | 35,755 |
| | 4 Accounts receivable, net | | 4 | |
| | 5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 31,495 | 8 | 51,125 |
| | 9 Prepaid expenses and deferred charges | | 9 | |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 2,248,843 | | |
| | b Less: accumulated depreciation | 10b 1,220,574 | 1,100,420 | 10c 1,028,269 |
| | 11 Investments - publicly traded securities | | 11 | |
| | 12 Investments - other securities. See Part IV, line 11 | | 12 | |
| | 13 Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 24,272 | 15 | 18,011 |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 1,929,678 | 16 | 1,963,386 | |
| Liabilities | 17 Accounts payable and accrued expenses | 33,794 | 17 | 41,477 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 458,516 | 23 | 440,112 |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 21,964 | 25 | 33,338 |
| | 26 Total liabilities. Add lines 17 through 25 | 514,274 | 26 | 514,927 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | 1,338,968 | 27 | 1,417,628 |
| | 28 Temporarily restricted net assets | 76,436 | 28 | 30,831 |
| | 29 Permanently restricted net assets | | 29 | |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | |
| | 30 Capital stock or trust principal, or current funds | | 30 | |
| | 31 Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 Total net assets or fund balances | 1,415,404 | 33 | 1,448,459 | |
| 34 Total liabilities and net assets/fund balances | 1,929,678 | 34 | 1,963,386 | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

| | | | |
|-----------|--|-----------|-----------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 2,502,735 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 2,469,680 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 33,055 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 1,415,404 |
| 5 | Net unrealized gains (losses) on investments | 5 | |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | 0 |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 1,448,459 |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

| | Yes | No |
|-----------|-----|----|
| 2a | | X |
| 2b | X | |
| 2c | X | |
| 3a | | X |
| 3b | | |

2a Were the organization's financial statements compiled or reviewed by an independent accountant?
 If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:

Separate basis Consolidated basis Both consolidated and separate basis

b Were the organization's financial statements audited by an independent accountant?
 If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:

Separate basis Consolidated basis Both consolidated and separate basis

c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

SOUTH COUNTY OUTREACH

33-0330233

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization listed in your governing document? | | (v) Amount of monetary support (see instructions) | (vi) Amount of other support (see instructions) |
|------------------------------------|----------|---|---|----|---|---|
| | | | Yes | No | | |
| (A) | | | | | | |
| (B) | | | | | | |
| (C) | | | | | | |
| (D) | | | | | | |
| (E) | | | | | | |
| Total | | | | | | |

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2010 | (b) 2011 | (c) 2012 | (d) 2013 | (e) 2014 | (f) Total |
|--|-----------|-----------|-----------|-----------|-----------|------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 2,648,476 | 2,492,618 | 2,413,930 | 2,794,368 | 2,498,490 | 12,847,882 |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | 2,648,476 | 2,492,618 | 2,413,930 | 2,794,368 | 2,498,490 | 12,847,882 |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | |
| 6 Public support. Subtract line 5 from line 4 | | | | | | 12,847,882 |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2010 | (b) 2011 | (c) 2012 | (d) 2013 | (e) 2014 | (f) Total |
|---|-----------|-----------|-----------|-----------|-----------|--------------------------|
| 7 Amounts from line 4 | 2,648,476 | 2,492,618 | 2,413,930 | 2,794,368 | 2,498,490 | 12,847,882 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 681 | 782 | 5,551 | 4,138 | 4,245 | 15,397 |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | 12,863,279 |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | | |
|---|---------------------------------------|--------|---|
| 14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)) | 14 | 99.88 | % |
| 15 Public support percentage from 2013 Schedule A, Part II, line 14 | 15 | 100.00 | % |
| 16a 33 1/3% support test - 2014. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | ▶ <input checked="" type="checkbox"/> | | |
| b 33 1/3% support test - 2013. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | ▶ <input type="checkbox"/> | | |
| 17a 10%-facts-and-circumstances test - 2014. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | ▶ <input type="checkbox"/> | | |
| b 10%-facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | ▶ <input type="checkbox"/> | | |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions | ▶ <input type="checkbox"/> | | |

Part III

Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or bus. under sec 513; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.); 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Amount, Percentage. Row 15: Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)) - 15 - %; Row 16: Public support percentage from 2013 Schedule A, Part III, line 15 - 16 - %

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Amount, Percentage. Row 17: Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)) - 17 - %; Row 18: Investment income percentage from 2013 Schedule A, Part III, line 17 - 18 - %

- 19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
19b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Name of the organization

SOUTH COUNTY OUTREACH

Employer identification number

33-0330233

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2014

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Open to Public Inspection

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

SOUTH COUNTY OUTREACH

33-0330233

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors... Yes No, 6 Did the organization inform all grantees... Yes No.

