

2006

Form 990-T

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

OMB No 1545-0047

For calendar year 2019 or other tax year beginning 07/01, 2019, and ending 06/30, 2020

2019

Department of the Treasury Internal Revenue Service

Go to www.irs.gov/Form990T for instructions and the latest information. Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

Open to Public Inspection for 501(c)(3) Organizations Only

Form header section including: A Check box if address changed, B Exempt under section (501(c)(3)), C Book value of all assets, D Employer identification number (33-0265266), E Unrelated business activity code (525990), F Group exemption number, G Check organization type (501(c) corporation).

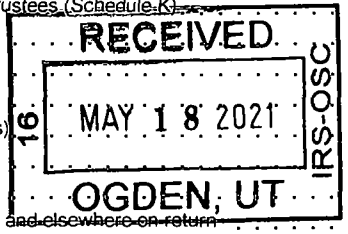
H Enter the number of the organization's unrelated trades or businesses (2) Describe the only (or first) unrelated trade or business here (DEBT FINANCED INCOME FROM K-1S)

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? (Yes No)

J The books are in care of (MARY NGUYEN) Telephone number (714-509-4124)

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 1a Gross receipts or sales, 2 Cost of goods sold, 7 Unrelated debt-financed income (986,653), 13 Total (986,653 / 813,170 / 173,483).

Table with 4 columns: Description, (A) Income, (B) Expenses, (C) Net. Rows include: 14 Compensation of officers, 27 Other deductions (3,352), 28 Total deductions (3,352), 29 Unrelated business taxable income before net operating loss deduction (170,131), 31 Unrelated business taxable income (170,131).



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Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Includes lines 32-39 for Total Unrelated Business Taxable Income.

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Includes lines 40-45 for Tax Computation.

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Includes lines 46-56 for Tax and Payments.

Part VI Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Line number, Description, and Yes/No response. Includes lines 57-59 for Statements Regarding Certain Activities.

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 taxpayer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer (Shalini Saidha), Date (5/13/2021), Title (CFO/ASSISTANT SEC).

Paid Preparer Use Only: Print/Type preparer's name (SHALINI SAIDHA), Preparer's signature (Shalini Saidha), Date (5/10/2021), Firm's name (KPMG LLP), Firm's EIN (13-5565207), Firm's address (550 S. HOPE ST., SUITE 1500, LOS ANGELES, CA 90071).

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation ▶

1	Inventory at beginning of year	1		6	Inventory at end of year	6	
2	Purchases	2		7	Cost of goods sold Subtract line 6 from line 5 Enter here and in Part I, line 2	7	
3	Cost of labor	3					
4a	Additional section 263A costs (attach schedule)	4a					
b	Other costs (attach schedule)	4b					
5	Total Add lines 1 through 4b	5					
				8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
							X

**Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)**

(see instructions)

1. Description of property		
(1)		
(2)		
(3)		
(4)		
2 Rent received or accrued		
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	
(c) Total income Add totals of columns 2(a) and 2(b) Enter here and on page 1, Part I, line 6, column (A) . . . . . ▶		(b) Total deductions Enter here and on page 1, Part I, line 6, column (B) ▶

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1) ATCH 3				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals . . . . . ▶			Enter here and on page 1, Part I, line 7, column (A) 986,653.	Enter here and on page 1, Part I, line 7, column (B) 813,170.
Total dividends-received deductions included in column 8 . . . . . ▶				

**Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

1 Name of controlled organization	2 Employer identification number	Exempt Controlled Organizations			
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income	6 Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7 Taxable Income	8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)

Totals

**Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)

Totals

**Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)			Enter here and on page 1, Part II, line 25

Totals

**Schedule J – Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))						

**Part II** Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I</b> . . . . . ▶						
	Enter here and on page 1, Part I, line 11, col (A)	Enter here and on page 1, Part I, line 11, col (B)				Enter here and on page 1, Part II, line 26
<b>Totals, Part II (lines 1-5)</b> . . . . . ▶						

**Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)**

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total</b> Enter here and on page 1, Part II, line 14 . . . . . ▶			

**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income from an  
Unrelated Trade or Business**

OMB No 1545-0047

**2019**

For calendar year 2019 or other tax year beginning 07/01, 2019, and ending 06/30, 2020

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information  
▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

Open to Public Inspection for  
501(c)(3) Organizations Only

Name of the organization

CHILDREN'S HEALTHCARE OF CALIFORNIA

Employer identification number

33-0265266

Unrelated Business Activity Code (see instructions) ▶ 525990

Describe the unrelated trade or business ▶ UNRELATED BUSINESS INCOME FROM K-1S

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales			
b	Less returns and allowances			
c Balance ▶		1 c		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit Subtract line 2 from line 1c	3		
4 a	Capital gain net income (attach Schedule D)	4 a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4 b		
c	Capital loss deduction for trusts	4 c		
5	Income (loss) from a partnership or an S corporation (attach statement) ATCH. 4	5	-507,974.	-507,974.
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from a controlled organization (Schedule F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See instructions, attach schedule)	12		
13	<b>Total</b> Combine lines 3 through 12	13	-507,974.	-507,974.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions ) (Deductions must be directly connected with the unrelated business income )

