

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1-2
Financial Statements:	
Statement of Financial Position	3-4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7-18

**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 financial statements of Junior League of Oklahoma City, Oklahoma, Inc., (the League), (a nonprofit organization), which comprise the statements of financial position as of May 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

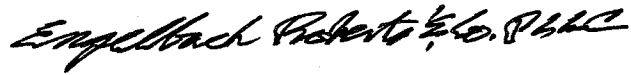
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**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, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Certified Public Accountants

Oklahoma City, Oklahoma  
October 1, 2019

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

	May 31,	
	2019	2018
<u>ASSETS</u>		
Cash and cash equivalents (interest-bearing \$330,219 and \$352,385)	\$ 465,020	\$ 529,886
Accounts receivable	2,396	14,917
Prepaid expenses	8,165	16,880
Investments (Notes 4 and 8)	2,288,864	2,321,177
Beneficial interest in assets held by others (Notes 5 and 8)	139,123	142,654
Land, buildings, and equipment (net of accumulated depreciation of \$590,883 and \$565,108) (Note 6)	1,192,126	1,188,397
Total assets	\$ 4,095,694	\$ 4,213,911
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Sales tax payable and other payables	\$ 21,703	\$ 32,383
Deferred revenue:		
Membership dues	154,321	161,046
Mistletoe Market booth pre-payments and pre-purchases	19,538	20,500
Total liabilities	195,562	213,929
Net assets:		
Without donor restrictions:		
Undesignated	1,899,479	1,953,340
Board designated endowment (Note 7)	1,861,530	1,903,988
	3,761,009	3,857,328
With donor restrictions (Note 5)	139,123	142,654
Total net assets	3,900,132	3,999,982
Total liabilities and net assets	\$ 4,095,694	\$ 4,213,911

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.  
STATEMENT OF ACTIVITIES  
For the Year Ended May 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, gains and other support:			
Membership dues and fees	\$ 144,516	\$	\$ 144,516
Contributions	68,288		68,288
Contributions - donated goods and services	284,576		284,576
Sales:			
League Link/Holiday Happenings advertisements	2,019		2,019
Goodnight OKC	5,677		5,677
90th Coffee table book	17,187		17,187
Special events:			
Mistletoe Market	284,747		284,747
Speaker Series	71,597		71,597
Investment income (net of fees of \$18,395)	57,354		57,354
Realized and unrealized gains (losses)	(41,085)	(3,531)	(44,616)
Other income	9,102		9,102
	<u>903,978</u>	<u>(3,531)</u>	<u>900,447</u>
Total revenue, gains, and other support			
Expenses (Note 9):			
Program services:			
Mistletoe Market	372,887		372,887
Other program expenses	427,627		427,627
	<u>800,514</u>		<u>800,514</u>
Total program services			
Supporting services:			
Committee and administration	177,801		177,801
Fundraising	21,982		21,982
	<u>199,783</u>		<u>199,783</u>
Total supporting services			
Total expenses	<u>1,000,297</u>		<u>1,000,297</u>
Increase (decrease) in net assets	(96,319)	(3,531)	(99,850)
Net assets, beginning of year	<u>3,857,328</u>	<u>142,654</u>	<u>3,999,982</u>
Net assets, end of year	<u>\$ 3,761,009</u>	<u>\$ 139,123</u>	<u>\$ 3,900,132</u>

