

#15



2018 S.L. Gimbel Foundation Fund Grant Application

Internal Use Only:	
Grant No:	20190105

Organization / Agency Information

Organization/Agency Name: Rancho Damacitas Children & Family Services (Thessalonika Family Services, Inc.)		
Physical Address: 38950 Mca Road, Temecula, CA 92592		
Mailing Address: PO Box 890326, Temecula, CA 92589		
CEO or Director: Cal Winslow, Chief Executive Officer		Title:
Phone: (951) 302-2317 x220	Fax: (951) 302-2307	Email: Cal@4kidsfirst.org
Contact Person: Kristi Piatkowski, Director of Development		Title:
Phone: (951) 302-2317 x238	Fax: (951) 302-2307	Email: Kristi@4kidsfirst.org
Web Site Address: www.4KidsFirst.org		Tax ID: 95-3551068

Program / Grant Information

Interest Area: Animal Protection Education Environment Health Human Dignity

Program/Project Name: Empowerment Village			Amount of Grant Requested: \$25,000
Total Organization Budget: \$1,400,000	Per 990, Percentage of Program Service Expenses (Column B/ Column A x 100): 79%	Per 990, Percentage of Management & General Expenses Only (Column C/ Column A x 100): 16%	Per 990, Percentage of Management & General Expenses and Fundraising (Column C+D/ Column A x 100): 21%
Purpose of Grant Request (one sentence): Provide stability and opportunities for growth and development to help struggling single mothers with young children gain long-term self-sufficiency.			
Program Start Date (Month and Year): 1/2019 - 12/2019		Program End Date (Month and Year):	
Gimbel Grants Received: List Year(s) and Award Amount(s) N/A			

Signatures

Board President / Chair: (Print name and Title) Julie Ngo, Chairman	Signature: 	Date: 12/18/2018
Executive Director/President: (Print name and Title) Cal Winslow, CEO	Signature: 	Date: 12/17/18

2018 S.L. Gimbel Foundation Fund APPLICATION

Narrative

I. Organization Background

Thessalonika Family Services (dba Rancho Damacitas) was founded as a home for girls living in foster care. In the late 90's, Rancho Damacitas expanded to a 12 acre property outside of Temecula, CA with multiple homes housing foster children ages 6-18 years old. The organization then became known as "Rancho Damacitas". In 2012, Rancho Damacitas expanded to address the needs of emancipated foster youth entering adulthood through Project Independence; a program providing transitional housing, coaching, and support services bridging the gap of support from the dependency system to independent adulthood. In 2015, Rancho Damacitas started the New Heights Scholarship program offering financial support to Riverside County former foster youth continuing their education. In 2017, Rancho Damacitas made a decision to close the residential campus housing foster children and transition to helping struggling, single mothers with young children move from homelessness and a dependency into self-sufficiency, and keeping the children out of the foster care system by strengthening their most valuable resource – the mother. Empowerment Village provides single moms and tots stable housing while they learn, grow and gain their independence.

Organizational Accomplishments:

Founded in 1983, Rancho Damacitas continues to make the greatest impact in the community working to break the generational cycle of child abuse and poverty. The organization has helped over 4,000 children and young adults through our programs. In 2015, Rancho Damacitas was recognized as the Nonprofit of the Year through the Temecula Valley Chamber of Commerce and is again nominated for the award in 2018. In 2016, Rancho Damacitas was awarded a 3-year CARF accreditation when most first time agencies applying are awarded a 1-year status – a process that looks at the efficiency and sustainability of an organization's operations. In October 2017, Rancho Damacitas made the successful transition from being 80% state-funded to being 100% donor-funded. Rancho Damacitas continues to expand impactful programs to meet the need, including Empowerment Village and Project Independence, which continue to run at full capacity.

