

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities	3-4
Statement of Cash Flows	5
Notes to Financial Statements	6-17

**JUNIOR LEAGUE OF OKLAHOMA
CITY, OKLAHOMA, INC.**



Independent Auditors' Report

Board of Directors
Junior League of Oklahoma City,
Oklahoma, Inc.
Oklahoma City, Oklahoma

We have audited the accompanying statement of financial position of JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC., (the League), (a nonprofit organization) as of May 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the League's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior League of Oklahoma City, Oklahoma, Inc. as of May 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Engelbach Roberts & Co. PLLC
Certified Public Accountants

Oklahoma City, Oklahoma
November 28, 2011

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF FINANCIAL POSITION

	May 31,	
	2011	2010
<u>ASSETS</u>		
Cash and cash equivalents (interest-bearing \$39,477 and \$231,125)	\$194,781	\$231,125
Distribution receivable	11,170	10,909
Prepaid expenses	4,250	4,520
Investments (Notes 3 and 9)	1,766,634	1,584,635
Beneficial interest in assets held by others (Notes 4 and 9)	121,756	105,541
Land, buildings, and equipment (net of accumulated depreciation of \$504,524 and \$449,717 (Note 5))	1,720,739	1,762,988
Total assets	\$3,819,330	\$3,699,718
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accrued payroll and withholding payable	\$2,603	\$2,411
Sales tax payable and other payables	2,150	1,581
Deferred revenue:		
Membership dues	129,205	126,123
Mistletoe Market booth pre-payments	25,495	76,600
Total liabilities	159,453	206,715
Net assets:		
Unrestricted:		
Undesignated	2,188,924	2,252,655
Board designated endowment (Note 7)	1,348,601	1,134,211
	3,537,525	3,386,866
Temporarily restricted (Note 8)	596	596
Permanently restricted (Note 4)	121,756	105,541
Total net assets	3,659,877	3,493,003
Total liabilities and net assets	\$3,819,330	\$3,699,718

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, gains and other support:				
Membership dues and fees	\$122,876	\$	\$	\$122,876
Contributions	89,867			89,867
Sales:				
Remarkable Shop (net of consignment expense of \$12,627)	159,822			159,822
Community support (net of cost of sales of \$9,837)	7,224			7,224
League Link/Holiday Happenings advertisements	7,135			7,135
Special events:				
Mistletoe Market (net of \$63,121 direct expenses)	229,387			229,387
Remarkable Shop	2,080			2,080
Investment income	47,738			47,738
Realized and unrealized gains	196,622		16,215	212,837
Room rental - Headquarters	3,175			3,175
Other income	2,989			2,989
Total revenues, gains, and other support	868,915		16,215	885,130
Expenses (Note 11):				
Program services:				
Community projects	216,850			216,850
League programs	345,478			345,478
Total program services	562,328			562,328
Supporting services:				
Fundraising	67,574			67,574
Management and general	88,354			88,354
Total supporting services	155,928			155,928
Total expenses	718,256			718,256
Increase (decrease) in net assets	150,659		16,215	166,874
Net assets, beginning of year	3,386,866	596	105,541	3,493,003
Total net assets, end of year	\$3,537,525	\$596	\$121,756	\$3,659,877

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, gains and other support:				
Membership dues and fees	\$131,602	\$	\$	\$131,602
Contributions	94,140	36,520		130,660
Sales:				
Remarkable Shop (net of consignment expense of \$7,952)	184,124			184,124
Community support (net of cost of sales of \$13,098)	6,124			6,124
League Link/Holiday Happenings advertisements	14,133			14,133
Special events:				
Mistletoe Market (net of \$64,834 direct expenses)	200,964			200,964
Remarkable Shop	1,210			1,210
Investment income	47,322			47,322
Realized and unrealized gains	114,712		7,068	121,780
Room rental - Headquarters	5,838			5,838
Other income	6,529			6,529
Net assets released from restriction	35,924	(35,924)		
Total revenues, gains, and other support	842,622	596	7,068	850,286
Expenses (Note 11):				
Program services:				
Community projects	159,052			159,052
League programs	381,306			381,306
Total program services	540,358			540,358
Supporting services:				
Fundraising	71,578			71,578
Management and general	124,647			124,647
Total supporting services	196,225			196,225
Total expenses	736,583			736,583
Increase (decrease) in net assets	106,039	596	7,068	113,703
Net assets, beginning of year	3,280,827		98,473	3,379,300
Total net assets, end of year	\$3,386,866	\$596	\$105,541	\$3,493,003

