

Return of Organization Exempt from Income Tax

2003

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2003 calendar year, or tax year beginning 7/01, 2003, and ending 6/30, 2004

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

SAN FRANCISCO FOUNDATION COMMUNITY INITIATIVE FUNDS 225 BUSH STREET, 5TH FLOOR SAN FRANCISCO, CA 94104-4224

D Employer identification number 94-3255070 E Telephone number 415-733-8583 F Accounting method: Cash, Accrual, Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H (a) Is this a group return for affiliates? No
H (b) If 'Yes,' enter number of affiliates
H (c) Are all affiliates included?
H (d) Is this a separate return filed by an organization covered by a group ruling? No
I Group Exemption Number
M Check if the organization is not required to attach Schedule B

G Web site: WWW.TSFFCIF.ORG

J Organization type: 501(c) 3

K Check here if the organization's gross receipts are normally not more than \$25,000.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12... 12,037,819

Part III Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue, Expenses, and Assets. Rows include Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Net rental income, Other investment income, Gross amount from sales of assets, Special events, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or deficit, Net assets at beginning/end of year.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ <u>1,348,703.</u> non-cash \$ _____)	1,348,703.	1,348,703.		
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc.	113,851.	34,155.	79,696.	
26	Other salaries and wages	3,089,922.	2,687,697.	217,568.	184,657.
27	Pension plan contributions	32,480.	3,931.	28,549.	
28	Other employee benefits	455,896.	403,344.	25,915.	26,637.
29	Payroll taxes	268,001.	231,523.	19,938.	16,540.
30	Professional fundraising fees				
31	Accounting fees	17,510.	10.	17,500.	
32	Legal fees	78,475.	26,074.	52,401.	
33	Supplies	141,212.	129,680.	5,962.	5,570.
34	Telephone	113,698.	103,789.	4,907.	5,002.
35	Postage and shipping	36,279.	31,970.	2,464.	1,845.
36	Occupancy	273,967.	233,278.	25,656.	15,033.
37	Equipment rental and maintenance	139,095.	116,638.	18,949.	3,508.
38	Printing and publications	144,424.	141,303.	3,121.	
39	Travel	386,188.	373,449.	12,655.	84.
40	Conferences, conventions, and meetings	76,852.	76,041.	811.	
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	60,324.	59,142.	1,182.	
43	Other expenses not covered above (itemize):				
a	SEE STATEMENT 1	3,698,400.	3,514,125.	17,363.	166,912.
b	-----				
c	-----				
d	-----				
e	-----				
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	10,475,277.	9,514,852.	534,637.	425,788.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> SEE STATEMENT 2	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a SEE STATEMENT 3 ----- ----- ----- (Grants and allocations \$ 1,348,703.)	9,514,852.
b ----- ----- (Grants and allocations \$ _____)	
c ----- ----- (Grants and allocations \$ _____)	
d ----- ----- (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	9,514,852.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
45 Cash – non-interest-bearing.....			45	
46 Savings and temporary cash investments.....		6,035,526.	46	7,155,117.
47a	Accounts receivable.....	17,563.		
47b	Less: allowance for doubtful accounts.....		47c	17,563.
		3,714.		
48a	Pledges receivable.....			
48b	Less: allowance for doubtful accounts.....		48c	
		1,430,710.	49	2,126,272.
49 Grants receivable.....				
50 Receivables from officers, directors, trustees, and key employees (attach schedule).....			50	
51a	Other notes & loans receivable (attach sch).....			
51b	Less: allowance for doubtful accounts.....		51c	
			52	
52 Inventories for sale or use.....				
53 Prepaid expenses and deferred charges.....		24,366.	53	9,347.
54 Investments – securities (attach schedule).....			54	
55a	Investments – land, buildings, & equipment: basis.....			
55b	Less: accumulated depreciation (attach schedule).....		55c	
			56	
56 Investments – other (attach schedule).....				
57a	Land, buildings, and equipment: basis.....	405,248.		
57b	Less: accumulated depreciation (attach schedule).....	330,087.	57c	75,161.
		99,022.		
58 Other assets (describe ▶.....)			58	
59 Total assets (add lines 45 through 58) (must equal line 74).....		7,593,338.	59	9,383,460.
60 Accounts payable and accrued expenses.....		821,195.	60	1,048,775.
61 Grants payable.....			61	
62 Deferred revenue.....			62	
63 Loans from officers, directors, trustees, and key employees (attach schedule).....			63	
64a	Tax-exempt bond liabilities (attach schedule).....		64a	
64b	Mortgages and other notes payable (attach schedule).....		64b	
65 Other liabilities (describe ▶.....)			65	
66 Total liabilities (add lines 60 through 65).....		821,195.	66	1,048,775.
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67 Unrestricted.....		961,084.	67	948,086.
68 Temporarily restricted.....		5,811,059.	68	7,386,599.
69 Permanently restricted.....			69	
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
70 Capital stock, trust principal, or current funds.....			70	
71 Paid-in or capital surplus, or land, building, and equipment fund.....			71	
72 Retained earnings, endowment, accumulated income, or other funds.....			72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21).....		6,772,143.	73	8,334,685.
74 Total liabilities and net assets/fund balances (add lines 66 and 73).....		7,593,338.	74	9,383,460.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Part IVA Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

