

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**

**FINANCIAL STATEMENTS**

**JUNE 30, 2012**



Leaf & Cole, LLP  
*Certified Public Accountants*

**SAN DIEGO PUBLIC LIBRARY FOUNDATION  
FINANCIAL STATEMENTS  
JUNE 30, 2012**

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 11
Supplementary Information: Supplementary Schedule of Functional Expenses	12



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## Independent Auditor's Report

To the Board of Directors  
San Diego Public Library Foundation  
San Diego, California

We have audited the accompanying statement of financial position of San Diego Public Library Foundation as of June 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized information has been derived from the Foundation's 2011 financial statements and in our report dated November 14, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Diego Public Library Foundation as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information for the year ended June 30, 2012 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The summarized comparative information for the year ended June 30, 2011 included in the supplementary schedule of functional expenses for the year ended June 30, 2012 has been derived from San Diego Public Library Foundation's 2011 financial statements and in our report dated November 14, 2011, we expressed our opinion that the information was fairly stated in all material respects in relation to the financial statements as a whole.

*Leaf & Cole LLP*

San Diego, California  
February 25, 2013

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**ASSETS**

	<u>2012</u>	<u>2011</u>
<b><u>Assets:</u></b> (Notes 1, 2, 3 and 4)		
Cash and cash equivalents:		
Unrestricted	\$ 785,491	\$ 1,197,794
Restricted	<u>27,146,547</u>	<u>5,231,666</u>
Total Cash and Cash Equivalents	27,932,038	6,429,460
Investments	101,817	-
Contributions receivable, net	<u>21,740,297</u>	<u>34,303,229</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 49,774,152</u></u></b>	<b><u><u>\$ 40,732,689</u></u></b>

**LIABILITIES AND NET ASSETS**

<b><u>Liabilities:</u></b>		
Accounts payable and accrued expenses	\$ <u>111,276</u>	\$ <u>90,465</u>
Total Liabilities	111,276	90,465
<b><u>Net Assets:</u></b> (Notes 1, 5, 6 and 7)		
Unrestricted	674,215	1,107,329
Temporarily restricted	48,847,141	39,394,175
Permanently restricted	<u>141,520</u>	<u>140,720</u>
Total Net Assets	<u>49,662,876</u>	<u>40,642,224</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$ 49,774,152</u></u></b>	<b><u><u>\$ 40,732,689</u></u></b>

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

**SAN DIEGO PUBLIC LIBRARY FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012			Total	2011 Total
	Unrestricted	Temporarily Restricted	Permanently Restricted		
<b>Revenue and Support:</b>					
Contributions	\$ 388,636	\$ 10,235,620	\$ 800	\$ 10,625,056	\$ 4,653,697
In-kind contributions	69,610	1,526,789	-	1,596,399	3,347,234
Investment income	3,031	130,159	-	133,190	11,253
Net assets released from restrictions	2,439,602	(2,439,602)	-	-	-
Total Revenue and Support	<u>2,900,879</u>	<u>9,452,966</u>	<u>800</u>	<u>12,354,645</u>	<u>8,012,184</u>
<b>Expenses:</b>					
<b>Program Services:</b>					
San Diego Public Library	<u>2,638,758</u>	<u>-</u>	<u>-</u>	<u>2,638,758</u>	<u>4,148,278</u>
<b>Supporting Services:</b>					
Fundraising and capital campaign	397,450	-	-	397,450	407,485
Management and general	297,785	-	-	297,785	212,970
Total Supporting Services	<u>695,235</u>	<u>-</u>	<u>-</u>	<u>695,235</u>	<u>620,455</u>
Total Expenses	<u>3,333,993</u>	<u>-</u>	<u>-</u>	<u>3,333,993</u>	<u>4,768,733</u>
Change in Net Assets	(433,114)	9,452,966	800	9,020,652	3,243,451
Net Assets at Beginning of Year, as Restated (Note 7)	<u>1,107,329</u>	<u>39,394,175</u>	<u>140,720</u>	<u>40,642,224</u>	<u>37,398,773</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 674,215</u>	<u>\$ 48,847,141</u>	<u>\$ 141,520</u>	<u>\$ 49,662,876</u>	<u>\$ 40,642,224</u>