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF CASH FLOWS

	For the Year Ended	
	May 31,	
	2011	2010
Cash flows from operating activities:		
Cash received for membership dues	\$125,958	\$128,171
Cash received from sales	174,181	204,381
Cash received from special events	180,362	240,774
Cash received from donors	89,867	130,660
Other receipts from operations	6,164	22,367
Cash received from earnings on investments	47,477	54,598
Cash paid to vendors	(662,418)	(694,889)
Net cash provided (used) by operating activities	(38,409)	86,062
Cash flows from investing activities:		
(Increase) decrease in investments	14,623	(5,701)
Purchase of property and equipment	(12,558)	(2,003)
Net cash provided (used) by investing activities	2,065	(7,704)
Net increase (decrease) in cash	(36,344)	78,358
Cash at beginning of year	231,125	152,767
Cash at end of year	\$194,781	\$231,125
Reconciliation of change in net assets to net cash provided (used) by operating activities:		
Change in net assets	\$166,874	\$113,703
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	54,807	59,200
Net unrealized and realized gains on investments	(212,837)	(121,780)
Net decrease in accounts receivable, prepaids, and other assets	9	15,397
Net increase in accounts payable and deferred revenue	(47,262)	19,542
Net cash provided (used) by operating activities	(\$38,409)	\$86,062

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended May 31, 2011 and 2010

1. Nature of Activities and Summary of Accounting Policies

Organization and History

The Junior League of Oklahoma City, Oklahoma, Inc. (the League) was founded in 1927 as the Junior Service League of Oklahoma City, Oklahoma. In 1928 the League affiliated with the Association of Junior Leagues of America to become the Junior League of Oklahoma City, Oklahoma. The League is an organization of women committed to promoting voluntarism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers. In order to achieve this objective, each provisional and active member is required to provide a minimum number of hours of volunteer service either to the League or the community. The League's purpose is exclusively educational and charitable.

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

Financial Statement Presentation - The League's financial statements are presented on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles for not-for-profit organizations. Net assets are classified as either unrestricted, temporarily restricted, or permanently restricted, based on the existence or absence of donor-imposed restrictions.

Contributions - The League reports support in conformity with U.S. generally accepted accounting principles for not-for-profit organizations. Contributions, including unconditional promises to give, are recognized as revenue in the period received or promised and are reported as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

The League reports gifts of cash or other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, through the passage of time or when a stipulated purpose is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the statement of activities as net assets released from restriction. Donor restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from those estimates. It is at least reasonably possible that the significant estimates of the recorded fair values of investments, which are based on quoted market prices will change within the next year.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in banks. Money market funds held for investment purposes and certificates of deposit, with maturities of one year or less, are included as investments rather than as cash and cash equivalents.

Investments - Investments consist of marketable investment assets. Marketable securities are reported at fair value calculated in accordance with U.S. generally accepted accounting principles. Such investments include U.S. government obligations, corporate and municipal debt obligations, certificates of deposit, equity securities, and other. Fair value is generally determined based on quoted market prices, other observable inputs, or unobservable inputs. Realized gains and losses on sales of marketable securities are computed on the first-in, first-out basis or the average cost.

Property and Equipment - Property and equipment are stated at cost, if purchased, or market value at date received, if donated. Depreciation is provided over the estimated useful life (five to forty years) of the related assets on the straight-line basis.

Revenue Recognition - Revenue of the League consists principally of membership dues, retail sales, and contributions. Membership dues, which are unrestricted in nature, are recognized over the periods for which they are earned. Retail sales from The Remarkable Shop (a thrift and consignment store) are recorded at the time of the sale. Booth space rentals, ticket sales and special events relating to the Mistletoe Market event are recorded into income when earned. Contributions are recognized when unconditional commitments are received and recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or absence of donor restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributed Goods and Services - Contributed goods and services received are reported at their fair value at the date of receipt in accordance with U.S. generally accepted accounting principles. Contributed services are reflected in the financial statements if the services (a) create or enhance nonfinancial assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

Donated goods and services are reported as contributions received on the Statement of Activities and as donated goods and services in the Expense by Natural Classification footnote. These totals do not include the value of member hours donated to the League's programs and supporting services.