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.  
STATEMENT OF ACTIVITIES  
For the Year Ended May 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, gains and other support:			
Membership dues and fees	\$ 150,279	\$	\$ 150,279
Contributions	61,986		61,986
Contributions - donated goods and services	197,287		197,287
Sales:			
League Link/Holiday Happenings advertisements	4,746		4,746
Goodnight OKC	8,033		8,033
90th Coffee table book	4,523		4,523
Special events:			
Mistletoe Market	287,230		287,230
Speaker Series	89,525		89,525
Investment income (net of fees of \$17,398)	50,944		50,944
Realized and unrealized gains (losses)	110,810	3,412	114,222
Other income	6,685		6,685
	<u>972,048</u>	<u>3,412</u>	<u>975,460</u>
Total revenue, gains, and other support			
Expenses (Note 9):			
Program services:			
Mistletoe Market	283,776		283,776
Other program expenses	480,928		480,928
	<u>764,704</u>		<u>764,704</u>
Total program services			
Supporting services:			
Committee and administration	140,974		140,974
Fundraising	40,536		40,536
	<u>181,510</u>		<u>181,510</u>
Total supporting services			
Total expenses	<u>946,214</u>		<u>946,214</u>
Increase (decrease) in net assets	25,834	3,412	29,246
Net assets, beginning of year	<u>3,831,494</u>	<u>139,242</u>	<u>3,970,736</u>
Net assets, end of year	<u>\$ 3,857,328</u>	<u>\$ 142,654</u>	<u>\$ 3,999,982</u>

See notes to financial statements.

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

	For the Year Ended May 31,	
	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Cash received for membership dues	\$ 137,791	\$ 150,324
Cash received from sales	24,883	17,302
Cash received from special events	367,903	365,426
Cash received from donors	68,288	61,986
Other receipts from operations	9,102	6,685
Cash received from earnings on investments	57,354	68,342
Cash paid to vendors, employees, and community partner agencies	<u>(691,911)</u>	<u>(714,169)</u>
Net cash provided (used) by operating activities	<u>(26,590)</u>	<u>(44,104)</u>
Cash flows from investing activities:		
(Increase) decrease in investments	(8,772)	(13,115)
Disposal of equipment (purchase) of equipment	<u>(29,504)</u>	<u>(937)</u>
Net cash provided (used) by investing activities	<u>(38,276)</u>	<u>(14,052)</u>
Net increase (decrease) in cash	(64,866)	(58,156)
Cash at beginning of year	<u>529,886</u>	<u>588,042</u>
Cash at end of year	<u>\$ 465,020</u>	<u>\$ 529,886</u>
Supplemental schedule of noncash operating activities:		
Fair market value of donated goods and services received	<u>\$ 284,576</u>	<u>\$ 197,287</u>

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended May 31, 2019 and 2018

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, Inc. 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, which require the League to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the League's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the League or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

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 without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.



NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

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, donor restricted net assets are reclassified as net assets without donor restrictions 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 contributions without donor restrictions in the accompanying financial statements.

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.

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. Generally, assets greater than \$500 are capitalized.

Revenue Recognition and Deferred Revenue - Revenue of the League consists principally of membership dues, retail and booth sales, and contributions. Membership dues, which are without restrictions in nature, are recognized over the periods for which they are earned. Deferred revenue arises from dues received in advance. Booth space rentals, ticket sales, contributions and special events relating to the Mistletoe Market and the Speaker Series events received in advance are recorded as deferred revenue until earned. Contributions are recognized when unconditional commitments are received and recorded as without donor restrictions or with donor restrictions, depending on the existence or absence of donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

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.

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.

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. 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.

Financial instruments that potentially subject Junior League to credit risk consists of amounts in financial institutions at May 31, 2019 and 2018, totaling \$19,529 and \$46,112 in excess of Federal Deposit Insurance Corporation insured limits.

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, 2019 and 2018, which would require the League to record a liability in its financial statements. The League's exempt returns for the years before May 31, 2016, are no longer subject to examination by taxing authorities.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

Date of Management Evaluation - Management of the League has evaluated subsequent events through October 1, 2019, which is the date the financial statements were available to be issued, and determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements.

New Accounting Pronouncement - On August 18, 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14 "*Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements for Not-for-Profit Entities*". The update addresses the complexity and understandability of net asset classifications, deficiencies in information about liquidity and availability of resources, and lack of consistency in the type of information provided about expense and investment return. The League has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented. Certain prior year amounts have been reclassified to conform to current year presentation.