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

**SAN DIEGO PUBLIC LIBRARY FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012</u>	<u>2011</u>
<b><u>Cash Flows From Operating Activities:</u></b>		
Change in net assets	\$ 9,020,652	\$ 3,243,451
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities:</b>		
Donated stock	(101,817)	-
Permanently restricted contributions	(800)	(50,720)
<b>(Increase) Decrease in:</b>		
Contributions receivable, net	12,562,932	(653,250)
<b>Increase (Decrease) in:</b>		
Accounts payable	20,811	39,702
Net Cash Provided by Operating Activities	<u>21,501,778</u>	<u>2,579,183</u>
<b><u>Cash Flows From Financing Activities:</u></b>		
Permanently restricted contributions	800	50,720
Net Cash Provided by Financing Activities	<u>800</u>	<u>50,720</u>
Increase in Cash and Cash Equivalents	21,502,578	2,629,903
Cash and Cash Equivalents at Beginning of Year	<u>6,429,460</u>	<u>3,799,557</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u><u>\$ 27,932,038</u></u></b>	<b><u><u>\$ 6,429,460</u></u></b>

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

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 1 - Organization and Significant Accounting Policies:**

**Organization**

San Diego Public Library Foundation (the “Library Foundation”) is a California Nonprofit Corporation comprised mostly of volunteer leaders who work with the Friends of the Library (the “Friends”) and other support groups to raise funds to support the San Diego Public Library (the “Library”) system and an excellent free public library system. Since its inception, the Library Foundation has worked with the City to open six new branch libraries and expand two branches. The Library Foundation has worked with the Friends and other partners to ensure the Library has met the City’s matching contribution each of the last seven fiscal years, totaling more than \$8,000,000. This match program provides critical support for materials, programs and technology at the Central Library and the 35 branches.

**Significant Accounting Policies**

**Method of Accounting**

The financial statements of the Library Foundation have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities.

**Financial Statement Presentation**

The financial statements present information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

The FASB has issued reporting standards for endowments of not-for-profit Organizations subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and enhanced disclosures for all endowment funds. The standards provide guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of UPMIFA, which serves as a model act for states to modernize their laws governing donor-restricted endowment funds. The standards also require additional disclosures about endowments (both donor-restricted funds and board-designated funds) to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policies, and related investment policies of its endowment funds.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Fair Value Measurements**

The Library Foundation has adopted the fair value standards for financial assets and liabilities that are required to be measured at fair value on a recurring basis. The Fair Value Measurement standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). These standards do not change existing guidance as to whether or not an instrument is carried at fair value.

The Library Foundation's statement of financial position includes the following financial instruments that are required to be measured at fair value on a recurring basis:

- Investments in corporate stocks are considered Level 1 assets and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.

**Capitalization and Depreciation**

The Library Foundation capitalizes all expenditures in excess of \$1,000 for equipment at cost, while donations of equipment are recorded at their estimated fair values. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Library Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Library Foundation reclassifies temporarily restricted net assets to unrestricted net assets at that time. The Library Foundation has no capitalized equipment at June 30, 2012 and 2011.

Maintenance, repairs and minor renewals are charged to operations as incurred. Upon sale or disposition of equipment, the asset account is relieved of the cost and the accumulated depreciation account is charged with depreciation taken prior to the sale and any resultant gain or loss is credited or charged to earnings.

**Contributions**

Contributions are recognized when the donor makes a promise to give in writing to the Library Foundation that is in substance, unconditional. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. When the stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions to be received in future periods are discounted at an appropriate discount rate. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.



**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Allowance for Doubtful Accounts**

Management believes that all contributions receivable were fully collectible; therefore no allowance for doubtful accounts was recorded as of June 30, 2012 and 2011.

**Donated Services, Rent (Office Space), Office Support and Other Outside Services and Equipment**

The Library Foundation received contributed personnel services, rent (office space), printing, postage and marketing and professional services totaling \$69,610 and \$65,790, which have been reflected in the financial statements as unrestricted in-kind contributions revenue and program and supporting services expenses for the years ended June 30, 2012 and 2011, respectively.

The Library Foundation received equipment and program supplies and materials totaling \$1,526,789 and \$3,281,444, which have been reflected in the financial statements as restricted in-kind contributions revenue and program services for the years ended June 30, 2012 and 2011, respectively.

Additionally, a substantial number of volunteers have donated significant amounts of their time to the Library Foundation fundraising campaigns. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services by volunteers for the years ended June 30, 2012 and 2011, did not meet the requirements above; therefore, no amounts were recognized in the financial statements for volunteer time.

**Allocated Expenses**

Expenses by function have been allocated among program and supporting services classifications on the basis of internal records and estimates made by the Library Foundation's management.

**Income Taxes**

The Library Foundation is a public charity and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Library Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Library Foundation is not a private foundation.