Additionally, no value is placed on items donated to The Remarkable Shop until these items are sold. Accordingly, the accompanying financial statements do not include an inventory valuation.

Concentration of Credit Risk - Financial instruments that potentially expose the League to concentrations of credit risk are cash and cash equivalents and investments. The League places cash deposits into financial institutions deemed by management to be of high credit quality. Additionally, this cash is swept nightly to an interest bearing account managed by Goldman Sachs to avoid exceeding the \$250,000 Federal Deposit Insurance Corporation (FDIC) insured maximum for accounts held at its financial institution. The League invests in mutual funds, equity securities, and federal and state bonds. Management believes that diversity within its portfolio avoids significant concentration of credit risk.

Expenses by Natural Classification - Expenses are charged to each program based on direct expenditures incurred. Certain expenditures, which are not directly chargeable to a single function, are allocated based on a percentage of direct costs.

Tax Exempt Status - The League is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code. Therefore, no provision has been made in the accompanying financial statements for income taxes.

The League evaluates and accounts for their uncertain tax positions, if any, in accordance with U.S. generally accepted accounting principles, including the League's tax position as a tax-exempt not-for-profit entity. Through the League's evaluation of its uncertain tax positions, management has determined no uncertain tax positions exist as of May 31, 2011, which would require the League to record a liability in its financial statements. The League's exempt returns for the years before May 31, 2007, are no longer subject to examination by taxing authorities.

2. Related Party Transactions

The League paid dues to the Association of Junior Leagues International, Inc. of \$49,096 and \$49,079 for the years ending May 31, 2011 and 2010.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
(Continued)
For the Years Ended May 31, 2011 and 2010

3. Investments

Investments are stated at fair market value and are summarized as follows as of May 31, 2011:

	<u>Cost</u>	<u>Market</u>
Government obligations	\$153,914	\$158,749
Corporate bonds	90,425	94,092
Municipal bonds and notes	24,938	26,634
Common stocks	378,949	434,582
Mutual funds	377,159	536,464
Certificates of deposit	443,989	444,659
Money market funds	71,454	71,454
	<u>\$1,540,828</u>	<u>\$1,766,634</u>

Investments are stated at fair market value and are summarized as follows as of May 31, 2010:

	<u>Cost</u>	<u>Market</u>
Government obligations	\$154,389	\$156,000
Corporate bonds	341,016	346,711
Municipal bonds and notes	24,938	25,486
Common stocks	371,057	345,244
Mutual funds	377,159	420,687
Certificates of deposit	243,435	243,435
Money market funds	47,072	47,072
	<u>\$1,559,066</u>	<u>\$1,584,635</u>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

The following schedule summarizes the investment return and its classification in the statement of changes in net assets for the year ended May 31:

	<u>2011</u>	<u>2010</u>
Unrestricted:		
Interest and dividends	\$47,738	\$47,322
Net realized and unrealized gains	<u>196,623</u>	<u>114,712</u>
	<u>244,361</u>	<u>162,034</u>
Permanently restricted:		
Net realized and unrealized gains relating to beneficial interest in assets held by others	<u>16,215</u>	<u>7,068</u>
	<u>16,215</u>	<u>7,068</u>
Total investment income and gains	<u>\$260,576</u>	<u>\$169,102</u>

4. Endowed Funds Held by Community Foundation

The League is the beneficiary of a designated agency endowment fund held by the Oklahoma City Community Foundation, Inc. (OCCF) with a market value of \$243,044 and \$210,676 at May 31, 2011 and 2010. This endowment was established with funds contributed by both the League and other third-party donors. Under the terms of OCCF's designated fund policies, OCCF has variance power over these assets, and only that portion of the assets contributed by the League together with earnings thereon, is considered to represent the present value of future distributions expected to be made to the League. Of the total fund balance at May 31, 2011 and 2010, \$121,756 and \$105,541 represents contributions and accumulated earnings by the League and is included as an asset in the accompanying statement of financial position. Assets contributed by third party donors, totaling \$121,288 and \$105,135 at May 31, 2011 and 2010, are not reported in the League's financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
 (Continued)
 For the Years Ended May 31, 2011 and 2010