Part V Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements.....	a	12,189,869.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments..... \$		
(2)	Donated services and use of facilities..... \$		152,050.
(3)	Recoveries of prior year grants..... \$		
(4)	Other (specify):		
	----- \$		
	Add amounts on lines (1) through (4).....	b	152,050.
c	Line a minus line b.....	c	12,037,819.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2).....	d	
e	Total revenue per line 12, Form 990 (line c plus line d).....	e	12,037,819.

a	Total expenses and losses per audited financial statements.....	a	10,627,327.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities..... \$		152,050.
(2)	Prior year adjustments reported on line 20, Form 990.... \$		
(3)	Losses reported on line 20, Form 990.... \$		
(4)	Other (specify):		
	----- \$		
	Add amounts on lines (1) through (4).....	b	152,050.
c	Line a minus line b.....	c	10,475,277.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2).....	d	
e	Total expenses per line 17, Form 990 (line c plus line d).....	e	10,475,277.

Part VII List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
DAVID S. BARLOW 225 BUSH ST., STE. 500 SAN FRANCISCO, CA 94104-4224	EXEC. DIR. 35 HOURS	113,851.	13,102.	0.
JAN MASAOKA 225 BUSH ST., STE 500 SAN FRANCISCO, CA 94104-4224	DIRECTOR AS NEEDED	0.	0.	0.
GREGORY L. COLVIN 225 BUSH ST., STE 500 SAN FRANCISCO, CA 94104-4224	DIR/SECRETARY AS NEEDED	0.	0.	0.
LESLIE P. HUME 225 BUSH ST., STE 500 SAN FRANCISCO, CA 94104-4224	DIRECTOR AS NEEDED	0.	0.	0.
JOHN KREIDLER 225 BUSH ST., STE 500 SAN FRANCISCO, CA 94104-4224	DIRECTOR/PRES. AS NEEDED	0.	0.	0.
WILLIAM J. POWERS 225 BUSH STREET, 5TH FLOOR SAN FRANCISCO, CA 94104	TREASURER AS NEEDED	0.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?..... Yes No
If 'Yes,' attach schedule - see instructions.