14	Compensation of officers, directors, and trustees (Schedule K)	14		
15	Salaries and wages	15		
16	Repairs and maintenance	16		
17	Bad debts	17		
18	Interest (attach schedule) (see instructions)	18		
19	Taxes and licenses	19		
20	Depreciation (attach Form 4562)	20		
21	Less depreciation claimed on Schedule A and elsewhere on return	21 a		21 b
22	Depletion	22		
23	Contributions to deferred compensation plans	23		
24	Employee benefit programs	24		
25	Excess exempt expenses (Schedule I)	25		
26	Excess readership costs (Schedule J)	26		
27	Other deductions (attach schedule)	27		
28	<b>Total deductions</b> Add lines 14 through 27	28		
29	Unrelated business taxable income before net operating loss deduction Subtract line 28 from line 13	29		-507,974.
30	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)	30		
31	<b>Unrelated business taxable income</b> Subtract line 30 from line 29	31		-507,974.

For Paperwork Reduction Act Notice, see Instructions

Schedule M (Form 990-T) 2019

FORM 990T - PART II - LINE 27 - TOTAL OTHER DEDUCTIONS

TAX PREP FEES

3,352.

PART II - LINE 27 - OTHER DEDUCTIONS

3,352.

FORM 990T - PART III LINE 34 - CHARITABLE CONTRIBUTIONS

UNRELATED TRADE OR BUSINESS INCOME	173,483.
UNRELATED TRADE OR BUSINESS INCOME (SCHEDULES M)	-507,974.
ADD: DOMESTIC PRODUCTION ACTIVITIES DEDUCTION	0.
LESS: DEDUCTIONS W/O CHARITABLE CONTRIBUTIONS & DPAD	3,352.
	* 10%
CHARITABLE CONTRIBUTION LIMITATION (10%)	17,013.
CHARITABLE CONTRIBUTION	17,013.
<u>CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO)</u>	<u>17,013.</u>



UNRELATED BUSINESS INCOME FROM K-1S

SCHEDULE M - INCOME (LOSS) FROM PARTNERSHIPS AND/OR S CORPORATIONS

INNOVATION INSTITUTE, LLC EIN: 90-0745066 -507,974.

INCOME (LOSS) FROM PARTNERSHIPS AND/OR S CORPORATIONS -507,974.

ATTACHMENT 5

FORM 990-T, PAGE 1, PART II, CHARITABLE CONTRIBUTIONS

<u>YEAR</u> <u>ENDING</u>	<u>AMOUNT</u> <u>GENERATED</u>	<u>AMOUNT</u> <u>UTILIZED</u>	<u>YEAR</u> <u>UTILIZED</u>	<u>CARRYOVER</u>
6/30/2016	14,337,000	9,598	6/30/2016	14,327,402
6/30/2017	-			14,327,402
6/30/2018	-	18,699	6/30/2018	14,308,703
6/30/2019	-	16,744	6/30/2019	14,291,959
6/30/2020	-	17,013	6/30/2020	14,274,946
NET OPERATING LOSS CARRYOVER TO 6/30/2020				<u>14,274,946</u>

ATTACHMENT 6

FORM 990-T, PAGE 1, PART II, NET OPERATING LOSS - GENERAL

<u>YEAR ENDING</u>	<u>AMOUNT GENERATED</u>	<u>AMOUNT UTILIZED</u>	<u>YEAR UTILIZED</u>	<u>CARRYOVER</u>
6/30/2017	269,390	-		269,390
6/30/2018	-	170,132	6/30/2018	99,258
6/30/2019	-	101,098	6/30/2019	-
6/30/2020	-	-		-
<u>NET OPERATING LOSS CARRYOVER TO 6/30/2021</u>				<u>-</u>

ATTACHMENT 7

FORM 990-T, PAGE 1, PART II, NET OPERATING LOSS - K-1 UBI

<u>YEAR ENDING</u>	<u>AMOUNT GENERATED</u>	<u>AMOUNT UTILIZED</u>	<u>YEAR UTILIZED</u>	<u>CARRYOVER</u>
6/30/2019	319,370			319,370
6/30/2020	507,974			827,344
NET OPERATING LOSS CARRYOVER TO 6/30/2021				<u>827,344</u>

SCHEDULE E - UNRELATED DEBT-FINANCED INCOME

ATTACHMENT 3

1. DESCRIPTION OF DEBT-FINANCED PROPERTY	2 GROSS INCOME	3 DEDUCTIONS DIRECTLY CONNECTED (3A)	(3B)	4 AVERAGE ACQUISITION DEBT	5 AVERAGE ADJUSTED BASIS	6 % 4 IS OF 5	7 GROSS INCOME REPORTABLE (2 X 6)	8 ALLOCABLE DEDUCTIONS 6 + (3A + 3B)
FULLERTON MOB NO 2, LLC	36,390	26,892		157,351	234,932	66 977	24,373	18,011
2727 IMPERIAL LLC	96,757	51,722		211,718	474,655	44 605	43,158	23,071
7901 METROPOLIS DRIVE	937,484	795,872		8,170,198	8,976,321	91 019	853,289	724,395
3601 21ST STREET	65,833	47,693		384,491	375,145	100 000	65,833	47,693
<b>TOTALS</b>							<u>986,653</u>	<u>813,170</u>