5. Summary of Land, Property and Equipment

The cost of land, property, and equipment for the years ended May 31:

	2011	2010
Land	\$560,367	\$560,367
Buildings	1,371,266	1,371,266
Office furniture, equipment, and computer equipment	293,630	281,072
	2,225,263	2,212,705
Less accumulated depreciation	504,524	449,717
Net	\$1,720,739	\$1,762,988

6. Commitments

The League leases certain office equipment under operating leases expiring in 2013. Rent expense in 2011 and 2010 for this equipment was \$5,428 and \$4,713. The minimum rental commitments under these leases are as follows:

Year ending May 31,	
2012	\$4,067
2013	148
Total	\$4,215

7. Board Designated Endowment

The League's Board of Directors designated unrestricted net assets totaling \$1,348,601 and \$1,134,211 as a general endowment fund (referred to as Headquarters Fund) to support the operations of the League. Since these amounts resulted from an internal designation and are not donor-restricted they are classified and reported as unrestricted net assets.

The dividends and interest income from the Headquarters Fund shall be used to offset expenses attributed to the operations of the League. In order to meet its needs, the investment strategy of the Headquarters Fund is to preserve capital and to emphasize total return; that is, the aggregate returns from capital appreciation and dividend and interest income. The objectives of investment management for the Headquarters Fund assets is to emphasize long term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

Generally accepted accounting principles provide guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations subject to the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). It also provides guidance on enhanced disclosure information to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policy, and related investment policy of its endowment funds.

The League's endowment consists of funds designated by the League to function as endowments established to support the programs conducted by the League. As required by GAAP, net assets associated with endowment funds, including funds designated by the League to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

Changes in board-designated endowment net assets for the year ended May 31:

	<u>2011</u>	<u>2010</u>
Net assets, beginning of year	\$1,134,211	\$1,004,571
Investment income	29,842	25,942
Investment gains	196,035	114,389
Withdrawals	<u>(11,487)</u>	<u>(10,691)</u>
Net assets, end of year	<u>\$1,348,601</u>	<u>\$1,134,211</u>

8. Temporarily Restricted Net Assets

Temporarily restricted net assets of \$596 as of May 31, 2011 and 2010, consist of contributions restricted for the purchase of books.

9. Disclosure About Fair Value of Financial Instruments

U.S. generally accepted accounting principles (GAAP) requires the League to disclose estimated fair values for all financial instruments. Under GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

The fair values reported below for financial instruments were based on a variety of factors. In some cases, fair values have been estimated based on assumptions concerning the amount and timing of estimated future cash flows and assumed discount rates reflecting varying degrees of risk. Accordingly, the fair values may not represent actual values of the financial instruments that could have been realized as of May 31, 2011 and 2010, or that will be realized in the future.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

The carrying amounts of cash and cash equivalents approximate fair values because of the terms and relatively short maturity of these assets. The carrying value of investments, which is fair value, is based upon quoted market prices, if available. If quoted market prices are not available, fair value is estimated using quoted prices for similar securities.

The League's financial instruments at May 31, 2011 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$194,781
Investments - marketable	\$1,766,634
Beneficial interest in assets held by others	\$121,756

The League's financial instruments at May 31, 2010, were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$231,125
Investments - marketable	\$1,584,635
Beneficial interest in assets held by others	\$105,541

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1: Quoted Prices in Active Markets for Identical Assets, Level 2: Significant Other Observable Inputs, and Level 3: Significant Unobservable Inputs. The League uses appropriate valuation techniques based on the available inputs to measure the fair value of its assets and liabilities.

Fair Value Measured on a Recurring Basis

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as the general classification of such assets pursuant to the valuation hierarchy.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

Investments

The fair values of investments in U.S. government obligations, equity securities, corporate and municipal debt obligations, certificates of deposit, and other investments are based on quoted market prices for active markets, where available. If quoted market prices for active markets are not available, fair values are obtained from pricing services, based on quoted market prices of comparable instruments, bid/ask quotes, or the use of discounted cash flow models, using observable inputs such as current yields, credit risks, and prepayment speeds.