Program Activities:

Empowerment Village is physically located just outside Temecula – the southernmost city of the Inland Empire on the boarder of San Diego County. Temecula has seen significant growth over the past 20 years from a population of just over 27,000 in 1990 to nearly 114,000 in 2015. The average household income as of 2016 is \$83,840. All of the clients served at Empowerment Village are low-income with 100% coming into the program below the federal poverty line. Temecula reported the homeless population grew 11% between 2016 and 2017. Empowerment Village participants have a varied history with some being former foster youth themselves to others victims of domestic violence or homelessness. The families come from the local communities of Temecula and Murrieta (71%), the nearby city of Hemet (27%), and outside the area such as from Northern California (less than 2%). A majority of clients are of mixed ethnicity with a mix between Caucasian (50%), Black (45%), or non-white Hispanic (5%). Nearly all of the mothers are under the age of 30 years with only one mother being above 30. Children are accepted into

the program until the age of 8 years old. Only 12% of the children are school-age while a majority (88%) are under the age of 3 years old.

II. Project Information:

A) Statement of Need

Studies continue to show the link between a child growing up in poverty and/or foster care and homelessness or incarceration as an adult. Foster youth are entering independent adulthood alarmingly unprepared for the responsibilities. National studies find that two years following emancipation at age 18, 50% of all former foster youth are still unemployed and/or homeless. Studies have also shown that teen girls in foster care are twice as likely to get pregnant before they are 19 than their non-foster care peers. National studies on the outcomes for children born to young, unprepared mothers (whether former foster youth or not) find an increased risk of experiencing child abuse and neglect, are more likely to live in poverty, and have lower academic achievement while in school. A recent study in 2017 showed that California has the highest population of homelessness in the nation, with family homelessness on the rise, many being single mothers. Causes for this increase have been linked to the inability of residents being able to keep up with the rising cost of living, such as rent, throughout California. Women escaping domestic violence find their financial accounts frozen by their significant other and cut off from all means of support with legal action being difficult to afford and never a quick solution. Single moms also struggle with securing safe childcare or reliable transportation and can result in losing employment. Overall, if mom fails to overcome these hurdles, the children are more likely to become “pass-a-rounds” or part of the already burdened foster care system. In response to the state of homelessness, the Department of Housing and Urban Development (HUD) conducted a study and released a report stating that a small investment in the support and stability of families will have extraordinary results on the children from cutting the rate of homelessness by 50%, cutting domestic violence in their families by 40%, and cutting food insecurity by 20% while setting the stage for their economic future. With support through the Gimbel Foundation, Rancho Damacitas is able to offer struggling single mothers the right support and guidance helping build strong moms who can raise strong children.

B) Project Description

Rancho Damacitas will serve a minimum of 20 single mother families through Empowerment Village. Empowerment Village is a positive place where struggling moms and their children can get back their self-esteem, self-dignity, and once again feel confident about what their future may hold. Moms receive stable housing and supportive services such as help finding childcare, transportation, coaching, and a sense of belonging to a community. Empowerment Village is able to provide critically needed services bridging the gaps in support for those living within the dependency system and struggling to make the transition into independence living and self-sufficiency. Families are referred to Rancho Damacitas through community partners including the local school districts, churches, social services, and nonprofit partners. There is an interview process that includes an application, first interview without children, and second interview with children. Being that space is limited, Rancho Damacitas looks for moms willing to work hard and embrace the program. Single mother families accepted into Empowerment Village are struggling and lack a strong outside support network putting them and their children at-risk. They have been living in a cycle of chaos unable to break free. The moms are typically younger, being in their 20's, and have multiple children with most under the age of 5 years. The backgrounds of the mothers vary, but some things they have in common include an experience with homelessness or are at-risk for homelessness, a former foster child themselves, or having experienced domestic violence. Educationally, the moms vary greatly with some having a college-level education while

others still needing to complete a GED. The Empowerment Village campus consists of **four homes with a fifth home opening in August 2019 increasing the capacity to house 40 mothers and children at one time.** Families receive a private room and bath and share the common areas including the kitchen, dining room, living room, playroom with toys, and a media room with a computer and library. To be eligible for the program, moms must be over 18 and single with children under the age of 8 years old. Families are not allowed personal visitors in the home. **Although able to live within Empowerment Village for up to two years as long as they are working the program and meeting the benchmarks, a small number of families move through the program faster and leave within a year, therefore allowing us to serve more families.** While in the program, mothers are expected to find and maintain employment, complete required classes on finances and parenting, paydown debt, establish a savings, secure reliable transportation and secure childcare. Mothers also meet weekly with **an Empowerment Leader to set and achieve personal goals.** In addition to the families living within the Village, workshops and resources are made available to single mother families not eligible or in need of the campus housing, but still considered at-risk and are living within the local community.