## 2. Availability and Liquidity

The following represents the Junior League of Oklahoma City's financial assets at May 31 that are available to meet general expenditures over the next twelve months:

	<u>2019</u>	<u>2018</u>
Financial assets at year-end:		
Cash and cash equivalents	\$465,020	\$529,886
Accounts receivable	2,396	14,917
Pre-paid expenses	8,165	16,880
Investments	<u>2,288,864</u>	<u>2,321,177</u>
 Total financial assets at year-end	 2,764,445	 2,882,860
 Less those unavailable for general expenditure due to:		
Board endowment fund primarily for headquarters maintenance	 (1,861,530)	 (1,903,988)
Amount set aside for liquidity reserve	<u>(427,334)</u>	<u>(417,188)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u><u>\$475,581</u></u>	 <u><u>\$561,684</u></u>

As part of Junior League of Oklahoma City, Oklahoma, Inc.'s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Junior League of Oklahoma City, Oklahoma, Inc. has board designated reserves that could be drawn upon in the event of financial distress or an immediate liquidity need.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

3. Related Party Transactions

The League paid dues to the Association of Junior Leagues International, Inc. of \$59,499 and \$64,229 for the years ending May 31, 2019 and 2018.

4. Investments

Investments are stated at fair market value and are summarized as follows as of May 31, 2019:

	<u>Cost</u>	<u>Market</u>
Fixed income	\$503,896	\$501,717
Equities	899,027	1,232,674
Certificates of deposit	134,227	134,633
Money market funds and cash	<u>419,840</u>	<u>419,840</u>
	<u>\$1,956,990</u>	2,288,864
Held by others (OCCF)		<u>139,123</u>
		<u>\$2,427,987</u>

Investments are stated at fair market value and are summarized as follows as of May 31, 2018:

	<u>Cost</u>	<u>Market</u>
Fixed income	\$77,862	\$77,426
Equities	1,248,670	1,635,633
Certificates of deposit	284,219	282,898
Money market funds and cash	<u>325,220</u>	<u>325,220</u>
	<u>\$1,935,971</u>	2,321,177
Held by others (OCCF)		<u>142,654</u>
		<u>\$2,463,831</u>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

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>2019</u>	<u>2018</u>
Without donor restrictions:		
Interest and dividends (net of fees of \$18,395)	\$57,354	\$68,342
Net realized and unrealized gains (losses)	<u>(41,085)</u>	<u>110,810</u>
	<u>16,269</u>	<u>179,152</u>
With donor restrictions:		
Net realized and unrealized gains (losses) relating to beneficial interest in assets held by others	<u>(3,531)</u>	<u>3,412</u>
	<u>(3,531)</u>	<u>3,412</u>
Total investment income and gains (losses)	<u><u>\$12,738</u></u>	<u><u>\$182,564</u></u>

5. 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 \$278,073 and \$285,131 at May 31, 2019 and 2018. 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, 2019 and 2018, \$139,123 and \$142,654 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 \$138,950 and \$142,477 at May 31, 2019 and 2018, are not reported in the League's financial statements.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

6. Summary of Land, Property and Equipment

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

	<u>2019</u>	<u>2018</u>
Land	\$540,367	\$540,367
Building	940,875	940,875
Office furniture, equipment, and computer equipment	<u>301,767</u>	<u>272,263</u>
	1,783,009	1,753,505
Less accumulated depreciation	<u>590,883</u>	<u>565,108</u>
Net	<u>\$1,192,126</u>	<u>\$1,188,397</u>

Depreciation expense for the year ended May 31, 2019 and 2018 was \$25,775 and \$25,475, respectively.

7. Board Designated Endowment

The League's Board of Directors designated net assets without donor restrictions totaling \$1,861,530 and \$1,903,988 at May 31, 2019 and 2018, 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 net assets without donor restrictions.

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 are 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.

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.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

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>2019</u>	<u>2018</u>
Net assets, beginning of year	\$1,903,988	\$1,757,794
Investment income, net	31,315	46,711
Investment gains (losses)	(42,820)	116,161
Withdrawals	<u>(30,953)</u>	<u>(16,678)</u>
Net assets, end of year	<u><u>\$1,861,530</u></u>	<u><u>\$1,903,988</u></u>

#### 8. 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, 2019 and 2018, or that will be realized in the future.

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, 2019 were as follows:

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$465,020
Investments - marketable	\$2,288,864
Beneficial interest in assets held by others	\$139,123

The League's financial instruments at May 31, 2018 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$529,886
Investments - marketable	\$2,321,177
Beneficial interest in assets held by others	\$142,654

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.