Part VII Other Information (See instructions.)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity.	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?	80a		X
b	If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.			
81a	Enter direct and indirect political expenditures. See line 81 instructions.	81a	0.	
81b	Did the organization file Form 1120-POL for this year?	81b		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	152,050.	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?	85a	N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	N/A	
c	Dues, assessments, and similar amounts from members	85c	N/A	
d	Section 162(e) lobbying and political expenditures	85d	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX.	88		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>			
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.			0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization.			0.
90a	List the states with which a copy of this return is filed <u>CALIFORNIA</u>	90a		
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b		56
91	The books are in care of <u>BRAD SINK</u> Telephone number <u>415-733-8583</u> Located at <u>225 BUSH STREET, 5TH FLOOR</u> ZIP + 4 <u>94104-4224</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. <input type="checkbox"/> N/A and enter the amount of tax-exempt interest received or accrued during the tax year. <u>92</u>	92		N/A

Part VII Analysis of Income-Producing Activities (See instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a PROGRAM SERVICES					69,124.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts.			14	56,922.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop.					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b OTHER			1	11,950.	
c ROYALTY INCOME			15	4,099.	
d					
e					
104 Subtotal (add columns (B), (D), and (E))				72,971.	69,124.
105 Total (add line 104, columns (B), (D), and (E))					142,095.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	PROGRAM SERVICES REVENUE INCLUDES FEES FOR SERVICES, REGISTRATION AND ENTRANCE FEES FOR VARIOUS ACTIVITIES OF SPONSORED ORGANIZATIONS.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here

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.

Signature of officer _____ Date _____

Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN (see General instruction W) N/A

Firm's name (or yours if self-employed) address, and ZIP + 4 BREGANTE + COMPANY LLP, CPA'S
55 HAWTHORNE STREET, SUITE 910
SAN FRANCISCO, CA 94105

EIN N/A

Phone no. (415) 777-1001

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under
Section 501(c)(3)

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

2003

Supplementary Information — (See separate instructions.)

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization **SAN FRANCISCO FOUNDATION
COMMUNITY INITIATIVE FUNDS** Employer identification number **94-3255070**

Part III Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
JUDITH CHYNOWETH SACRAMENTO, CA	AFFL. EXEC. DIR. 35 HOURS	168,080.	0.	0.
MARYANN O'SULLIVAN OAKLAND, CA	AFFL. EXEC. DIR. 40 HOURS	141,923.	0.	0.
BONNIE ARMSTRONG SACRAMENTO, CA	SENIOR FELLOW 35 HOURS	112,200.	0.	0.
DENISE HULETT SAN FRANCISCO, CA	AFFL. EXEC. DIR. 40 HOURS	95,000.	0.	0.
VINCENT ROBINSON SACRAMENTO, CA	AFFL. EXEC. DIR. 40 HOURS	93,500.	0.	0.
Total number of other employees paid over \$50,000	12			

Part IV Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
CENTER FOR COLLABORATIVE/GRANT FUNDS 1329 HOWE AVENUE, SUITE 200 SAC., CA	PROGRAM SUPPORT	474,250.
FOWLER HOFFMAN, LLC 1925 E. FRANCISCO BLVD. STE.G. SAN RAFAEL, CA	STRATEGIC COMM.	360,727.
RENEE WESSELS & ASSOCIATES 3409 SWALLOWS NEST LANE, SAC., CA	STRATEGIC COMM.	189,085.
PETER D. HART RESEARCH 1724 CONNECTICUT AVE. N.W. WASH. D.C. 20009	FOCUS GROUP RESEARCH	177,386.
MACKENZIE COMMUNICATIONS 423 WASHINGTON STREET, 6TH FLOOR SF, CA 94111	MARKETING/COMM.	112,745.
Total number of others receiving over \$50,000 for professional services	0	

Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities . . . ▶ \$ <u> </u> <u>N/A</u> <u> </u> (Must equal amounts on line 38, Part VI-A, or line l of Part VI-B.)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities? SEE STATEMENT 5	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.) SEE STATEMENT 6	X	
b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

Reason for Non-Private Foundation Status (See instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11 a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11 b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc, 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part V Private School Questionnaire (See instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)			

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)			

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities?		
If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)			

34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended?		
If you answered 'Yes' to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VII-A Lobbying Expenditures by Electing Public Charities (See instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group. Check b if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	0	0
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	0	0
38	Total lobbying expenditures (add lines 36 and 37)	0	0
39	Other exempt purpose expenditures	0	0
40	Total exempt purpose expenditures (add lines 38 and 39)	0	0
41	Lobbying nontaxable amount. Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is - Not over \$500,000 20% of the amount on line 40 Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	0	0
42	Grassroots nontaxable amount (enter 25% of line 41)	0	0
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	0	0
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	0	0

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45	0	908,415.	707,276.	546,987.	2,162,678.
46					3,244,017.
47	0	53,182.	15,249.	9,263.	77,694.
48	0	227,104.	176,819.	136,747.	540,670.
49					811,005.
50	0	50,000.	15,249.	6,070.	71,319.