C) Project Goal, Objectives, Activities & Expected Outcomes

Project Goal:

Provide single mothers and their children a pathway to self-sufficiency including maintaining stable employment, healthy financial management, educated, and more emotionally stable to manage life's ups and downs.

Project Objectives:

Provide 20 single mother families resources and support growing them to become self-sufficient, independent providers for a healthy family.

Program Activities:

Conduct a financial management class series on how to build a budget, build a savings, pay down debt, and establish a healthy credit.

Conduct parenting educational classes that include managing behaviors, child development, nutrition and health, and education.

Conduct healthy living class series with topics including stress management, healthy relationships, nutrition, and cooking.

Conduct employment readiness activities such as skill building, job searching, career coaching, and resume development to secure stable employment.

Provide intensive individual coaching addressing barriers to their success, setting personal goals, and planning.

Expected Outcomes:

Twenty (20) single mother families grow in their skills and knowledge helping them to become self-sufficient and independent providers for their family.

Evaluation:

5. Evaluation

Rancho Damacitas takes the outcome of our program and the impact on the community very seriously. Benchmarks have been established to help the moms understand their expectations and lay out a pathway to independence within the two year program. Goals and objectives will be monitored through regular reporting compiled and completed monthly. Data will be pulled through regular coaching sessions and class evaluations. Progress will be monitored weekly by Empowerment Leader staff and monthly by management, and reported monthly to the Executive Board for feedback and direction. Bi-monthly reports will be provided to the Board of Directors.

D) Timeline

Provide a timeline for implementing the project. State the start date and ending date of the project, include timeframes for specific activities, as appropriate.

The project start date is January 1, 2019 through December 31, 2019. Each class is offered in a track provided within a 12 month period a minimum of one time. The first track series begins in January with the last track beginning in October and ending in December.

Each program participant is expected to complete all four tracks within 12 months. Coaching for the mothers takes place weekly with completed Growth Charts and monthly progress reports provided to management and provided to the Board of Directors on a bi-monthly basis. The coaching meetings address employment, financial management, and individual goals.

E) Target Population

Who will this grant serve? How many people will be impacted? Provide a breakdown: Number of Children, Youth, Adults, Seniors, Animals.

Rancho Damacitas was founded with a mission to break the generational cycle of child abuse. That mission lives on 35 years later through programs helping at-risk families and disadvantaged young adults with a history of child abuse, homelessness, or domestic violence. Our goal is to help them grow into self-sufficient, thriving, contributing members of our communities.

Empowerment Village and the focus of this request, targets single mothers struggling with stability for themselves and their children. **The program will serve a minimum of 20 single mothers and 20 children.** All families served are low-income coming in with little or no income and depending on the welfare system.

F) Projects in the Community

How does this project relate to other existing projects in the community? Who else in the community is providing this service or has a similar project? Who are your community partners (if any)? How are you utilizing volunteers?

Volunteers are essential to the organization's success. Rancho Damacitas has a structured volunteer program utilizing volunteers throughout the organization. Volunteers serve as interns supporting the planning, development, and implementation of marketing and program resources. Individuals also support the organization through office support, special events, advisory committees, and the Board of Directors. To help offset costs, programs utilize volunteers to assist with class instruction, coaching, employment readiness, and childcare. Rancho Damacitas is unique in the community. Those organizations targeting the same population serve as collaborative partners allowing the ability for both organizations to serve the families with greater impact without the need to duplicate services. Rancho Damacitas serves as a long-term

placement while others, such as Project Touch, offers short-term or emergency placement. Rancho Damacitas is able to move clients down into Project Touch while they are able to move clients up into our programs for a long-term transition. Other collaborative partners include local churches offering referrals and project support, the Assistance League of Temecula Valley offering in-kind product and volunteers, local businesses offering jobs and employment coaching, SMART offering single mother networking opportunities and parenting classes.

G) Use of Grant Funds

How will you use the grant funds?

Funding through the S.L. Gimbel Foundation would support the stability of single mother families as they transition into independent living by helping to cover basic needs such as housing and utilities as well as offer support securing safe childcare and transportation. The lack of transportation and childcare continue to be the greatest challenges for single mothers. Not securing these two resources results in the loss of employment and/or desperate, unsafe alternatives for childcare. Funding through your foundation would eliminate these two risks while the mothers build the foundation for their family's self-sufficient, independent future.

