



Oklahoma City Community Foundation, Inc.

Consolidated Financial Statements
and Supplementary Information
June 30, 2018

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RSM US LLP

Independent Auditor's Report

To the Board of Trustees
Oklahoma City Community Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Oklahoma City Community Foundation, Inc. and its affiliated organizations, which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, 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 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 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 Oklahoma City Community Foundation, Inc. and its affiliated organizations as of June 30, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

RSM US LLP

Oklahoma City, Oklahoma
November 13, 2018

Oklahoma City Community Foundation, Inc.

Consolidated Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	\$ 2,495,077	\$ 3,811,188
Accrued income and other receivables	781,253	753,750
Contributions receivable	6,286,518	-
Investments:		
Cash equivalent funds and securities	944,017,068	876,611,068
Real estate	16,393,767	20,328,125
Limited partnerships and limited liability companies	48,697,710	40,037,035
Oil and gas interests	3,498,467	4,027,556
Beneficial interest in trusts	22,366,247	22,341,021
Property and equipment	17,366,177	12,613,922
Other assets	2,679,121	2,656,831
Collections (Note 11)	-	-
Total assets	\$ 1,064,581,405	\$ 983,180,496
Liabilities and Net Assets		
Liabilities:		
Accounts payable and other liabilities	\$ 1,054,759	\$ 696,454
Grants and program services payable, net	13,742,146	13,450,963
Annuity contracts payable	2,789,683	2,672,316
Assets held for others	2,086,926	2,151,901
Charitable funds held for the benefit of other organizations	109,477,442	102,381,492
Total liabilities	129,150,956	121,353,126
Net assets:		
Unrestricted	162,080,516	147,702,420
Unrestricted, board-designated	60,394,789	55,346,780
Total unrestricted net assets	222,475,305	203,049,200
Temporarily restricted	712,955,144	658,778,170
Total net assets	935,430,449	861,827,370
Total liabilities and net assets	\$ 1,064,581,405	\$ 983,180,496

See notes to consolidated financial statements.

Oklahoma City Community Foundation, Inc.

Consolidated Statements of Activities
Years Ended June 30, 2018 and 2017

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues and support:						
Total contributions	\$ 19,828,803	\$ 16,864,558	\$ 36,693,361	\$ 14,120,030	\$ 70,796,554	\$ 84,916,584
Less agency transfers received	1,045,926	3,379,908	4,425,834	1,159,203	2,114,453	3,273,656
Contributions	18,782,877	13,484,650	32,267,527	12,960,827	68,682,101	81,642,928
Total investment income	3,184,735	13,651,219	16,835,954	2,290,416	9,830,428	12,120,844
Less income on agency transfers	114,516	1,179,043	1,293,559	81,726	955,733	1,037,459
Investment income	3,070,219	12,472,176	15,542,395	2,208,690	8,874,695	11,083,385
Total net investment gains	10,005,430	60,063,050	70,068,480	13,152,439	65,645,738	78,798,177
Less investment gains on agency transfers	609,233	6,258,050	6,867,283	756,662	8,690,644	9,447,306
Net investment gains	9,396,197	53,805,000	63,201,197	12,395,777	56,955,094	69,350,871
Change in value of split-interest agreements	-	2,551,994	2,551,994	99,669	1,098,943	1,198,612
Administrative fees	2,969,663	(2,497,056)	472,607	2,665,170	(2,233,676)	431,494
Other income	35,677	-	35,677	24,650	-	24,650
Net assets released from restrictions	25,639,790	(25,639,790)	-	31,152,580	(31,152,580)	-
Total revenues and support	59,894,423	54,176,974	114,071,397	61,507,363	102,224,577	163,731,940
Expenses and distributions:						
Total grants and program services	37,547,546	-	37,547,546	40,087,332	-	40,087,332
Less grants on agency transfers	4,826,058	-	4,826,058	5,457,398	-	5,457,398
Grants and program services	32,721,488	-	32,721,488	34,629,934	-	34,629,934
Total investment expenses and management fees	3,661,156	-	3,661,156	3,419,713	-	3,419,713
Less fees on agency transfers	234,487	-	234,487	274,347	-	274,347
Investment expenses and management fees	3,426,669	-	3,426,669	3,145,366	-	3,145,366
General and administrative	3,567,064	-	3,567,064	3,353,601	-	3,353,601
Development	753,097	-	753,097	757,166	-	757,166
Total expenses and distributions	40,468,318	-	40,468,318	41,886,067	-	41,886,067
Change in net assets	19,426,105	54,176,974	73,603,079	19,621,296	102,224,577	121,845,873
Net assets at beginning of year	203,049,200	658,778,170	861,827,370	183,427,904	556,553,593	739,981,497
Net assets at end of year	\$ 222,475,305	\$ 712,955,144	\$ 935,430,449	\$ 203,049,200	\$ 658,778,170	\$ 861,827,370

See notes to consolidated financial statements.

Oklahoma City Community Foundation, Inc.