Part VII-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h.)			

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

SAN FRANCISCO FOUNDATION
COMMUNITY INITIATIVE FUNDS

94-3255070

STATEMENT 1
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
COMMUNICATIONS	111,850.	109,679.		2,171.
EVENTS	106,920.	104,178.	2,742.	
INSURANCE	114,614.	114,614.		
OFFICE EXPENSES	39,155.	33,680.	5,475.	
OTHER PROFESSIONAL FEES	3,323,895.	3,150,779.	8,375.	164,741.
TAXES/FEES/LICENSES	1,966.	1,195.	771.	
TOTAL	\$ 3,698,400.	\$ 3,514,125.	\$ 17,363.	\$ 166,912.

STATEMENT 2
FORM 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

SERVED AS FISCAL SPONSOR FOR 84 NOT-FOR-PROFIT COMMUNITY EFFORTS; PROVIDING ACCOUNTING, HUMAN RESOURCE ADMINISTRATION, GIFT-RECEIPTING, EXPENSE PAYMENTS AND OTHER SERVICES. THESE COMMUNITY EFFORTS INCLUDE PHILANTHROPIC COLLABORATIONS BETWEEN FOUNDATIONS, COMMUNITY EFFORTS RESPONDING TO CRISES AND URGENT CALLS TO ACTION, PROJECTS OF LIMITED DURATION, AND NEW INCUBATING ORGANIZATIONS. EXAMPLES OF ACHIEVEMENTS INCLUDE ASSISTANCE TO HOMELESS YOUTH, MAKING CLASSICAL MUSIC REVIEWS AVAILABLE FREE TO THE PUBLIC, THE STRENGTHENING OF PUBLIC SCHOOLS, AND ASSISTING LOW INCOME FRAIL SENIORS AND OTHER DISABLED PERSONS WITH TRANSPORTATION FOR MEDICAL NEEDS. FURTHER INFORMATION IS PART OF WEBSITE: WWW.TSFCCIF.ORG

STATEMENT 3
FORM 990, PART III, LINE A
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
ACTS AS FISCAL SPONSOR FOR VARIOUS NOT-FOR-PROFIT ORGANIZATIONS; PERFORMS VARIOUS ADMINISTRATIVE FUNCTIONS FOR THE ORGANIZATIONS INVOLVING PAYROLL, BENEFITS, GIFT-RECEIPTING, AND EXPENSE PAYMENTS. SEE SCHEDULE 2.	1,348,703.	9,514,852.
	<u>\$ 1,348,703.</u>	<u>\$ 9,514,852.</u>

STATEMENT 4
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
FURNITURE AND FIXTURES	\$ 105,464.	\$ 105,464.	\$ 0.
MACHINERY AND EQUIPMENT	259,757.	200,034.	59,723.

SAN FRANCISCO FOUNDATION
COMMUNITY INITIATIVE FUNDS

94-3255070

STATEMENT 4 (CONTINUED)
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
MISCELLANEOUS	\$ 40,027.	\$ 24,589.	\$ 15,438.
TOTAL	<u>\$ 405,248.</u>	<u>\$ 330,087.</u>	<u>\$ 75,161.</u>

STATEMENT 5
SCHEDULE A, PART III, LINE 2
TRANSACTIONS WITH TRUSTEES, DIRECTORS, ETC.