III. Project Future

A) Sustainability

Rancho Damacitas served children living in foster care for 35 years with great success and only recently decided to shift focus due to changes through the foster care reform. This shift meant that we surrendered \$4 million of state funding and committed to becoming a 100% donor-funded organization. Transitioning programs also meant implementing a slimmer, more cost-effective model that produces results. Rancho Damacitas was able to survive this transition due to a diversified funding stream consisting of grants, individual donors, and special events. Financial support continues to grow, including a recent award for the organization's first collaborative grant and a new fundraising event that allowed Rancho Damacitas to expand the scholarship program for former foster youth. Community involvement, which was hampered by the government policies, has also increased with the ability to involve individuals, community groups and companies interested in supporting the families. This has helped increase donations and media coverage helping raise awareness about the organization and the needs. Rancho Damacitas continues to diversify funding streams by targeting both corporate and private foundations, and implementing an updated 5-year strategic plan that includes establishing a planned giving program and growing community awareness outside the immediate region.

IV. Governance, Executive Leadership and Key Personnel/Staff Qualifications

A) Governance

Rancho Damacitas is overseen by a 13-member Board of Directors that includes both men and women with expertise in the areas of business, legal, financial, fundraising, and development. The Board oversees financial operations and provides direction for the overall vision. Daily leadership is provided by the Chief Executive Officer, Cal Winslow. Cal has a distinguished career creating growth in organizations and expanding services for children and families. Cal began his career by helping Jerry Lewis start Annual Telethons in Montana. This launched him into a political career where Cal served four terms as a State Representative for Montana and was the youngest Governor candidate in state history. Retiring from politics, Cal stayed within the nonprofit field serving as President for the Montana Deaconess Medical Center Foundation, an instructor for UCLA, VP for Major Gifts at Volunteers of America launching the City of Angel's campaign, and CEO of Orangewood Children's Foundation where he successfully lead the

charity through the economic downturn and expanded the organization by building a Charter School – the Samueli Academy. Cal has also received numerous awards including Montana Fund Raising Executive of the Year and Presidential appointment to the Kennedy Center by President George H.W. Bush.

B) Management

Describe the qualifications of key personnel/staff responsible for the project.

Empowerment Village has three Empowerment Leaders with a combined 55 years of experience working with victims of trauma, specifically child abuse and domestic violence. Sharon Perryman has been with Rancho Damacitas for 32 years working a majority of that time directly with clients. Erik and Alexis Romero have served for 12 years as Home Parents where they ran a home raising boys living in foster care. All three provide program development through their experience and expertise. Empowerment Village also has the direction and support of Cal Winslow, CEO and Kristi Piatkowski, Director of Development. Both offer extensive experience in program development, specifically when looking at program evaluation and sustainability. Kristi has nearly 20 years in the nonprofit field and has helped numerous programs create effective evaluation methods to understand the impact of services offered during her time with the YMCA of Orange County, Children & Families Commission of Orange County, and Orangewood Children's Foundation.

2018 S.L. Gimbel Foundation APPLICATION

Organization Name:

Thessalonika Family Services (DBA Rancho Damacitas)

V. Project Budget and Narrative (Do not delete these instructions on your completed form).

A) **Budget Table:** Provide a detailed line-item budget for your entire project by completing the table below.

Requested line items should be limited to Ten (10) line items. The less the better.

A breakdown of specific line item requests and attendant costs should include:

- 1) Line item requests for materials, supplies, equipment and others:
 - a. Identify and list the type of materials, supplies, equipment, etc.
 - b. Specify the unit cost, number of units, and total cost
 - c. Use a formula/equation as applicable. (i.e. 40 books @ \$100 each = \$4000)
- 2) Line item requests for staff compensation, benefits: **Do not use FTE percentages.**
 - a. Identify the position; for each position request, specify the hourly rate and the number of hours (i.e. \$20/hr x 20 hours/week x 20 weeks = \$8,000)
 - b. For benefits, provide the formula and calculation (i.e. \$8,000 x 25% = \$2,000)
- 3) Line items on Salaries/Personnel included in budget (contribution or in-kind) but NOT requested from the Gimbel Foundation must be broken down per number 2) above: Provide rate of pay per hour and number of hours.
- 4) Line Item Description should be **no more than two lines**; otherwise, it will get cut off. Additional descriptions should be included in the Budget Narrative.