Consolidated Statements of Cash Flows
Years Ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 73,603,079	\$ 121,845,873
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	1,403,078	1,420,578
Noncash contributions	(6,477,592)	(67,253,495)
Proceeds from sales of noncash contributions	8,725,944	9,759,308
Net noncash receipts	-	(14,860)
Net investment gains	(63,201,197)	(69,350,871)
Beneficial interest in trusts distributions	2,870,572	5,269,011
Change in value of split-interest agreements	(2,551,994)	(1,198,612)
Change in discount on grants payable	65,760	(1,192,787)
Changes in operating assets and liabilities:		
Accrued income and other receivables	(27,503)	213,192
Contributions receivable	(6,286,518)	-
Other assets	(34,234)	-
Accounts payable and other liabilities	9,298	28,351
Grants and program services payable	225,423	6,718,114
Annuity contracts payable	(175,074)	(236,498)
Assets held for others	(116,338)	4,642
Charitable funds held for the benefit of other organizations	228,667	(1,801,313)
Net cash provided by operating activities	8,261,371	4,210,633
Cash flows from investing activities:		
Purchases of investments	(455,674,959)	(1,118,246,412)
Proceeds from sales and maturities of investments	447,910,679	1,114,373,607
Proceeds from sales of investments in real estate	2,834,385	587,122
Purchases of property and equipment	(4,659,531)	(781,428)
Payments on notes receivable	11,944	11,268
Net cash used in investing activities	(9,577,482)	(4,055,843)
Increase (decrease) in cash and cash equivalents	(1,316,111)	154,790
Cash and cash equivalents at beginning of year	3,811,188	3,656,398
Cash and cash equivalents at end of year	\$ 2,495,077	\$ 3,811,188

(Continued)

Oklahoma City Community Foundation, Inc.

Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2018 and 2017

	2018	2017
Supplemental information:		
Interest paid	<u>\$ -</u>	<u>\$ 731</u>
Contribution of investments in cash equivalent funds and securities	<u>\$ 5,140,368</u>	<u>\$ 6,268,532</u>
Contributions of real estate, limited partnerships and limited liability companies, and oil and gas interests	<u>\$ 1,337,224</u>	<u>\$ 60,984,963</u>
Net investment gains on agency transfers	<u>\$ 6,867,283</u>	<u>\$ 9,447,306</u>

See notes to consolidated financial statements.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies

Oklahoma City Community Foundation, Inc. (the Foundation) was incorporated December 30, 1968, under the laws of the State of Oklahoma, as a not-for-profit organization without capital stock to serve the charitable needs of the Oklahoma City area through the development and administration of endowment funds with the goal of preserving capital and enhancing its value for the benefit of the Oklahoma City area.

Basis of presentation: The Foundation's financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) and accordingly, the Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Basis of accounting: The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other assets and liabilities.

Reporting entity: The consolidated financial statements include the assets, liabilities, net assets, changes in net assets, and cash flows of the Foundation. The Foundation has more than 1,800 component funds and 29 affiliated organizations.

Affiliated Organizations	Formed During Year Ended June 30
• The William E. and Margaret H. Davis Family Fund of The Oklahoma City Community Foundation, Inc.	1987
• The Science Museum of Oklahoma Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1988
• John Kirkpatrick Fund for Historic, Cultural and Civic Understanding Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1989
• The Kirkpatrick Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1989
• Cowboy Hall of Fame Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1991
• Oklahoma City Art Museum Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1992
• Malzahn Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1992
• Leadership Oklahoma City Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1994
• Deer Creek Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1995
• Allied Arts Foundation Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1995
• Oklahoma Philharmonic Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1995
• Rural Oklahoma Community Foundation, Inc.	1995
• Heritage Hall Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1996
• John and Claudia Holliman Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1997

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Affiliated Organizations (Continued)	Formed During Year Ended June 30
• Raymond H. and Bonnie Hefner Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1998
• Hospice Foundation of Oklahoma Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1998
• Lawton Community Foundation, Inc.	1999
• Oklahoma City Retailers Foundation Affiliated Fund of The Oklahoma City Community Foundation, Inc.	1999
• Bob and Nancy Anthony Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2000
• Love Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2000
• Robert and Blanche Gordon Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2001
• Community Resources Oil and Gas, Inc.	2001
• Community Resources Real Estate, Inc.	2001
• Janice and Joe L. Singer Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2004
• Everett Family Foundation Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2006
• The Christian Keesee Charitable Fund an Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2008
• Albers Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2009
• E. Phil and Roberta Kirschner Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2014
• Vogt Family Affiliated Fund of The Oklahoma City Community Foundation, Inc.	2015

The affiliated organizations are included with the Foundation in the accompanying consolidated financial statements because the Foundation has an economic interest in the organizations and controls the affiliated organizations' Boards of Trustees. Further, distributions made by the affiliated organizations exclusively benefit the charitable and educational purposes of the Foundation. All material inter-organization transactions have been eliminated.