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 repayment speeds.



NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2019 and 2018

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, 2019 and 2018:

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2019:</u>		
Fixed income	\$501,717	(1)
Equities	1,232,674	(1)
Certificates of deposit	134,633	(1)
Money market funds and cash	<u>419,840</u>	(1)
	<u>\$2,288,864</u>	
Held by others (OCCF)	<u>\$139,123</u>	(2)

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2018:</u>		
Fixed income	\$77,426	(1)
Equities	1,635,633	(1)
Certificates of deposit	282,898	(1)
Money market funds and cash	<u>325,220</u>	(1)
	<u>\$2,321,177</u>	
Held by others (OCCF)	<u>\$142,654</u>	(2)

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

(Continued)

For the Years Ended May 31, 2019 and 2018

9. Expenses by Natural Classification

Expenses were incurred as follows:

	Program Services			Supporting Services			Total Expenses
	Mistletoe Market	Other Program Expenses	Total Program Services	Committee and Administration	Fundraising	Total Supporting Services	
<u>2019:</u>							
Expenses:							
Community projects, grants and other assistance	\$	\$ 52,129	\$ 52,129	\$	\$	\$	\$ 52,129
Speaker Series		130,075	130,075				130,075
Salaries and wages		44,769	44,769	29,846		29,846	74,615
Payroll taxes		2,781	2,781	1,854		1,854	4,635
Accounting				11,798		11,798	11,798
Advertising and promotion	114,114		114,114				114,114
Office expense		33,349	33,349	10,971	21,082	32,053	65,402
Information technology		4,080	4,080	4,080		4,080	8,160
Occupancy		27,096	27,096	27,096		27,096	54,192
Conferences, conventions, meetings		75,648	75,648	21,332	900	22,232	97,880
Insurance		17,850	17,850	17,850		17,850	35,700
Events	254,577		254,577				254,577
AJLI dues		39,850	39,850	19,649		19,649	59,499
Bank and credit card charges	4,196		4,196	7,550		7,550	11,746
Total expenses before depreciation	372,887	427,627	800,514	152,026	21,982	174,008	974,522
Depreciation of buildings and equipment				25,775		25,775	25,775
Total expenses	\$ 372,887	\$ 427,627	\$ 800,514	\$ 177,801	\$ 21,982	\$ 199,783	\$ 1,000,297

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

(Continued)

For the Years Ended May 31, 2019 and 2018

8. Expenses by Natural Classification

Expenses were incurred as follows:

	Program Services			Supporting Services			Total Expenses
	Mistletoe Market	Other Program Expenses	Total Program Services	Committee and Administration	Fundraising	Supporting Services	
<u>2018:</u>							
Expenses:							
Community projects, grants and other assistance	\$	\$ 145,388	\$ 145,388	\$	\$	\$	\$ 145,388
Speaker Series		134,707	134,707				134,707
Salaries and wages		29,716	29,716	19,811		19,811	49,527
Payroll taxes		2,106	2,106	1,404		1,404	3,510
Accounting				11,444		11,444	11,444
Advertising and promotion	93,812		93,812		40,179	46,181	93,812
Office expense		31,936	31,936	6,002			78,117
Information technology		2,230	2,230	2,230		2,230	4,460
Occupancy		14,439	14,439	14,439		14,439	28,878
Conferences, conventions, meetings		67,741	67,741	19,273	357	19,630	87,371
Insurance		10,089	10,089	10,089		10,089	20,178
Events	187,208		187,208				187,208
AJLI dues		42,576	42,576	21,653		21,653	64,229
Bank and credit card charges		2,756	2,756	9,154		9,154	11,910
	283,776	480,928	764,704	115,499	40,536	156,035	920,739
Total expenses before depreciation							
Depreciation of buildings and equipment				25,475		25,475	25,475
Total expenses	\$ 283,776	\$ 480,928	\$ 764,704	\$ 140,974	\$ 40,536	\$ 181,510	\$ 946,214