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements, 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution... 2a Total number of conservation easements, 2b Total acreage restricted by conservation easements, 2c Number of conservation easements on a certified historic structure included in (a), 2d Number of conservation easements included in (c) acquired after 8/17/06... 3 Number of conservation easements modified... 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring... Yes No, 6 Staff and volunteer hours devoted to monitoring... 7 Amount of expenses incurred in monitoring... \$, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included in Form 990, Part VIII, line 1 \$, (ii) Assets included in Form 990, Part X \$, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included in Form 990, Part VIII, line 1 \$, b Assets included in Form 990, Part X \$.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2014

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other _____
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|---|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment ▶ _____ %
 - b** Permanent endowment ▶ _____ %
 - c** Temporarily restricted endowment ▶ _____ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|---------------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|------------------|
| 1a Land | | | | |
| b Buildings | | 1,946,936 | 979,681 | 967,255 |
| c Leasehold improvements | | 162,446 | 117,403 | 45,043 |
| d Equipment | | 139,461 | 123,490 | 15,971 |
| e Other | | | | |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) | | | | 1,028,269 |

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) | | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) | | |

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) Deposits | 15,511 |
| (2) Other | 2,500 |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) | 18,011 |

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) Security and other deposits | 33,338 |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) | 33,338 |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII . . .

Part III

Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

| | | (a) Event #1 | (b) Event #2 | (c) Other events | (d) Total events | | |
|-----------------|----|--|---------------------------------|----------------------------|---------------------------------|---------|--------|
| | | <u>EMPTY BOWLS</u> (event type) | <u>FESTIVAL</u> (event type) | <u>1</u> (total number) | (add col. (a) through col. (c)) | | |
| Revenue | 1 | Gross receipts | 43,675 | 41,100 | 30,000 | 114,775 | |
| | 2 | Less: Contributions | | | | | |
| | 3 | Gross income (line 1 minus line 2) | 43,675 | 41,100 | 30,000 | 114,775 | |
| Direct Expenses | 4 | Cash prizes | | | | | |
| | 5 | Noncash prizes | | | | | |
| | 6 | Rent/facility costs | | | | | |
| | 7 | Food and beverages | | | | | |
| | 8 | Entertainment | | | | | |
| | 9 | Other direct expenses | 15,553 | 22,254 | | 37,807 | |
| | 10 | Direct expense summary. Add lines 4 through 9 in column (d) | | | | | 37,807 |
| | 11 | Net income summary. Subtract line 10 from line 3, column (d) | | | | | 76,968 |

Part III

Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

| | | (a) Bingo | (b) Pull tabs/instant bingo/progressive bingo | (c) Other gaming | (d) Total gaming (add col. (a) through col. (c)) | |
|-----------------|---|--|---|---|---|--|
| | | | | | | |
| Revenue | 1 | Gross revenue | | | | |
| Direct Expenses | 2 | Cash prizes | | | | |
| | 3 | Noncash prizes | | | | |
| | 4 | Rent/facility costs | | | | |
| | 5 | Other direct expenses | | | | |
| | 6 | Volunteer labor | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | |
| | 7 | Direct expense summary. Add lines 2 through 5 in column (d) | | | | |
| | 8 | Net gaming income summary. Subtract line 7 from line 1, column (d) | | | | |

- 9 Enter the state(s) in which the organization conducts gaming activities: _____
- a Is the organization licensed to conduct gaming activities in each of these states? Yes No
- b If "No," explain: _____
- 10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
- b If "Yes," explain: _____

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

SOUTH COUNTY OUTREACH

33-0330233

Part I Types of Property

| | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|--|-------------------------------|--|--|--|
| 1 Art - Works of art | | | | |
| 2 Art - Historical treasures | | | | |
| 3 Art - Fractional interests | | | | |
| 4 Books and publications | | | | |
| 5 Clothing and household goods | X | | 19,630 | FMV |
| 6 Cars and other vehicles | X | | 250 | FMV |
| 7 Boats and planes | | | | |
| 8 Intellectual property | | | | |
| 9 Securities - Publicly traded | | | | |
| 10 Securities - Closely held stock | | | | |
| 11 Securities - Partnership, LLC, or trust interests | | | | |
| 12 Securities - Miscellaneous | | | | |
| 13 Qualified conservation contribution - Historic structures | | | | |
| 14 Qualified conservation contribution - Other | | | | |
| 15 Real estate - Residential | | | | |
| 16 Real estate - Commercial | | | | |
| 17 Real estate - Other | | | | |
| 18 Collectibles | | | | |
| 19 Food inventory | X | 693,277 | 1,109,243 | \$1.60 PER LB |
| 20 Drugs and medical supplies | | | | |
| 21 Taxidermy | | | | |
| 22 Historical artifacts | | | | |
| 23 Scientific specimens | | | | |
| 24 Archeological artifacts | | | | |
| 25 Other ▶(GIFT CARDS) | X | | 10,330 | FMV |
| 26 Other ▶() | | | | |
| 27 Other ▶() | | | | |
| 28 Other ▶() | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

| | Yes | No |
|--|-----|----|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | | |
| b If "Yes," describe the arrangement in Part II. | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | | |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | | |
| b If "Yes," describe in Part II. | | |
| 33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | |

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service
Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public
Inspection

Employer identification number

SOUTH COUNTY OUTREACH

33-0330233

01. Form 990 governing body review (Part VI, line 11)

EXECUTIVE FINANCE COMMITTEE REVIEWS THE FORM 990 AND SIGNS FOR FILING.