Net asset classification: The Board of Trustees of the Foundation (the Trustees) has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as enacted by the State of Oklahoma (OK UPMIFA) to require the Foundation to exercise prudence in determining whether to spend from or accumulate to donor-restricted endowment funds with a view toward the permanent nature and long-term continuing viability of such funds, rather than the maintenance of the historic dollar value thereof, absent explicit donor stipulations to the contrary. As a community foundation, in accordance with United States Treasury Regulations, the Foundation possesses variance power. Variance power is the unilateral right to remove donor-imposed restrictions upon a gift in response to changed circumstances. The Foundation interprets its variance power to apply to time restrictions and endowment restrictions as well as purpose restrictions.

This power is exercisable only in narrowly defined circumstances. Because this power is incorporated by reference in the gift instruments for all of the donor-restricted endowment fund gifts received by the Foundation, the Foundation views its variance power as an explicit expression of donor intent.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

The legal opinion approved by the Trustees concluded that gifts to the Foundation may be subject to one or more of three types of donor-imposed restrictions: (1) contributions received with restrictions as to the purpose(s) for which the gift may be used (purpose restriction); (2) contributions received with a requirement that the principal of the gift be retained for a specified period of time (time restriction); and (3) contributions received with a requirement that the principal of the gift be retained permanently (endowment restriction). The Trustees have determined that the Foundation's variance power applies to all three types of restrictions and that only those funds subject to time restrictions or endowment restrictions constitute endowment funds under OK UPMIFA. Therefore, the Foundation classifies all funds which are subject only to purpose restrictions as unrestricted net assets. Funds subject to time restrictions are classified as temporarily restricted net assets until the expiration of the time restriction, except for amounts appropriated for spending from such funds, which are classified as unrestricted net assets. Because the Trustees have interpreted the Foundation's variance power to apply to endowment restrictions, funds subject to endowment restrictions are classified as temporarily restricted net assets, except for amounts appropriated for spending which are classified as unrestricted net assets.

As a result of this interpretation, the Foundation classifies as temporarily restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Donor-restricted endowment funds, or portions thereof, are classified as temporarily restricted net assets until amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by OK UPMIFA. Once amounts are appropriated for spending from a donor-restricted endowment fund, such amounts are classified as unrestricted net assets until spent. In accordance with OK UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

In addition to contributions received with donor-imposed time restrictions or donor-imposed endowment restrictions, the Foundation also classifies its split-interest agreements, including charitable gift annuities with endowment restrictions, as temporarily restricted due to the implied time restriction and/or endowment on the use of such assets. The legal opinion concluded that split-interest funds, including charitable gift annuities, do not constitute institutional funds as defined by OK UPMIFA and therefore they do not constitute endowment funds. All contributions received by the Foundation without a donor-imposed time restriction, a donor-imposed endowment restriction, or an implied time restriction are classified as unrestricted.

Endowment investment and spending policies: The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The investment policy establishes an achievable return objective through diversification of investment assets.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Foundation's spending policy calculates the amount of money annually appropriated for spending from various endowment funds for grant making and administration. The current spending policy is to appropriate an amount equal to 5 percent of a moving twelve-quarter average for all types of endowed funds. The Foundation reviews its endowment spending policy annually. If investment return for the previous fiscal year is below 6 percent additional review is conducted for certain funds with no living or active advisor. If the market value of funds with no living advisor have fallen below 95 percent of historical gifts the distribution is modified, or not made, until the market value is restored. If the market value of scholarship funds have fallen below 90 percent of historical gifts, and the funds do not receive regular contributions, distributions are reduced to approximately 60 percent of the spending policy calculation. This additional review resulted in a reduction or elimination of the calculated annual distribution for 4 funds in 2018 and 5 funds in 2017. Accordingly, over the long term, the Foundation expects the current spending and investment policies to allow its endowments to grow, thereby preserving the overall purchasing power of the endowment assets.

Charitable funds held for the benefit of other organizations: The Foundation follows the ASC Topic, Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others. This guidance requires the Foundation to account for assets that are received from a not-for-profit organization for the benefit of that not-for-profit organization, or one of its affiliated organizations, as a liability to the specified beneficiary concurrent with its recognition of the assets received. The Foundation maintains variance power and legal ownership over these funds. All asset transfers of this type, and the activity associated with those assets, are recognized as agency transactions in the consolidated financial statements.

In order to present the full scope of the Foundation's operations, the Foundation includes the activity (i.e., contributions, investment income, net investment gains (losses), grants, management and other fees) related to such transactions in its consolidated statements of activities and then separately presents the respective agency activity as a reduction thereof. In the consolidated statements of financial position, the assets held on behalf of the agency are included in cash and cash equivalents and investments in cash equivalent funds and securities and the related liability is classified as charitable funds held for the benefit of other organizations. Assets and liabilities related to such funds totaled approximately \$109,477,000 and \$102,381,000 at June 30, 2018 and 2017, respectively. These assets are managed in accordance with the same investment and spending policies as the Foundation's other endowment funds.

Cash and cash equivalents: The Foundation considers all highly liquid investments with a maturity of three months or less when purchased, excluding cash equivalent funds held in the Foundation's investment portfolio, to be cash equivalents.