Line Item Request	Line Item Description <i>(Maximum two lines)</i>	Support From Your Agency	Support From Other Funders	Requested Amount From Gimbel/TCF	Line Item Total of Project
Personal: Empowerment Leader	\$18.55/hr x 40 hrs/wk x 52 wks x 3 Leaders = \$115,752	\$57,876	\$52,876	\$10,000	\$115,752
Stable Housing & Utilities	\$800/mo x 5 homes x 12 mo = \$48,000	\$9,600	\$28,400	\$10,000	\$48,000
Emergency & Start-up Support	\$605/wk x 8 wks x 20 families = \$96,800	\$23,720	\$63,080	\$5,000	\$96,800
TOTALS:		\$ 81,596	\$ 91,276	\$ 25,000	\$ 192,872

B) Narrative: The budget narrative is the justification of “how” and/or “why” a line item helps to meet the project deliverables. Provide a description for each line item request as necessary. Explain how the line item relates to the project. If you are requesting funds to pay for staff, list the specific duties of each position. See attached SAMPLE Project Budget and Budget Narrative

Personal:

Empowerment Leaders provide program development, implement evaluation, and work one-on-one with mothers guiding them through program requirements and meeting achievement milestones on the pathway towards self-sufficiency. Empowerment Leaders coordinate classes, workshops, activities, and meet with moms to set and monitor personal goals. Cost does not include benefits.

Stable Housing & Utilities:

Costs include home utilities and regular maintenance. Utilities include electricity, propane, water, phone, alarm system, and Internet. Regular maintenance includes cleaning supplies, air filters, fittings of gas lines, fire alarms, fire extinguisher and provide repairs as needed to maintain home.

Emergency & Start-up Support:

Costs include providing personal furnishings including beds, cribs, bedding, dressers, night stands, lamps, high chairs, toys, car seats. Temporary transportation including gas, insurances, maintenance, driver. Temporary childcare. Groceries and personal items including diapers, wipes, clothing, hygiene supplies, school supplies, professional clothing.

2018 S.L. Gimbel Foundation APPLICATION

VI. Sources of Funding: Please list your current sources of funding and amounts.

Secured/Awarded

Name of Funder: Foundation, Corporation, Government	Amount
Weingart Foundation	\$150000
Lennar	\$30,000
Kaiser Foundation	\$25,000
HUD	\$ 5,000
Riverside County Supervisor Chuck Washington Office	\$ 7,000
God's Gift Foundation	\$ 5,000
	\$
	\$

Pending

Name of Funder: Foundation, Corporation, Government	Amount	Decision Date
Annenberg Foundation	\$ 40,000	12/1/2018
Opus Community Foundation	\$ 5,000	12/1/2018
US Bank Foundation	\$ 10,000	12/1/2018
In-N-Out Burger Foundation	\$ 10,000	12/1/2018
City of Temecula	\$ 5,000	12/1/2018
Citizen's Trust Bank	\$ 6,500	12/1/2018

Diversity of Funding Sources: A financially healthy organization should have a diverse mix of funding sources. Complete those categories that apply to your organization using figures from your most recent fiscal year.

Funding Source	Amount	% of Total Revenue	Funding Source	Amount	% of Total Revenue
Contributions	\$400,000	29 %	Program Fees	\$	%
Fundraising/Special Events	\$ 300,000	21 %	Interest Income	\$	%
Corp/Foundation Grants	\$430000	31 %	Other:	\$250000	18 %
Government Grants	\$20000	1 %	Other:	\$	%

Notes:

2018 S.L. Gimbel Foundation APPLICATION

VII. Financial Analysis

Agency Name: Thessalonika Family Services (DBA Rancho Damacitas)

Most Current Fiscal Year (Dates): From 7/1/2016 To: 6/30/2017

This section presents an overview of an applicant organization's financial health and will be reviewed along with the grant proposal. Provide all the information requested on your **entire organization**. Include any notes that may explain any extraordinary circumstances. Information should be taken from your most recent 990 and audit. **Double check your figures!**