02. Conflict of interest policy compliance (Part VI, line 12c)

ANNUALLY REVIEWS THE POLICY WITH EACH MEMBER. THEN EACH MEMBER RESIGNS THE POLICY.

03. CEO, executive director, top management comp (Part VI, line 15a)

SOUTH COUNTY OUTREACH DETERMINES THE COMPENSATION FOR THE EXECUTIVE DIRECTOR BASED ON THE
FOLLOWING FACTORS:

1. A COMPENSATION & BENEFITS SURVEY FOR SOUTHERN AND CENTRAL CALIFORNIA - NONPROFIT
ORGANIZATIONS, WHICH IS PREPARED BY THE CENTER FOR NONPROFIT MANAGEMENT.
2. A REVIEW OF COMPENSATION OF OTHER EXECUTIVE DIRECTORS FOR SIMILAR TASKS AND
ORGANIZATIONS; AND
3. AN APPROVAL BY THE ORGANIZATION'S BOARD OF DIRECTORS

04. Other officer or key employee compensation (Part VI, line 15b)

COMPENSATION FOR KEY EMPLOYEES IS DETERMINED AND APPROVED BY THE BOARD OF DIRECTORS BASED
IN PART BY STAFF PERFORMANCE, RECOMMENDATIONS BY THE EXECUTIVE DIRECTOR, AND BY USING THE
COMPENSATION AND BENEFITS SURVEY FOR SOUTHERN AND CENTRAL CALIFORNIA - NONPROFIT
ORGANIZATIONS PREPARED BY THE CENTER FOR NONPROFIT MANAGEMENT.

05. Governing documents, etc, available to public (Part VI, line 19)

UPON REQUEST, THESE DOCUMENTS ARE FORWARDED BY MAIL OR EMAIL TO REQUESTING PARTY.

Name(s) as shown on return

SOUTH COUNTY OUTREACH

FEIN

33-0330233

FORM 990, PART IX, LINE 24e, OTHER EXPENSE

| Description | Amount |
|-------------------------|------------------|
| Food purchase | \$ 17,496 |
| Utilities and telephone | 35,293 |
| Repairs and maintenance | 5,506 |
| Total: | \$ 58,295 |

FORM 990, PART IX, LINE 24e, OTHER EXPENSES

| Description | Amount |
|---|------------------|
| Utilities and telephone | \$ 3,921 |
| License fees, bank fees, and other fees | 9,512 |
| Repairs and maintenance | 1,377 |
| Miscellaneous | 3,628 |
| Total: | \$ 18,438 |

TAXABLE YEAR
2014

**California Exempt Organization
Annual Information Return**

FORM
199

Calendar Year 2014 or fiscal year beginning (mm/dd/yyyy) _____, and ending (mm/dd/yyyy) _____

| | | | |
|---|--|---|--------------------------|
| Corporation/Organization name SOUTH COUNTY OUTREACH | | California corporation number 1453101 | |
| Additional information. See instructions. | | FEIN 33-0330233 | |
| Street address (suite or room) 7 WHATNEY APT STE B | | PMB no. | |
| City IRVINE | | State CA | ZIP code 92618 |
| Foreign country name | | Foreign province/state/county | |
| | | Foreign postal code | |

| | |
|---|---|
| <p>A First Return <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B Amended Return <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>C IRC Section 4947(a)(1) trust <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>D Final Information Return? <input type="checkbox"/> Dissolved <input type="checkbox"/> Surrendered (Withdrawn) <input type="checkbox"/> Merged/Reorganized Enter date: (mm/dd/yyyy) _____</p> <p>E Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other</p> <p>F Federal return filed? (1) <input type="checkbox"/> 990T (2) <input type="checkbox"/> 990-PF (3) <input type="checkbox"/> Sch H (990)</p> <p>G Is this a group filing? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>H Is this organization in a group exemption? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," what is the parent's name? _____</p> <p>I Did the organization have any changes to its guidelines not reported to the FTB? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> | <p>J If exempt under R&TC Section 23701d, has the organization engaged in political activities? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>K Is the organization exempt under R&TC Section 23701g? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," enter the gross receipts from nonmember sources \$ _____</p> <p>L If organization is exempt under R&TC Section 23701d and meets the filing fee exception, check box. No filing fee is required <input checked="" type="checkbox"/></p> <p>M Is the organization a Limited Liability Company? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>N Did the organization file Form 100 or Form 109 to report taxable income? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>O Is the organization under audit by the IRS or has the IRS audited in a prior year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>P Is an IRS Form 1023/1024 pending? <input type="checkbox"/> Yes <input type="checkbox"/> No Date filed with IRS _____</p> |
|---|---|