Beneficial Interest in Assets Held by Others

The fair value of assets held by Oklahoma City Community Foundation in a designated agency endowment fund is based on market value information provided by OCCF.

The following presents the fair value measurements of investments and beneficial interest recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at May 31, 2011 and 2010:

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2011:</u>		
Government obligations	\$158,749	(1)
Corporate bonds	94,092	(1)
Municipal bonds	26,634	(1)
Common stocks	434,582	(1)
Mutual funds	536,464	(1)
Certificates of deposit	444,659	(1)
Money market funds	<u>71,454</u>	(1)
	<u>\$1,766,634</u>	
Held by others (OCCF)	<u>\$121,756</u>	(2)

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS

Page 15

(Continued)

For the Years Ended May 31, 2011 and 2010

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2010:</u>		
Government obligations	\$156,000	(1)
Corporate bonds	346,711	(1)
Municipal bonds	25,486	(1)
Common stocks	345,244	(1)
Mutual funds	420,687	(1)
Certificates of deposit	243,435	(1)
Money market funds	<u>47,072</u>	(1)
	<u>\$1,584,635</u>	
Held by others (OCCF)	<u>\$105,541</u>	(2)

10. Subsequent Events

Date of Management Evaluation - Management of the League has evaluated subsequent events through November 28, 2011, which is the date the financial statements were available to be issued.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

11. Expenses by Natural Classification

Expenses were incurred as follows:

	Program Services		Supporting Services		Total
	Community Projects	League Programs	Fundraising	Management and General	
2011:					
Expenses:					
Community grants and donations	\$42,056	\$	\$	\$	\$42,056
Payroll expense	19,496	91,187	6,068	7,941	124,692
Professional services	4,576	7,287	1,424	1,863	15,150
Supplies	71,612	12,482	540	7,464	92,098
Postage	1,370	8,731	1,520	665	12,286
Promotion and donor recognition		33,549	43,373	1,884	78,806
Building expenses	16,426	66,339	5,113	6,690	94,568
Office equipment and storage leases	1,637	3,199	509	857	6,202
Membership meetings, training, and events		58,501		21,741	80,242
Donated goods and services	2,795	19,658	3,031	16,223	41,707
Bank and credit card fees	6,750	10,751	2,101	2,749	22,351
Dues and license fees	37,617			15,179	52,796
Other	150	237	47	61	495
Total expenses before depreciation	204,485	311,921	63,726	83,317	663,449
Depreciation of buildings and equipment	12,365	33,557	3,848	5,037	54,807
Total expenses	<u>\$216,850</u>	<u>\$345,478</u>	<u>\$67,574</u>	<u>\$88,354</u>	<u>\$718,256</u>

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
 NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2011 and 2010

11. Expenses by Natural Classification

Expenses were incurred as follows:

	Program Services		Supporting Services		Total
	Community Projects	League Programs	Fundraising	Management and General	
2010:					
Expenses:					
Community grants and donations	\$51,097	\$	\$	\$	\$51,097
Payroll expense	13,344	103,169	6,006	10,458	132,977
Professional services	2,696	6,463	1,213	2,113	12,485
Supplies	57,958	11,968	536	11,173	81,635
Postage	25	8,430	1,765	4,500	14,720
Promotion and donor recognition		25,722	42,648	5,642	74,012
Building expenses	13,060	65,083	5,877	10,235	94,255
Office equipment and storage leases	1,018	2,810	458	1,118	5,404
Membership meetings, training, and events	3,327	53,459		24,791	81,577
Donated goods and services	3,235	17,281	7,093	26,142	53,751
Bank and credit card fees	3,439	11,422	1,548	5,950	22,359
Dues and license fees		37,640		14,804	52,444
Other	58	538	26	45	667
Total expenses before depreciation	149,257	343,985	67,170	116,971	677,383
Depreciation of buildings and equipment	9,795	37,321	4,408	7,676	59,200
Total expenses	\$159,052	\$381,306	\$71,578	\$124,647	\$736,583