Form 990, Part IX: Statement of Functional Expenses

1) Transfer the totals for each of the columns, Line 25- Total functional expenses (page 10)

(A) Total Expenses	(B) Program service expenses	(C) Management & general expenses	(D) Fundraising expenses
\$ 3,810,934	\$ 79,397	\$ 16,344	\$ 4,259

2) Calculate the percentages of Columns B, C, and D, over A (per totals above)

- Program services (B) – A general rule is that at least 75% of total expenses should be used to support programs
- Management & general administration (C) – A general rule is that no more than 15% of total expenses should be used for management & general expenses
- Fundraising (D) – A general rule is that no more than 10% of total expenses should be used for fundraising

(A) Total Expenses	(B) Program service expenses	(C) Management & general expenses	(D) Fundraising expenses
3,810,934	Columns B / A x 100	Columns C / A x 100	Columns D / A x 100
Must equal 100%	79.397 %	16.344 %	4.259 %

3) Calculate the difference between your CURRENT year budget for management & general expenses and your previous management & general expenses per your 990 (Column C)

Percentage of Organization's <u>Current</u> Total Budget used for Administration	Column C, Management & general expenses per 990 above	Differential
80 %	18 %	2 %

If the differential is above (+) or below (-) 10%, provide an explanation:

The organization cut costs and increased the utilization of volunteers and in-kind donations to reduce costs.

2017 S.L. Gimbel Foundation APPLICATION

Quick Ratio: Measures the level of liquidity and measures only current assets that can be quickly turned to cash. A generally standard Quick Ratio equals 1 or more.

Cash	+ Accounts Receivables	/Current Liabilities	= Quick Ratio
\$ 984,903	\$ 2,310	83,536	11.82

Excess or Deficit for the Year:

Excess or (Deficit) Most recent fiscal year end	Excess or (Deficit) Prior fiscal year end
\$ (64,290)	\$ 171,984

Notes:

The most recent 990 is for 2016/2017 fiscal year. The 990 for fiscal year 2017/2018 is in draft form and is expected in January 2019.

Rancho Damacitas would like to note that prior to October 2017, Rancho Damacitas contracted with the state to provide a residential foster care program and received fee-for-service of nearly \$4 million annually. In November 2017, Rancho Damacitas closed this residential program and transitioned the campus to serve at-risk single mother families. This transition meant ending the service contract with the state. Rancho Damacitas is continues to steward the funds invested in the programs by donors efficiently and to the greatest direct benefit of the community.



RANCHO DAMACITAS
CHILDREN & FAMILY SERVICES

Organizational Budget

July 1, 2018 - June 30, 2019

Revenue	
Corporate and Foundation Grants	\$430,000
Government Grants	\$20,000
Individual Donors	\$400,000
Fundraising Events	\$300,000
Capital Campaign: Empowerment Village Improvements	\$250,000
County and Government Contracts	\$0
TOTAL REVENUE	\$1,400,000

Expenses	Costs
Operational Costs	
Administration (Salaries and benefits, taxes, fees, insurance)	\$349,368
Fundraising (Salaries and benefits, event costs, marketing costs)	\$180,550
Outside Services (Accounting, Payroll, IT Support)	\$77,073
Program Costs	
Homes (mainenance, utilities, grounds)	\$98,346
Empowerment Leaders (Salaries, Benefits)	\$154,302
Empowerment Classes (financial, parenting, healthy living, self-care)	\$35,972
Educational Support Scholarships for former foster youth	\$35,000
Family Bonding/Children's Enrichment	\$12,500
Emergency/Start-Up - Childcare, Other	\$28,000
Transportation Costs	\$10,700
Printing, Recruitment Materials	\$2,500
Office Supplies and Postage	\$5,000
Staff Training/Conference Costs	\$1,500
Capital Improvements	
Capital Improvements	\$250,000
TOTAL EXPENSES	\$1,240,811
NET OUTCOME:	\$159,189