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

| | | | | | |
|------------------------------|----|--|----|-----------|----|
| Receipts and Revenues | 1 | Gross sales or receipts from other sources. From Side 2, Part II, line 8 | 1 | 4,245 | 00 |
| | 2 | Gross dues and assessments from members and affiliates | 2 | | 00 |
| | 3 | Gross contributions, gifts, grants, and similar amounts received | 3 | 2,498,490 | 00 |
| | 4 | Total gross receipts for filing requirement test. Add line 1 through line 3. This line must be completed. If the result is less than \$50,000, see General Instruction B | 4 | 2,502,735 | 00 |
| | 5 | Cost of goods sold | 5 | | 00 |
| | 6 | Cost or other basis, and sales expenses of assets sold | 6 | | 00 |
| | 7 | Total costs. Add line 5 and line 6 | 7 | | 00 |
| | 8 | Total gross income. Subtract line 7 from line 4 | 8 | 2,502,735 | 00 |
| Expenses | 9 | Total expenses and disbursements. From Side 2, Part II, line 18 | 9 | 2,469,680 | 00 |
| | 10 | Excess of receipts over expenses and disbursements. Subtract line 9 from line 8 | 10 | 33,055 | 00 |
| Filing Fee | 11 | Filing fee \$10 or \$25. See General Instruction F | 11 | | 00 |
| | 12 | Total payments | 12 | | 00 |
| | 13 | Penalties and interest. See General Instruction J | 13 | | 00 |
| | 14 | Use tax. See General Instruction K | 14 | | 00 |
| | 15 | Balance due. Add line 11, line 13, and line 14. Then subtract line 12 from the result | 15 | | 00 |

| | | | | |
|---------------------------------|---|---------------------------|---|--|
| Sign Here | Signature of officer | Title TREASURER | Date 04/14/2015 | Telephone 949-380-8144 |
| | Preparer's signature | Date 04/14/2015 | Check if self-employed <input type="checkbox"/> | PTIN P00758088 |
| Paid Preparer's Use Only | Firm's name (or yours, if self-employed) and address GRUBER AND ASSOCIATES 15151 SPRINGDALE HUNTINGTON BEACH, CA 92649 | | | FEIN Telephone 714-901-1760 |
| | May the FTB discuss this return with the preparer shown above? See instructions <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |

Part II Organizations with gross receipts of more than \$50,000 and private foundations regardless of amount of gross receipts - complete Part II or furnish substitute information.

33-0330233

| | | | | | |
|-----------------------------|----|---|----|-----------|----|
| Receipts from Other Sources | 1 | Gross sales or receipts from all business activities. See instructions | 1 | | 00 |
| | 2 | Interest | 2 | 4,245 | 00 |
| | 3 | Dividends | 3 | | 00 |
| | 4 | Gross rents | 4 | | 00 |
| | 5 | Gross royalties | 5 | | 00 |
| | 6 | Gross amount received from sale of assets (See Instructions) | 6 | | 00 |
| | 7 | Other income. Attach schedule | 7 | | 00 |
| | 8 | Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1 | 8 | 4,245 | 00 |
| Expenses and Disbursements | 9 | Contributions, gifts, grants, and similar amounts paid. Attach schedule | 9 | | 00 |
| | 10 | Disbursements to or for members | 10 | | 00 |
| | 11 | Compensation of officers, directors, and trustees. Attach schedule | 11 | 114,618 | 00 |
| | 12 | Other salaries and wages | 12 | 349,179 | 00 |
| | 13 | Interest | 13 | 22,667 | 00 |
| | 14 | Taxes | 14 | | 00 |
| | 15 | Rents | 15 | 140,867 | 00 |
| | 16 | Depreciation and depletion (See instructions) | 16 | 87,356 | 00 |
| | 17 | Other Expenses and Disbursements. Attach schedule | 17 | 1,754,993 | 00 |
| | 18 | Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9 | 18 | 2,469,680 | 00 |

Schedule L Balance Sheets

Beginning of taxable year

End of taxable year

| Assets | (a) | (b) | (c) | (d) |
|--|-------------|-----------|-------------|-----------|
| 1 Cash | | 555,579 | | 659,847 |
| 2 Net accounts receivable | | 51,275 | | 35,755 |
| 3 Net notes receivable | | | | |
| 4 Inventories | | 31,495 | | 51,125 |
| 5 Federal and state government obligations | | | | |
| 6 Investments in other bonds | | | | |
| 7 Investments in stock | | | | |
| 8 Mortgage loans | | | | |
| 9 Other investments. Attach schedule | | 166,637 | | 170,379 |
| 10 a Depreciable assets | 2,233,638 | | 2,248,843 | |
| b Less accumulated depreciation | (1,133,218) | 1,100,420 | (1,220,574) | 1,028,269 |
| 11 Land | | | | |
| 12 Other assets. Attach schedule | | 24,272 | | 18,011 |
| 13 Total assets | | 1,929,678 | | 1,963,386 |
| Liabilities and net worth | | | | |
| 14 Accounts payable | | 33,794 | | 24,997 |
| 15 Contributions, gifts, or grants payable | | | | |
| 16 Bonds and notes payable | | | | |
| 17 Mortgages payable | | 458,516 | | 440,112 |
| 18 Other liabilities. Attach schedule | | 21,964 | | 49,818 |
| 19 Capital stock or principal fund | | | | |
| 20 Paid-in or capital surplus. Attach reconciliation | | | | |
| 21 Retained earnings or income fund | | 1,415,404 | | 1,448,459 |
| 22 Total liabilities and net worth | | 1,929,678 | | 1,963,386 |