Investments: Substantially all investments in cash equivalent funds and securities and investments in oil and gas interests are managed by various investment managers.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Investments in cash equivalent funds and securities: Cash equivalent funds, fixed income investments, equity investments, and mutual fund investments are reported at fair value. The Foundation elected to report the fair value of its commingled funds using the practical expedient. The practical expedient allows for the use of net asset value (NAV), either as reported by the investee fund or as adjusted by Foundation management. Commingled funds not valued using the practical expedient, are stated at fair value or the best estimate of fair value as determined by the investment manager and/or the Foundation's management. Realized gains and losses on sales of commingled funds, most U.S. government obligations and domestic and foreign bonds and notes are computed on the average cost basis. Realized gains and losses on sales of all other securities are determined using the first-in, first-out (FIFO) method.

The Foundation holds closely held stock with a fair value of approximately \$9,064,000 and \$4,434,000 at June 30, 2018 and 2017, respectively, which is included in equity investments—domestic equities (see Note 3). Two trustees of two of the Foundation's affiliated funds serve as directors for this closely held company.

Total amounts invested in the Foundation's general pool were \$573,178,920 and \$538,547,340 at June 30, 2018 and 2017, respectively.

Investments in real estate: Real estate is carried at the lower of cost or fair value or, if donated, the estimated fair value at the date of donation net of accumulated depreciation. Substantially all investments in real estate have been donated to the Foundation and it is the Foundation's policy to obtain appraisals from qualified appraisers at the time of donation. The Foundation does not subsequently estimate the fair value of real estate if there are no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment due to the prohibitive cost of obtaining periodic appraisals. In 2018 and 2017, the Foundation recognized impairment of approximately \$0- and \$619,015, respectively.

Investments in limited partnerships and limited liability companies: Investments in limited partnerships and limited liability companies are reported at fair value. Fair value is generally determined by independent appraisal at the time the gift is made and revalued annually by management.

Investments in oil and gas interests: Oil and gas interests are reported at fair value. Fair value is generally determined by independent appraisal at the time of donation and revalued annually by management.

Property and equipment: Property and equipment is carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are three to five years for furniture, fixtures, and equipment, and 20 to 30 years for buildings.

Contributions receivable: Contributions receivables, which arise primarily from trusts and estates, are carried at present value of the expected future cash flows at the financial statement date. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. No amounts have been recognized in the consolidated financial statements for conditional promises to give, which generally arise from the Foundation being named as a beneficiary in a revocable will or trust. Intentions to give at June 30, 2018 and 2017, cannot be estimated due to the insufficiency of information available to the Foundation.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Beneficial interest in trusts: Beneficial interests in trusts are carried at fair market value and represent the Foundation's interest in trusts which are held by independent trustees. These irrevocable interests are initially recognized at fair market value in the consolidated statements of financial position and as temporarily restricted contribution revenue when the agreement is received and fair value can be reasonably estimated. Subsequent changes in the fair value of the beneficial interest are recognized through change in value of split-interest agreements in the consolidated statements of activities. Distributions from the trusts are reflected as a reduction in the beneficial interest and the net assets are reclassified from temporarily restricted to unrestricted through net assets released from restriction (unless the assets are otherwise temporarily restricted) (see Note 6).

Collections: The Foundation does not include either the cost or the value of its collections in the consolidated statements of financial position, nor does it recognize gifts of collection items as revenues in the consolidated statements of activities. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired and proceeds from deaccessions or insurance recoveries are reflected as increases in unrestricted net assets.

Other assets: Other assets consist primarily of life insurance policies in which the Foundation is the beneficiary, a donated note receivable, and art work that does not meet the definition of a collection. Life insurance policies are carried at their cash surrender values and all other assets are carried at cost, or if donated, at the fair value at the date of donation.

Assets held for others: Assets held for others represents the portion of assets related to charitable lead and remainder trusts in which the Foundation is the trustee that are held for the donor or other designated beneficiary. The liability for assets held under trust agreements is equal to the present value of the expected future payments to be made to the donor or other designated beneficiary. The liability for assets held for others on agreements in which the Foundation is named as the charitable beneficiary but the designation is revocable is equal to the fair value of the assets.

Contributions: Contributions are generally recorded as unrestricted net assets, unless they are subject to time restrictions or endowment restrictions, in which case they are classified as temporarily restricted net assets. It is the expressed intention of the Foundation to honor the designations of donors; however, the Foundation reserves the right to exercise final control over all funds.

Donated assets: Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of the donation.

Donated services: No amounts have been reflected in the consolidated financial statements for donated services. The Foundation pays for most services requiring specific expertise. Donated services provided by the Foundation's Trustees who assist the Foundation with special projects have not been recognized as the criteria for recognition has not been met. No services were received from personnel of an affiliate in 2018 or 2017.

Administrative fees: Administrative fees are charged to the funds based upon the individual funds' fair market values. The income from these fees along with income from an administrative endowment fund, are used to provide for the general and administrative expenses of the Foundation. Total revenue from administrative fees results primarily from application of the ASC Topic, Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others. Administrative fees on agency transfers totaled approximately \$430,000 and \$383,000 during the years ended June 30, 2018 and 2017, respectively. In addition, the Foundation earned administrative fees of approximately \$42,000 and \$48,000 during the years ended June 30, 2018 and 2017, respectively, in its capacity as trustee.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Grants and program services: Grants and program services represent amounts awarded to various not-for-profit organizations to assist with funding of general operations or special programs. Grants and program services payable consist of unconditional amounts awarded, but not paid, to not-for-profit organizations. Grants to be paid after one year are discounted to net present value. Grants dependent on the occurrence of a specified and uncertain event are not recognized until the conditions on which they depend are substantially met.