THE ORGANIZATION PAID THE LAW FIRM OF SILK, ADLER AND COLVIN \$69,364 FOR LEGAL AND CONSULTING SERVICES NEEDED BY THE ORGANIZATION. MR. COLVIN IS AN OFFICER AND DIRECTOR OF SILK, ADLER AND COLVIN. THE ORGANIZATION ENGAGED THE LAW FIRM AFTER RIGOROUS REVIEW OF THE SERVICES AVAILABLE AND RATES CHARGED BY OTHER BAY AREA LAW FIRMS.

STATEMENT 6
SCHEDULE A, PART III, LINE 3
QUALIFICATIONS OF RECIPIENTS RECEIVING GRANTS OR LOANS

GRANT APPLICANTS MUST SUBMIT PROPOSALS AT THE PROJECT LEVEL. THE PROPOSALS ARE REVIEWED AND COMPARED TO GOALS SET BY THE PROJECTS. RECOMMENDATIONS ON GRANT RECIPIENTS ARE MADE BY PROJECT DIRECTORS TO THE FUNDS' ADVISORY COMMITTEES FOR APPROVAL, SUBJECT TO THE ULTIMATE AUTHORITY OF THE BOARD OF DIRECTORS.

STATEMENT 7
SCHEDULE A, PART IV-A, LINE 22
OTHER INCOME

DESCRIPTION	(A) 2002	(B) 2001	(C) 2000	(D) 1999	(E) TOTAL
TRANSFERRED ASSETS	\$ 80,233.	\$ 208,892.	\$ 0.	\$ 13,229.	\$ 302,354.
MISCELLANEOUS INCOME	368.	5,695.	1,832.	0.	7,895.
TOTAL	<u>\$ 80,601.</u>	<u>\$ 214,587.</u>	<u>\$ 1,832.</u>	<u>\$ 13,229.</u>	<u>\$ 310,249.</u>

<u>Grantee</u>	<u>Amount</u>	<u>Purpose</u>
Butler Koshland Fund The San Francisco Foundation 225 Bush Street, Suite 500 San Francisco, CA 94104	278.00	To grant excess income distribution to completed special project
California Department of Social Services 744 P Street, MS 1372 Sacramento, CA 95814	750,000.00	To support training relevant to implementation of differential response, consistent with the Child Welfare Services Redesign
Center for Child Care Workforce 555 New Jersey Ave., NW Washington, DC 20001	(5,000.00)	Return of overpayment of grant made December, 2000
Community Foundations Silicon Valley 60 South Market Street, Suite 1000 San Jose, CA 95113	20,018.35	To return unspent grant funds
Community Foundation Sonoma County 250 D Street, Suite 205 Santa Rosa, CA 95404	10,919.10	To return unspent grant funds
East Bay Community Foundation 200 Frank H. Ogawa Plaza Oakland, CA 94612	17,288.58	To return unspent grant funds
First 5 San Francisco 1390 Market Street, Suite 318 San Francisco, CA 94102	188,433.00	Distributions for the Parent Action Grant Program of First 5 San Francisco
Friends of Recreation & Parks McLaren Lodge, Golden Gate Park 501 Stanyan Street San Francisco, CA 94112	2,500.00	To support the OMI International Festival
Headwaters Outdoor School P.O. Box 1698 Santa Cruz, CA 95061	7,125.00	To support the Boys Rites of Passage program
Indian & Forest Acres Camps RR #1 Box 48 Fryeburg, ME 04037	59,260.00	To fund the Eastern Horizons summer camp program
Lifecycles Urban Education Center 2935 Coolidge Ave. Oakland, CA 94602	11,115.54	To support an afternoon and weekend activities program that will engage, challenge, and guide neighborhood at-risk youth while meeting their academic
Life's Work Center P.O. Box 460371 San Francisco, CA 94146-0371	45.00	To grant out funds to project that received its own 501(c)(3)