Schedule M-1 Reconciliation of income per books with income per return

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$50,000.

| | | | | | |
|---|---|--------|----|--|--------|
| 1 | Net income per books | 33,055 | 7 | Income recorded on books this year not included in this return. Attach sch . . . | |
| 2 | Federal income tax | | 8 | Deductions in this return not charged against book income this year. Attach schedule | |
| 3 | Excess of capital losses over capital gains | | 9 | Total. Add line 7 and line 8 | |
| 4 | Income not recorded on books this year. Attach schedule | | 10 | Net income per return. Subtract line 9 from line 6 | 33,055 |
| 5 | Expenses recorded on books this year not deducted in this return. Attach schedule | | | | |
| 6 | Total. Add line 1 through line 5 | 33,055 | | | |

State Supporting Statements

2014 Page 1

Name(s) as shown on return

SOUTH COUNTY OUTREACH

SSN/FEIN

33-0330233

FORM 199, PART II, LINE 17-OTHER EXPENSES

| Description | Amount |
|-------------------------------|----------------------------|
| EMPLOYEE BENEFITS | \$ 32,211 |
| PAYROLL TAXES | 40,115 |
| ACCOUNTING | 9,950 |
| ADVERTISING PUBLIC RELATIONS | 17,904 |
| OFFICE SUPPLIES | 77,887 |
| PROFESSIONAL SERVICES | 59,204 |
| TRAVEL | 62,638 |
| CONFERENCES AND MEETING | 10,381 |
| INSURANCE | 13,058 |
| TRAINING AND COUNSELING | 73,391 |
| TRANSITIONAL HOUSING | 101,370 |
| RENTAL AND UTILITY ASSISTANCE | 60,578 |
| IN KIND FOOD DONATIONS | 1,119,573 |
| UTILITIES AND TELEPHONE | 39,214 |
| REPAIRS AND MAINTENANCE | 6,883 |
| FOOD PURCHASE | 17,496 |
| LICENSE FEES AND OTHER | 9,512 |
| MISC | 3,628 |
| Total: | <u>\$ 1,754,993</u> |

CT# 81594

A0646469

C1453101

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

JUN - 7 2006

**CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION**

The undersigned certify that:

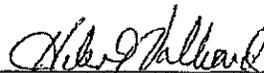
1. They are the President and the Secretary, respectively, of **Saddleback Community Outreach**, A California Nonprofit Public Benefit Corporation.
2. Article I of the Articles of Incorporation of the corporation is amended to read as follows:

The name of this corporation is SOUTH COUNTY OUTREACH.

3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.
4. The corporation has no members.

We the undersigned further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Dated this 16 day of May 2006.



Helen Vallerand
President



Kathy Allanson
Secretary

RECEIVED

JUN 27 2006

Attorney General
Registry of Motor Vehicles

1453101

FILED

In the office of the Secretary of State
of the State of California

DEC 28 1988

March Fong Eu
MARCH FONG EU, Secretary of State

ARTICLES OF INCORPORATION

OF

SADDLEBACK COMMUNITY OUTREACH

A California Nonprofit Public Benefit Corporation

I

The name of the corporation is SADDLEBACK COMMUNITY OUTREACH.

II

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

This corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

III

The name of the corporation's initial agent for service of process is:

Ray Havert
22272 Lambert, Suite 602
El Toro, CA 92630.

IV

A. No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation except as provided in Section 501(h) of the Internal Revenue Code, and this corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of any candidate for public office except as provided in Section 501(h) of the Internal Revenue Code.

B. All corporate property is irrevocably dedicated to the purposes set forth in Article Two, above. No part of the net earnings of this corporation shall inure to the benefit of any of

its directors, trustees, officers, private shareholders or members, or to individuals.

C. Upon the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization or organizations organized and operated exclusively for charitable purposes which have established tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

D. The corporation will distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code.

E. The corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code.

F. The corporation will not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code.

G. The corporation will not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code.

H. The corporation will not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

DATED:

12/6/88

Ray Havert
Ray Havert, Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Ray Havert
Ray Havert

NIR



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
P. O. BOX 851
SACRAMENTO, CA 95812-0851

TO 170

March 29, 1989

In reply refer to
344:G :RK

SADDLEBACK COMMUNITY OUTREACH
UNIT H
25651 TALADRO CIRCLE
MISSION VIEJO CA 92691

Purpose : CHARITABLE
Code Section : 23701d
Form of Organization : Corporation
Accounting Period Ending: December 31
Organization Number : 1453101

You are exempt from state franchise or income tax under the section of the Revenue and Taxation Code indicated above.