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Costs are allocated between development, general and administrative, or grants and program services based on evaluations of the related activities. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Foundation.

Income tax matters: The Foundation and its affiliated organizations are exempt from federal income tax under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code (the Code), and have been determined not to be a private foundation under Section 509(a) of the Code. Generally all revenue earned outside the purpose for which the Foundation is created is taxable as earned income.

The ASC provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Foundation's tax return to determine whether the tax positions are more-likely-than-not of being sustained when challenged or when examined by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. Management has determined that there are no material uncertain income tax positions.

Advertising expense: The Foundation expenses advertising costs as incurred. During 2018 and 2017, the Foundation expensed advertising and marketing costs of approximately \$40,000 and \$60,000, respectively.

Use of estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosed contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates: Estimates that are particularly susceptible to significant change include the valuation of investments in securities, limited partnerships and limited liability companies, and oil and gas interests. The Foundation's various investment instruments are exposed to a variety of risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with these financial instruments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position. Significant fluctuations in fair values could occur from year to year, and the amounts the Foundation will ultimately realize could differ materially.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Fair value measurements: The Foundation follows ASC Topic 820, Fair Value Measurements, which provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs to the three levels of the fair value hierarchy under ASC Topic 820 are described as follows:

Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from, or corroborated by, observable market data by correlation to other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Unobservable and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. All transfers between fair value hierarchy levels are recognized by the Foundation at the beginning of each reporting period.

Financial assets and liabilities carried at fair value on a recurring basis include investments in cash equivalent funds and securities, investments in limited partnerships and limited liability companies, investments in oil and gas interests, beneficial interest in trusts, and charitable funds held for the benefit of other organizations. The Foundation had no assets or liabilities carried at fair value on a nonrecurring basis at June 30, 2018 or 2017, other than the impairment of real estate investments at June 30, 2017 (see Note 3).

Accounting pronouncements implemented: In 2018, the Foundation implemented Accounting Standards Update (ASU) 2017-02, *Not-for-Profit Entities—Consolidation (Subtopic 958-810): Clarifying When a Not-for-Profit Entity That Is a General Partner or Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity* and ASU 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*. Together these amendments clarify when a not-for-profit entity that is a general partner or limited partner should consolidate a for-profit limited partnership or similar legal entity. Implementation of the ASUs had no material effect on the Foundation's financial statements.

Recently issued pronouncements: On August 28, 2018, the FASB issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments in this update modify the disclosure requirements on fair value measurements in Topic 820, *Fair Value Measurement*, based on the concepts in the Concepts Statements, including the consideration of costs and benefits. Certain provisions of the amendment should be applied prospectively while other provisions should be applied retrospectively. ASU No. 2018-13 is effective for the Foundation's year ending June 30, 2021. Early adoption is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2018-13 will have on its financial statements.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

On June 21, 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. These amendments clarify and improve the scope and accounting guidance around contributions of cash and other assets received and made by not-for-profit organizations and business enterprises. The ASU clarifies and improves current guidance about whether a transfer of assets, or the reduction, settlement, or cancellation of liabilities, is a contribution or an exchange transaction. It provides criteria for determining whether the resource provider is receiving commensurate value in return for the resources transferred which, depending on the outcome, determines whether the organization follows contribution guidance or exchange transaction guidance in the revenue recognition and other applicable standards. It also provides a more robust framework for determining whether a contribution is conditional or unconditional, and for distinguishing a donor-imposed condition from a donor-imposed restriction.

On August 26, 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. The amendments in this update provide cash flow statement classification guidance for the following eight categories: (1) debt prepayment or debt extinguishment costs; (2) settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing; (3) contingent consideration payments made after a business combination; (4) proceeds from the settlement of insurance claims; (5) proceeds from the settlement of corporate-owned life insurance policies, including bank-owned life insurance policies; (6) distributions received from equity method investees; (7) beneficial interests in securitization transactions; and (8) separately identifiable cash flows and application of the predominance principle. ASU No. 2016-15 is effective for the Foundation's year ending June 30, 2020. Earlier application is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2016-15 will have on its financial statements.

On August 18, 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this update change presentation and disclosure requirements for not-for profit entities to provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These amendments include qualitative and quantitative requirements in the following areas: (1) net asset classes; (2) investment return; (3) expenses; (4) liquidity and availability of resources; and (5) presentation of operating cash flows. ASU No. 2016-14 is effective for the Foundation's year ending June 30, 2019. Earlier application is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2016-14 will have on its financial statements.