RANCHO DAMACITAS
CHILDREN & FAMILY SERVICES

Organizational Budget Comparison

July 1, 2018 - June 30

Revenue	2017/2018 FY	2018/2019 FY	Difference
Corporate and Foundation Grants	\$310,000	\$450,000	\$140,000
Individual Donors	\$342,500	\$400,000	\$57,500
Fundraising Events	\$200,000	\$300,000	\$100,000
Capital Campaign/Special Projects	\$200,000	\$250,000	\$50,000
County and Government Contracts	\$4,057,796	\$0	(\$4,057,796)
TOTAL REVENUE	\$5,110,296	\$1,400,000	(\$3,710,296)

Expenses

Operational Costs

Administration	\$1,139,631	\$349,368	(\$790,263)
Fundraising (Salaries, event costs, marketing costs)	\$351,115	\$180,550	(\$170,565)
Outside Services (Accounting, Payroll, IT Support)	\$77,073	\$77,073	\$0

Program Costs

Residential Programs (Housing, Utilities, Grounds)	\$194,646	\$98,346	(\$96,300)
Program Staffing	\$2,250,866	\$154,302	(\$2,096,564)
Special Classes (Therapy, Enrichment, Education)	\$490,950	\$48,472	(\$442,478)
Scholarship Program	\$20,000	\$35,000	\$15,000
Transportation & Childcare Support	\$292,697	\$38,720	(\$253,977)
Office Supplies, Printing, Staff Training	\$71,672	\$9,000	(\$62,672)

Capital Improvements

Capital Improvements	\$200,000	\$250,000	\$50,000
----------------------	-----------	-----------	----------

TOTAL EXPENSES **\$5,088,650** **\$1,240,831** **(\$3,847,819)**

NET OUTCOME: **\$21,646** **\$159,169** **\$137,523**

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.

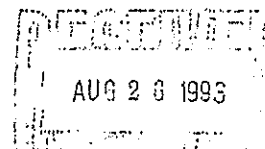
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2 Grants 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.	155,280.	114,908.	31,056.	9,316.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	2,018,228.	1,494,935.	395,925.	127,368.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	3,998.	3,398.	600.	
9 Other employee benefits.	288,738.	229,165.	41,910.	17,663.
10 Payroll taxes.	177,097.	137,692.	32,123.	7,282.
11 Fees for services (non-employees):				
a Management.				
b Legal.				
c Accounting.	12,159.	6,080.	6,079.	
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.)				
12 Advertising and promotion.				
13 Office expenses.	71,672.	40,867.	30,805.	
14 Information technology.				
15 Royalties.				
16 Occupancy.	70,114.	56,331.	13,783.	
17 Travel.	81,234.	72,326.	8,908.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	4,319.	2,370.	1,949.	
20 Interest.	623.		623.	
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	105,025.	91,397.	13,628.	
23 Insurance.	204,413.	184,557.	19,177.	679.
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 <u>SOCIAL WORKERS</u>	232,638.	232,638.		
b <u>CHILDCARE EXPENSES</u>	211,463.	211,463.		
c <u>OUTSIDE SERVICES</u>	64,914.	40,561.	24,353.	
d <u>EMANCIPATED YOUTH LIVING EXP</u>	62,511.	62,511.		
e All other expenses.	46,508.	44,582.	1,926.	
25 Total functional expenses. Add lines 1 through 24e.	3,810,934.	3,025,781.	622,845.	162,308.
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).				

INTERNAL REVENUE SERVICE
District Director

Department of the Treasury

c/o McCaslin Industrial Park
2 Cupania Circle
Monterey Park, CA 91754
Attn:EOG-4

Date: AUG 26 1993



Thessalonika Family Services, Inc.
P.O. Box 890326
Temecula, CA 92589-0326

Employer Identification Number:

95-3551068

Case Number:

953203009

Contact Person:

R. Howard

Contact Telephone Number:

(213) 725-7002

Our Letter Dated:

May 7, 1988

Caveat Applies:

No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your 60 month termination of private foundation status period under section 507(b)(1)(B).

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 170(b)(1)(A)(vi).

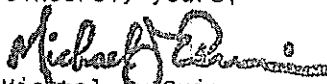
Your exempt status as an organization described in section 501(c)(3) of the Internal Revenue Code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

If we indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter. Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,


Michael J. Quinn
District Director

1050(CG)

cc: Kuebler, Thomas
cc: Ken Low