This decision is based on information you submitted and assumes that your present operations continue unchanged or conform to those proposed in your application. Any change in operation, character, or purpose of the organization must be reported immediately to this office so that we may determine the effect on your exempt status. Any change of name or address must also be reported.

In the event of a change in relevant statutory, administrative, judicial case law, a change in federal interpretation of federal law in cases where our opinion is based upon such an interpretation, or a change in the material facts or circumstances relating to your application upon which this opinion is based, this opinion may no longer be applicable. It is your responsibility to be aware of these changes should they occur. This paragraph constitutes written advice, other than a chief counsel ruling, within the meaning of Revenue and Taxation Code Section 21012(a)(2).

You may be required to file Form 199 (Exempt Organization Annual Information Return) on or before the 15th day of the 5th month (4 1/2 months) after the close of your accounting period. Please see annual instructions with forms for requirements.

You are not required to file state franchise or income tax returns unless you have income subject to the unrelated business income tax

March 29, 1989
SADDLEBACK COMMUNITY OUTREACH
Corporate Number 1453101
Page 2

under Section 23731 of the Code. In this event, you are required to file Form 109 (Exempt Organization Business Income Tax Return) by the 15th day of the 5th month (4 1/2 months) after the close of your annual accounting period.

Please note that an exemption from federal income or other taxes and other state taxes requires separate applications.

A copy of this letter has been sent to the Registry of Charitable Trusts.

A SCOTT/RB
EXEMPT ORGANIZATION
GENERAL AUDIT
Telephone (916) 369-4171

EO :
cc: RAY J. HAVERT

COPY

BYLAWS
OF
SOUTH COUNTY OUTREACH
A California Nonprofit Public Benefit Corporation

ARTICLE I

Section 1. Name

The name of this corporation is SOUTH COUNTY OUTREACH.

Section 2. Principal Office

The principal office for the transaction of the activities and affairs of SOUTH COUNTY OUTREACH is located at 26776 Vista Terrace, Lake Forest, in Orange County, California. The Board of Directors may change the principal office from one location to another. Any change of location of the principal office shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

Section 3. Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

ARTICLE II

Purposes and Limitations

Section 1. General Purposes

Recognizing the plight of many individuals and families who find themselves, through circumstances beyond their control, without the basic necessities of nourishment and shelter, SOUTH COUNTY OUTREACH proposes to assist these persons by providing food and temporary housing in an effort to help them reach self-sufficiency through homeless prevention and transitional housing programs. In addition, SOUTH COUNTY OUTREACH will provide services in order to speed these individuals and families toward the goal of becoming productive and self-supporting members of the community.

The services which SOUTH COUNTY OUTREACH provides are available on a nondiscriminatory basis, and in a manner that respects the dignity of those requiring help.

Section 2. Limitations

SOUTH COUNTY OUTREACH shall not involve itself in any activity that jeopardizes its tax exempt status under Federal or State revenue and tax laws. It is the intent of this corporation to operate as a tax exempt organization, and it is not organized for the private gain of any person. The corporation shall be operated exclusively for charitable purposes within the meanings of the Internal Revenue Code and the laws of the State of California.

Section 3. Compliance with Internal Revenue Code

This corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States internal revenue law.

ARTICLE III

Membership

Section 1. Members

This corporation shall have no members.

ARTICLE IV

Board Levels, Term, and Participation Responsibilities and Perquisites

This corporation shall have three Board levels: the Governing Board, an Advisory Board and an Honorary Board. The terms, requirements and perquisites of each Board is as follows:

Section 1. Governing Board

The Governing Board shall consist of no less than five members and no more than seventeen members.

Term – three year term, not to exceed a total of six consecutive years

Section 2 Advisory Board – unlimited size

Term - unlimited, as long as meeting commitments to SCO

Section 3 Honorary Board – unlimited size

Term - 1 year

ARTICLE V

Governing Board of Directors

Section 1. Powers

Subject to the provisions and limitations of the California Non-Profit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws, the corporation's activities and affairs shall be managed, and all corporation powers shall be exercised, by or under the direction of the Governing Board.

Section 2. Specific Powers

Without prejudice to the general powers set forth in Section 1 of this Article of the Bylaws, but subject to the same limitations, the Governing Board Directors shall have the power to:

- (a) Appoint and remove, at the discretion of the Board, all the corporation's officers, Board members, agents, and the Executive Director; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws.
- (b) Change the principal purpose or the principal business office in California from one location to another, and designate any place within Orange County for any meeting of the Board of Directors.
- (c) Borrow money, purchase property and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
- (d) Appoint those officers by resolution who shall sign on behalf of the corporation to implement the provisions of Paragraph c of Section 2.
- (e) Whenever a, b, c & d are accomplished there must be a corporate resolution and two-thirds majority Board approval on all actions.

Section 3. Number of Directors and Qualifications

The Board of Directors shall consist of at least 5, but no more than 17 Directors until changed by amendment to these Bylaws. The exact number of Directors shall be fixed, within those limits, by yearly resolution adopted by the Board of Directors. The qualifications for Directors are that they be at least 21 years of age, and be committed and able to carry out the goals and objectives of SOUTH COUNTY OUTREACH. Their appointment shall be by vote of the Board of the Directors.