On February 25, 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The amendments in this update affect any entity that enters into a lease transaction. The primary change from this guidance is that the lessee should recognize the assets and liabilities that arise from all leases over 12 months in length. If the lease is 12 months or less in length, a lessee is permitted to make an accounting policy election by class of the underlying asset not to recognize lease assets and liabilities. If this election is made, the lessee should recognize the lease expense on a straight-line basis over the lease term. ASU No. 2016-02 is effective for the Foundation's year ending June 30, 2021. Earlier application is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2016-02 will have on its financial statements.

On January 5, 2016, the FASB issued ASU No. 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, the long-awaited final standard on the recognition and measurement of financial instruments. The ASU applies to all entities that hold financial assets or owe financial liabilities and represent the finalization of just one component of the FASB's broader financial instruments project. ASU No. 2016-01 is effective for the Foundation's year ending June 30, 2020. Earlier application is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2016-01 will have on its financial statements.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

On May 28, 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The update will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14 which defers the effective date of ASU No. 2014-09 one year making it effective for the Foundation's year ending June 30, 2020. Early adoption, subsequent to the Foundation's year ended June 30, 2017, is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2014-09 will have on its financial statements.

This is important because such classification affects the timing of contribution revenue and expense recognition. ASU No. 2018-08 is effective for transactions in which the Foundation serves as a resource recipient for the year ending June 30, 2020 and is effective for transactions in which the Foundation serves as the resource provider for the year ending June 30, 2021. Earlier application is permitted. The Foundation is currently evaluating the effect implementation of ASU No. 2018-08 will have on its financial statements.

Subsequent events: Management has evaluated subsequent events through November 13, 2018, the date the financial statements were available to be issued. There were no subsequent events requiring recognition and subsequent events requiring disclosure are summarized in Note 6 and Note 13.

Note 2. Investment Return

Net investment income and net investment gains:

	June 30	
	2018	2017
Interest and dividends	\$ 13,108,016	\$ 8,459,553
Rental income	3,057,341	3,020,777
Oil and gas income	670,597	640,514
Total investment income	16,835,954	12,120,844
Less investment income on agency transfers	1,293,559	1,037,459
Investment income	<u>\$ 15,542,395</u>	<u>\$ 11,083,385</u>
Net realized gains on investments carried at fair value	\$ 49,545,140	\$ 48,673,680
Net realized losses on investments carried at the lower of cost or market (including impairment)	(390,596)	(690,827)
Net unrealized gains on investments carried at fair value	20,913,936	30,815,324
Total net investment gains	70,068,480	78,798,177
Less investment gains on agency transfers	6,867,283	9,447,306
Net investment gains	<u>\$ 63,201,197</u>	<u>\$ 69,350,871</u>

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements

The Foundation's fair value measurements are determined by the Foundation's management and monitored by the investment committee. The investment committee reports directly to the Board of Trustees. The Foundation's valuation policies and procedures are also determined by the Foundation's management and reviewed at least annually by the investment committee. The frequency and methods for calibration, back testing and other procedures, including analysis of changes in fair value measurements, are determined based on management's evaluation of the relevant facts and circumstances and reported to and monitored by the investment committee.

The methods and assumptions used to estimate the fair value of assets and liabilities in the financial statements, including a description of the methodologies used for the classifications within the fair value hierarchy, are as follows:

Cash and cash equivalents: The asset's carrying amount approximates fair value due to its short maturity.

Investments in cash equivalent funds and securities: These assets are stated at fair value. All of the Foundation's investments in cash equivalent funds and securities are valued by nationally recognized third party pricing services, except for commingled funds which are valued by the fund manager, and one closely held stock which is valued by the Foundation. The Foundation gives highest priority to quoted prices in active markets for identical assets accessed at the measurement date. An active market for the asset is a market in which transactions for the asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis, and the Foundation classifies all such assets as Level 1.

The Foundation gives a Level 2 priority to valuation prices where the valuation process involves inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly. Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets where there isn't sufficient activity, and/or where price quotations vary substantially either over time or among market makers, or in which little information is released publicly. Inputs that are observable for these assets classified as Level 2 include commonly quoted interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, default rates, and other inputs that are derived principally from or corroborated by observable market data. Mid-market pricing or other pricing conventions may be used for fair value measurements within a bid-ask spread. In certain cases where Level 1 or Level 2 inputs are not available, investments are classified within Level 3 of the hierarchy. The Level 3 assets, except for the closely held stock, were valued using an option-adjusted discounted cash flow model for which the principal inputs are not observable. Closely held stock is valued by the Foundation using the market approach valuation technique.

Commingled funds are carried at fair value which is based on the net asset value per share (NAV) as provided by the fund manager and/or adjusted by the Foundation. The Foundation uses management agreements, analyst notes, audited financial statements, and underlying investment holdings to evaluate the fund manager's valuation methodology (i.e., in determining whether the fund manager follows ASC 820) and considers various other factors including contributions and withdrawals to the fund and monitoring unaudited interim reporting to determine if any adjustment to the NAV is necessary.