The Library Foundation's Return of Organization Exempt from Income Tax for the years ended June 30, 2012, 2011, 2010 and 2009 are subject to examination by the Internal Revenue Service and State taxing authorities, generally the three to four years after the returns were filed.

**Concentration of Credit Risk**

The Library Foundation maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. The Library Foundation believes it is not exposed to any significant credit risk on cash and cash equivalents.

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Library Foundation considers all investment instruments purchased with a maturity of three months or less to be cash equivalents.

**Comparative Totals for June 30, 2011**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Library Foundation's financial statements for the year ended June 30, 2011, from which the summarized information was derived.

**Subsequent Events**

In preparing these financial statements, the Library Foundation has evaluated events and transactions for potential recognition or disclosure through February 25, 2013, the date the financial statements were available to be issued.

**Note 2 - Fair Value Measurements:**

The following table summarizes assets measured at fair value by classification within the fair value hierarchy as of June 30, 2012:

	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Balance as of June 30, 2012</u>
Corporate stocks:				
Domestic - Services	\$ 101,817	\$ -	\$ -	\$ 101,817
	<u>\$ 101,817</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,817</u>

**Note 3 - Investments:**

The Library Foundation's investments consist of the following at June 30:

	<u>2012</u>	<u>2011</u>
Corporate stocks	\$ <u>101,817</u>	\$ <u>-</u>

**SAN DIEGO PUBLIC LIBRARY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 4 - Contributions Receivable:**

Contributions receivable consist of the following at June 30:

	<u>2012</u>	<u>2011</u>
Current:		
Receivables due in less than one year	\$ 6,951,829	\$ 9,110,487
Total Current	<u>6,951,829</u>	<u>9,110,487</u>
Noncurrent:		
Receivables due in one to five years	13,438,078	22,481,582
Receivables due in over five years	2,100,000	4,000,000
Less: Discounts to present value	<u>(749,610)</u>	<u>(1,288,840)</u>
Total Noncurrent	<u>14,788,468</u>	<u>25,192,742</u>
Total Contributions Receivable, Net	<u>\$ 21,740,297</u>	<u>\$ 34,303,229</u>

The contributions receivable have been discounted to their present value using a discount rate of 1.50% at June 30, 2012 and 2011, respectively.

**Note 5 - Temporarily Restricted Net Assets:**

Temporarily restricted net assets consist of contributions received by the Library Foundation that have time and purpose restrictions to be fulfilled in the future and consist of the following at June 30:

	<u>2012</u>	<u>2011</u>
Library construction	\$ 37,937,203	\$ 28,706,205
Library operations	9,458,955	9,310,799
Designated for library practices	<u>1,451,783</u>	<u>1,377,171</u>
Total Temporarily Restricted Net Assets	<u>\$ 48,847,941</u>	<u>\$ 39,394,175</u>

Net assets totaling \$2,439,602 were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors for the year ended June 30, 2012.

**Note 6 - Endowment Net Assets:**

The Library Foundation's endowment consists of individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Library Foundation has interpreted the enacted version of the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Library Foundation classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment (2) the original value of subsequent gifts donated to the permanent endowment (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Library Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

**SAN DIEGO YOUTH SYMPHONY AND CONSERVATORY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)**

**Note 6 - Endowment Net Assets: (Continued)**

In accordance with UPMIFA, the Library Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Library Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Library Foundation
- The investment policies of the Library Foundation

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Library Foundation to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in unrestricted net assets. There were no such deficiencies at June 30, 2012 and 2011.

The Library Foundation has adopted investment and spending policies for endowment funds that:

- Manage the funds in a prudent manner recognizing risk and return tradeoffs
- Maintain a diversified portfolio that provides for asset growth through a combination of investment income and capital appreciation comparable to established industry benchmarks
- Maintain sufficient liquidity to fund expenses and support the spending policy
- Comply with applicable laws

The Library Foundation's endowment funds are invested in money market funds. The Library Foundation's spending policy is to disburse 5% annually, based upon endowment principal market value over the last 36 months. If the market value of the Endowment Principal of any fund, at the end of each month, is less than the initial value of all contributions made to the Endowment Principal, then distributions will be limited to interest and dividends received.