Section 4. Restriction on Interested Persons as Directors

No person serving on the Board may be interested persons. An interested person is defined as:

- (a) Any person who is a salaried employee of the corporation, whether as a full time or part time employee, or independent contractor.

(b) Any person who is serving on the staff, either paid or unpaid.

(c) Any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 5. Prohibition Against Sharing Corporate Profits and Assets

No Director, Officer, employee, or other person connected with this corporation, or any private individual, shall receive, at any time, any of the net earnings or pecuniary profit from the operations of the corporation; provided, however, that this provision shall not prevent payment to any such person for reasonable compensation for services performed for the corporation in effecting any of its charitable purposes; provided that such compensation is otherwise permitted by these Bylaws or is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. Upon dissolution of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise. Nothing in these bylaws shall prevent Board members from applying for and obtaining services from the organization, as long as: (1) they meet the requirements of our program(s), (2) are not given preferential treatment and (3) the Executive Committee is notified of the occurrence.

Section 6. Governing Board Election, Designation, Term of Office

Directors shall be elected at the annual meeting of the Governing Board. Each such Director shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. The initial term for each such Director elected at the Annual Meeting shall be for three years, and if re-elected thereafter shall hold office for another three years. After two full consecutive three year terms a director is not eligible for re-election for one full year. After one year's absence, the former director is eligible for election. Terms of office shall be staggered so that one-third of the terms expire each year. The Secretary shall keep a record of Directors' tenure for election verification.

Section 7. Vacancies on the Governing Board of Directors

(a) Events causing vacancy –

A vacancy or vacancies on the Board shall exist on the occurrence of any of the following:

- (1) The death or resignation of any Director;
- (2) The declaration by resolution of all Directors creating a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under the California Non-Profit Public Benefit Corporation Law;
- (3) The Board of Directors determines at the Annual meeting that a Director has failed to attend at least 75% of the Board meetings during that calendar year, or
- (4) A call of removal by a majority vote by the full Board of Directors.

(b) Resignations –

Except as provided below, any Director may resign by giving written notice to the President of the Board, or the Secretary of the Board. The resignation shall be effective when the notice is given, unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on the notice to the Attorney General of California, no Director may resign if the corporation would be left without a duly elected Board of Directors.

(c) Filling Vacancies –

Vacancies on the Board may be filled by a majority of the Directors then in office. The term for that vacancy shall be for the remainder of that Director's term of office.

Section 8. Directors' Meetings

(a) Place –

Meetings of the Board shall be held at any place within Orange County that has been designated by resolution of the Board, or the notice of the meeting, or, if not so designated, at the principal office of the corporation.

(b) Annual Meeting –

The Board of Directors shall hold an annual meeting in January for the purpose of organization, election of officers, and transaction of other business. Notice of this meeting shall be required.

(c) Other Regular Meetings –

Other regular meetings of the Board may be held with notice at such time and place as the Board may fix from time to time.

(d) Special Meetings –

Special meetings of the Board for any purpose may be called at any time by the President of the Board, or at the request of the Past President, the President-Elect, the Secretary or any two Directors. Notice of the time, place and purpose of special meetings shall be given to each Director by one of the following methods:

(1) By personal delivery of written notice;

(2) By first class mail, postage prepaid;

(3) By telephone, fax, or e-mail either directly to the Director or to a person at the Director's office that would reasonably be expected to communicate that notice promptly to the Director;

All such notices shall be given or sent to a Director's address, telephone or fax number, or e-mail address as shown on the records of the corporation. Notices shall be delivered 4 days before the date of the meeting.

(e) Quorum –

One third of the authorized number of Directors shall constitute a quorum for the transaction of business. Every action taken, or decision made by a majority of the Directors present at duly held meeting at which a quorum is present, shall be the act of the Board. A meeting at which a quorum is initially present may continue to transact

business, despite the withdrawal of Directors. Directors must be present in person or telephonically; proxy voting is not allowed.

(f) Waiver of Notice –

Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a Waiver of Notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records, or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

(g) Adjournment –

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the time and place of resuming an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who are not present at the time of the adjournment.

(h) Action Without a Meeting -

Any action that the Board is required or permitted to take, may be taken without a meeting provided all members of the Board are contacted (typically via email) with at least one third of the members responding will be considered a quorum. The majority vote of those responding shall be the act of the Board; proxy voting is not allowed.

Section 9. Compensation and Reimbursement

Directors shall serve without compensation for their services as Directors. Directors may be reimbursed for expenses, as the Board may determine by resolution to be just and reasonable to the corporation at the time that the resolution is adopted.