<u>Grantee</u>	<u>Amount</u>	<u>Purpose</u>
Marin Community Foundation 5 Hamilton Landing, Suite 200 Novato, CA 94949	22,748.13	To return unspent grant funds
MK Level Playing Field 543 Howard Street, 5th Floor San Francisco, CA 94105	25,592.03	To transfer assets of Bay Area Scholarship program to new fiscal sponsor
Movement Strategy Center 1611 Telegraph Ave., #510 Oakland, CA 94610	8,368.70	To transfer assets to previous project
MoveOn.Org P.O. Box 9063 Berkeley, CA 94709	87,000.00	To raise people's awareness of their ability to make a difference as part of the American civic process
Music Concourse Community Partnership One Maritime Plaza #2525 San Francisco, CA 94111	64.00	To grant out funds to project that received its own 501(c)(3)
Peninsula Community Foundation 1700 S. El Camino Real #300 San Mateo, CA 94402	20,018.35	To return unspent grant funds
SF Earn 235 Montgomery Street, Suite 668 San Francisco, CA 94104	821.00	To grant out funds to project that received its own 501(c)(3)
The San Francisco Foundation 225 Bush Street, Suite 500 San Francisco, CA 94104	19,108.45	To return unspent grant funds
The University of California Center for the Study of Childcare Employment 2521 Channing Way, #5555 Berkeley, CA 94720	100,000.00	To provide technical assistance and consultation to statewide efforts to develop policies that support building a child care workforce
Yick Wo Elementary School 2245 Jones Street San Francisco, CA 94133	3,000.00	To develop and implement school plans that integrate the arts into the curricula
Total	1,348,703.23	

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box.
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Automatic 3-Month Extension of Time — Only submit original (no copies needed)
Note: Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only.

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	SAN FRANCISCO FOUNDATION COMMUNITY INITIATIVE FUNDS	94-3255070
	Number, street, and room or suite number. If a P.O. box, see instructions	
	225 BUSH STREET, 5TH FLOOR	
	City, town or post office. For a foreign address, see instructions.	state ZIP code
	SAN FRANCISCO, CA 94104-4224	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (Section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- If the organization does **not** have an office or place of business in the United States, check this box.
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box. . If it is for part of the group, check this box. and attach a list with the names and EINs of all members the extension will cover.

- 1 I request an automatic 3-month (6-month, for **990-T corporation**) extension of time until 2/15, 20 05, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
- ▶ calendar year 20 ____ or
 - ▶ tax year beginning 7/01, 20 03, and ending 6/30, 20 04.
- 2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____ 0.
- b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____ 0.
- c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____ 0.

Signature and Verification

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, and that I am authorized to prepare this form.

Signature ▶ Ken Pesto Title ▶ CPA Date ▶ 11/15/04

BAA For Paperwork Reduction Act Notice, see instructions.

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box.

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: SAN FRANCISCO FOUNDATION COMMUNITY INITIATIVE FUNDS. Employer identification number: 94-3255070. Address: 225 BUSH STREET, 5TH FLOOR, SAN FRANCISCO, CA 94104-4224.

Check type of return to be filed (file a separate application for each return):

Form 990 (checked), Form 990-EZ, Form 990-T (Section 401(a) or 408(a) trust), Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 4720, Form 6069.

Stop: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

If the organization does not have an office or place of business in the United States, check this box. If this is for a Group Return, enter the organizations four digit Group Exemption Number (GEN)...

I request an additional 3-month extension of time until 5/15, 20 05. For calendar year, or other tax year beginning 7/01, 20 03 and ending 6/30, 20 04. If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period. State in detail why you need the extension: ADDITIONAL TIME IS REQUIRED TO GATHER ALL THE INFORMATION NECESSARY FOR FILING A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. 8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. 8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System).

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature: Paul Hammond CPA. Date: 2/15/05.

Notice to Applicant - To be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return. We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely filed return. Please attach this form to the organization's return. We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period. We cannot consider this application because it was filed after the due date of the return for which an extension was requested. Other:

Director By: Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: BREGANTE + COMPANY LLP, CPA'S. Address: 55 HAWTHORNE STREET, SUITE 910, SAN FRANCISCO, CA 94105.