Endowment composition by type of fund as of June 30:

	2012		
	<u>Temporarily</u>	<u>Permanently</u>	<u>Total</u>
	<u>Restricted</u>	<u>Restricted</u>	
Donor restricted endowment funds:			
Gracia Molina de Pick - Logan Heights Branch	\$ -	\$ 80,000	\$ 80,000
Wangenheim Collection - Central Library	-	51,520	51,520
Judy Eby piano maintenance - Logan Heights Branch	-	10,000	10,000
Total Endowment Funds	\$ -	\$ 141,520	\$ 141,520

**SAN DIEGO YOUTH SYMPHONY AND CONSERVATORY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2009)**

**Note 6 - Endowment Net Assets: (Continued)**

	2011		
	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor restricted endowment funds:			
Gracia Molina de Pick - Logan Heights Branch	\$ -	\$ 80,000	\$ 80,000
Wangenheim Collection - Central Library	-	50,720	50,720
Judy Eby piano maintenance - Logan Heights Branch	-	10,000	10,000
Total Endowment Funds	<u>\$ -</u>	<u>\$ 140,720</u>	<u>\$ 140,720</u>

Changes in endowment net assets for the years ended June 30:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment Net Assets at June 30, 2010	\$ -	\$ 188	\$ 90,000	\$ 90,188
Investment income	-	216	-	216
Contributions	-	-	50,720	50,720
Distributions	<u>-</u>	<u>(404)</u>	<u>-</u>	<u>(404)</u>
Endowment Net Assets at June 30, 2011	-	-	140,720	140,720
Investment income	-	233	-	233
Contributions	-	-	800	800
Distributions	<u>-</u>	<u>(233)</u>	<u>-</u>	<u>(233)</u>
Endowment Net Assets at June 30, 2012	<u>\$ -</u>	<u>-</u>	<u>141,520</u>	<u>141,520</u>

**Note 7 - Prior Period Restatement:**

The Library Foundation identified certain contributions previously reported as temporarily restricted that have been reclassified to permanently restricted at June 30, 2011, which are summarized as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net Assets at June 30, 2011, as Previously Reported	\$ 1,107,329	\$ 39,534,895	\$ -	\$ 40,642,224
Reclassify permanently restricted contributions	<u>-</u>	<u>(140,720)</u>	<u>140,720</u>	<u>-</u>
Net Assets at June 30, 2011, as Restated	<u>\$ 1,107,329</u>	<u>\$ 39,394,175</u>	<u>\$ 140,720</u>	<u>\$ 40,642,224</u>

**SAN DIEGO PUBLIC LIBRARY FOUNDATION  
SUPPLEMENTARY SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2011)**

	Supporting Services				2012 Total	2011 Total
	Program Services	Fundraising and Capital Campaign	Management and General	Total Supporting Services		
Other support	\$ 1,763,640	\$ -	\$ -	\$ -	\$ 1,763,640	\$ 3,428,370
Personnel costs	212,144	297,081	253,475	550,556	762,700	602,958
Library programs	268,728	-	-	-	268,728	88,218
Books and materials	199,898	-	-	-	199,898	310,469
Equipment /technology	107,863	-	-	-	107,863	48,668
In-kind computers and equipment	15,209	11,733	7,592	19,325	34,534	33,503
Printing	10,895	15,391	2,221	17,612	28,507	20,822
Contract services	-	26,809	-	26,809	26,809	74,859
Computers and equipment	6,847	11,488	4,016	15,504	22,351	19,133
Travel/Auto/Parking	5,295	6,452	8,444	14,896	20,191	17,147
Rent	7,505	5,799	3,752	9,551	17,056	16,564
Consulting fees	14,000	-	-	-	14,000	5,600
Office expenses	4,257	3,153	4,748	7,901	12,158	6,632
Capital projects	9,307	-	-	-	9,307	17,322
Donor relations	579	8,465	-	8,465	9,044	14,215
Postage	1,150	3,819	2,875	6,694	7,844	9,163
Bank and merchant fees	-	-	6,334	6,334	6,334	8,576
Utilities	2,556	1,975	1,272	3,247	5,803	5,641
Insurance	2,424	1,847	1,500	3,347	5,771	5,695
Audit	2,197	1,697	1,106	2,803	5,000	5,275
Library equipment /technology	3,500	-	-	-	3,500	15,500
Other expenses	196	350	308	658	854	2,140
Catering/rentals	-	794	-	794	794	4,012
Graphics	426	350	-	350	776	2,770
Dues and subscriptions	142	247	142	389	531	5,481
<b>TOTAL EXPENSES</b>	<u>\$ 2,638,758</u>	<u>\$ 397,450</u>	<u>\$ 297,785</u>	<u>\$ 695,235</u>	<u>\$ 3,333,993</u>	<u>\$ 4,768,733</u>