Section 10. Committees

(a) **Limitation of Powers -** The Board, by resolution adopted by a majority of the Directors, may create one or more committees. Appointments to committees of the Board shall be by majority vote of the Directors. No committee, regardless of Board Resolution, may:

- (1) Take any final action on any matter that, under the California Non-Profit Public Benefit Corporation Law, also requires approval by a majority of all members of the Board of Directors;
- (2) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (3) Fix compensation of the Directors for serving on the Board or on any committee;
- (4) Amend or repeal Bylaws or adopt new Bylaws;
- (5) Amend or repeal any resolution of the Board that by its expressed terms is not so amendable or repealable;
- (6) Create any other committees of the Board or appoint the members of the committees of the Board;
- (7) Expend corporate funds to support a nominee for Director after more people have been nominated for Director than can be elected; or
- (8) Approve any contract or transaction to which the corporation is a party and in which one or more of its Directors has a material financial interest.
- (9) There shall be in place at all times an Executive Committee, which shall serve at the pleasure of the Board, to monitor and review all acts of any committee set up by the Board.

(b) Meetings and Actions -

Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws. Other Board actions, except the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Minutes of each meeting of any committee

of the Board shall be kept and shall be filed with the corporate records. All committees must function within the guidelines set forth in the Bylaws of the corporation.

(c) Required Committees of the Board --

The required committees of the Board shall include the Executive Committee, and the Finance Committee.

(1) Executive Committee --

The Executive Committee shall be composed of the Board President, Past President, President-Elect, Secretary and Treasurer. The Executive Committee shall be headed by the President of the Board and have the following responsibilities:

- i. Review matters to be submitted to the full Board for discussion and consideration.
- ii. Establish the agenda for Board meetings.
- iii. Make recommendations on various matters pertaining to the operations and interests of SOUTH COUNTY OUTREACH.
- iv. Be responsible for conducting the business of the Board of Directors of SOUTH COUNTY OUTREACH in between regularly scheduled Board meetings, subject, however, to ratification by the full Board at the first meeting of the Board following any action taken by the Executive committee.
- v. Notify the Board of any special meetings of the Board of Directors.
- vi. Review and recommend changes to the Articles of Incorporation and Bylaws necessary to protect the non-profit and legal status of SOUTH COUNTY OUTREACH.
- vii. Review all recommendations for the Board of Directors by 2 members of the Executive Committee.
- viii. Review all actions by the corporation concerning real estate acquisitions and/or sales and investments.
- ix. Develop and make recommendations to the Board for personnel policies relative to paid staff functions.

- x. Review all proposed job descriptions and make recommendations to the Board on how such descriptions should be implemented.
- xi. Provide recommendations to the Board regarding performance evaluations, merit increases, terms of employment, termination or other changes in personnel status of the executive director.
- xii. Interview and recommend potential new members to the Board of Directors.

(2) Finance Committee –

The Board Treasurer shall serve as the Committee's Chairperson. The Finance Committee shall be responsible for the following:

- i. Coordinate with the assistance of the Executive Director the development of the annual budget for SOUTH COUNTY OUTREACH.
- ii. Provide monthly financial reports to the Board concerning the standing of SOUTH COUNTY OUTREACH.
- iii. Coordinate with CPA firm in preparation of annual audit and report.
- iv. Establish criteria for accounting and bookkeeping procedures to be used by SOUTH COUNTY OUTREACH.

Section 11. Transaction of Business

All Board meetings, and meetings of Board Committees, shall be conducted in accordance with parliamentary procedure as described in the revised edition of Robert's Rules of Order.

ARTICLE VI

Officers

Section 1. Officers of the Corporation

The officers of the corporation shall be a President, Past President, President -Elect, Secretary, Treasurer, and such other officers as may be appointed in accordance with Article IV Section 3 under the Bylaws. The Secretary and Treasurer position can not be held by the same person. All other positions can be held by the same person.

Section 2. Election of Officers

The President-Elect, Secretary and Treasurer of the corporation shall be chosen annually by the Board, and serve at the discretion of the Board. The previous years President-Elect will become President and the President shall become Past President. Nominations for officers shall be made and voted on at the Annual Meeting in January.

Section 3. Removal of Officers

Removal of officers must comply with the provisions of Article IV Section 6.

Section 4. Resignation of Officers

Resignation of officers must comply with the provisions of Article IV Section 6.

Section 5. Vacancies in Office

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause must be filled in compliance with the provisions of Article IV Section 6.

Section 6. Responsibilities of Officers

(a) President of the Board

The President of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time.

(b) President-Elect

The President-Elect is to act in the absence of the President, shall be empowered to be a spokesperson for the Corporation and shall be responsible for any additional duties as prescribed by the Board of Directors. If the President of the Board is absent or disabled, the President-Elect shall perform all duties of the President.

(c) Past-President

The Past-President shall act in the absence of the President and President-Elect and shall review and coordinate all programs and policies, and shall be responsible for any additional duties and prescribed by the Board of Directors.

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SOUTH COUNTY OUTREACH
7 WHATNEY STE B
IRVINE CA 92618



014698

Employer Identification Number: 33-0330233
Person to Contact: Mr. Burns
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Oct. 14, 2015, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in May 1993.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

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SOUTH COUNTY OUTREACH
7 WHATNEY STE B
IRVINE CA 92618

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Doris P. Kenwright

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1