Investments in real estate: Investments in real estate are carried at the lower of cost (or if donated, estimated fair value at the date of donation) or fair value, net of accumulated depreciation. Substantially all investments in real estate were donated to the Foundation and the fair value of donated real estate was determined by independent appraisal at the time of contribution. The Foundation believes the fair value today is not materially different from the fair value at the time of donation or purchase (see Note 5).

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

Investments in real estate measured on a nonrecurring basis at June 30, 2017, were valued and impaired based on the sale of the property subsequent to year end and are considered Level 2 inputs.

Investments in limited partnerships and limited liability companies: These assets are stated at fair value. Fair value of limited partnerships and limited liability companies are determined by the Foundation using either the income approach (discounted cash flows) valuation technique or the market approach. In some cases independent appraisals are obtained and then discounted to fair value by the Foundation for lack of marketability, minority interest, and/or market risk and in certain circumstances, fair values are based on comparison to similar assets at the measurement date and/or identical assets as of a different measurement date. Due to the significant unobservable inputs required to estimate the fair value of these interests, the Foundation's investments in limited partnerships and limited liability companies are all classified as Level 3 within the hierarchy.

Investments in oil and gas interests: These assets are stated at fair value. Fair value of oil and gas interests are determined by the Foundation's management using a discounted cash flow model (income approach) and consideration of other factors deemed relevant in the circumstances. Due to the significant unobservable inputs required to estimate the fair value of these investments, the Foundation's investments in oil and gas interests are classified as Level 3 in the hierarchy.

Contributions receivable: The fair value of the asset is based on the present value of the expected future cash flows and, due to the short maturities of the receivables, the carrying value approximates fair value.

Beneficial interest in trusts: The asset is stated at fair value which is based on the present value of the expected future cash inflows from the trust. The fair value of the underlying trust assets are based on quoted market prices when available, the best estimate of fair value as determined by the third-party trustee or independent appraisal. The Foundation's valuation technique considers the fair value of the assets held in the trust and applies a discount rate to convert such amounts to a single present value amount. The discount rate used by the Foundation reflects current market conditions including the inherent risk in the underlying assets and the risk of nonperformance by the trustee. Due to the significant unobservable inputs required to estimate the expected future cash receipts from the trust agreements under the income approach, the Foundation's beneficial interest is classified as Level 3 in the hierarchy.

Other assets: The primary other assets are cash surrender values on life insurance policies for which the Foundation is the beneficiary and a note receivable. The Foundation believes the carrying values approximate fair value.

Accounts payable and other liabilities: The carrying amount of the liability approximates fair value due to its short maturity.

Grants and program services payable: The carrying amount of the liability is based on the discounted value of the expected future cash distributions, which approximates fair value.

Annuity contracts payable and assets held for others: The fair value of the liability is determined by discounting the future cash flows at rates that could currently be negotiated by the Foundation for borrowings of similar amounts. The carrying amount of annuity contracts payable and assets held for others approximates fair value.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

Charitable funds held for the benefit of other organizations: The liability is stated at fair value as determined using the income approach (expected future cash outflows). Fair value is based on the fair value of the investment assets held by the Foundation for the benefit of the recipient agency. The specific assets held for the benefit of the other organization have been classified within the hierarchy for investments in cash equivalent funds and securities (as discussed above). The related and associated liability is classified as Level 3 in the hierarchy as there is no market for a similar liability and principal inputs (i.e., fair value of assets in the portfolio and management's allocation for shares in the pool) are unobservable and significant to the overall fair value measurement.

Assets and liabilities measured at fair value on a recurring basis are classified within the fair value hierarchy as follows at June 30, 2018:

	Total	Level 1	Level 2	Level 3
Assets:				
Investments in cash equivalent funds and securities:				
Cash equivalent funds	\$ 37,220,613	\$ 37,000,690	\$ 219,923	\$ -
Fixed income investments:				
Domestic bonds and notes	69,563,616	27,257,263	42,306,353	-
Foreign bonds	1,069,893	296,758	736,182	36,953
Mutual funds	99,387,634	99,387,634	-	-
U.S. government obligations	27,442,525	8,574,205	18,868,320	-
Total fixed income investments	197,463,668	135,515,860	61,910,855	36,953
Equity investments:				
Domestic equities	45,954,115	36,890,018	-	9,064,097
Mutual funds - domestic	205,451,831	205,451,831	-	-
Mutual funds - foreign	1,316,529	1,316,529	-	-
Total equity investments	252,722,475	243,658,378	-	9,064,097
Commingled funds carried at net asset value (a)	456,610,312			
Total investments in cash equivalent funds and securities	944,017,068	416,174,928	62,130,778	9,101,050
Investments in limited partnerships and limited liability companies	48,697,710	-	-	48,697,710
Investment in oil and gas interests	3,498,467	-	-	3,498,467
Beneficial interest in trusts	22,366,247	-	-	22,366,247
Total assets	\$ 1,018,579,492	\$ 416,174,928	\$ 62,130,778	\$ 83,663,474
Liabilities:				
Charitable funds held for the benefit of other organizations	\$ 109,477,442	\$ -	\$ -	\$ 109,477,442

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

Assets and liabilities measured at fair value on a recurring basis are classified within the fair value hierarchy as follows at June 30, 2017:

	Total	Level 1	Level 2	Level 3
Assets:				
Investments in cash equivalent funds and securities:				
Cash equivalent funds	\$ 28,880,663	\$ 28,615,573	\$ 265,090	\$ -
Fixed income investments:				
Domestic bonds and notes	69,391,184	25,030,886	44,360,298	-
Foreign bonds	500,546	-	463,385	37,161
Mutual funds	70,769,388	70,769,388	-	-
U.S. government obligations	29,174,644	8,110,909	21,063,735	-
Total fixed income investments	169,835,762	103,911,183	65,887,418	37,161
Equity investments:				
Domestic equities	40,857,062	36,423,108	-	4,433,954
Mutual funds - domestic	149,601,347	149,601,347	-	-
Mutual funds - foreign	192,361	192,361	-	-
Total equity investments	190,650,770	186,216,816	-	4,433,954
Commingled funds carried at net asset value (a)	487,243,873			
Total investments in cash equivalent funds and securities	876,611,068	318,743,572	66,152,508	4,471,115
Investments in limited partnerships and limited liability companies	40,037,035	-	-	40,037,035
Investment in oil and gas interests	4,027,556	-	-	4,027,556
Beneficial interest in trusts	22,341,021	-	-	22,341,021
Total assets	\$ 943,016,680	\$ 318,743,572	\$ 66,152,508	\$ 70,876,727
Liabilities:				
Charitable funds held for the benefit of other organizations	\$ 102,381,492	\$ -	\$ -	\$ 102,381,492

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

The following table summarizes the changes in the fair value of the Foundation's Level 3 financial assets and liabilities for the periods ended June 30, 2018 and 2017:

	Assets						Liabilities	
	Investments in Cash Equivalent Funds and Securities			Investments in Limited Partnerships and Limited Liability Companies	Investments in Oil and Gas Interests	Beneficial Interest in Trusts	Total	Charitable Funds Held for the Benefit of Other Organizations
	Domestic Bonds and Notes	Foreign Bonds	Domestic Equities					
Balance at July 1, 2016	\$ 754,448	\$ 37,813	\$ 3,505,317	\$ 4,159,114	\$ 5,941,396	\$ 1,578,775	\$ 15,976,863	\$ 94,735,499
Realized gains—included in change in net assets	116,669	-	-	-	-	-	116,669	6,918,880
Unrealized gains (losses)—included in change in net assets	-	(652)	928,637	279,664	(1,913,840)	-	(706,191)	2,528,426
Change in value of split-interest agreements—included in change in net assets	-	-	-	-	-	1,190,635	1,190,635	-
Distributions	-	-	-	-	-	(5,269,011)	(5,269,011)	(5,457,398)
Transfers of investments out of Level 3	(18,141)	-	-	-	-	-	(18,141)	-
Sales and principal returns on investments	(877,555)	-	(96,000)	-	-	-	(973,555)	-
Contributions—included in change in net assets	-	-	96,000	35,598,257	-	24,840,622	60,534,879	3,273,656
Purchases of investments	24,579	-	-	-	-	-	24,579	-
Investment income	-	-	-	-	-	-	-	1,037,459
Investment and administrative fees	-	-	-	-	-	-	-	(655,030)
Balance at June 30, 2017	-	37,161	4,433,954	40,037,035	4,027,556	22,341,021	70,876,727	102,381,492
Realized gains—included in change in net assets	-	-	-	-	-	-	-	3,403,727
Unrealized gains (losses)—included in change in net assets	-	(208)	4,630,143	8,660,675	(1,329,089)	-	11,961,521	3,463,556
Change in value of split-interest agreements—included in change in net assets	-	-	-	-	-	2,895,798	2,895,798	-
Distributions	-	-	-	-	-	(2,870,572)	(2,870,572)	(4,826,058)
Contributions—included in change in net assets	-	-	-	-	800,000	-	800,000	4,425,834
Investment income	-	-	-	-	-	-	-	1,293,559
Investment and administrative fees	-	-	-	-	-	-	-	(664,668)
Balance at June 30, 2018	\$ -	\$ 36,953	\$ 9,064,097	\$ 48,697,710	\$ 3,498,467	\$ 22,366,247	\$ 83,663,474	\$ 109,477,442

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

The summary of changes in fair value of Level 3 assets and liabilities has been prepared to reflect the activity in the same categories as those provided in the consolidated statements of activities, except that none of the activity related to charitable funds held for the benefit of other organizations is reported in the consolidated statements of activities. All transactions in charitable funds held for the benefit of other organizations increase and/or decrease assets and liabilities simultaneously and do not impact the consolidated statements of activities and/or net assets.

The Foundation's Level 3 gains and losses included in the change in net assets are summarized as follows:

	2018	2017
Total gains (losses) for the period included in change in net assets	\$ 11,961,521	\$ (589,522)
Change in unrealized gains (losses) for the period included in changes in net assets for assets held at the end of the reporting period	\$ 11,961,521	\$ (706,191)

Transfers from Level 3 to Level 2: Transfers from Level 3 to Level 2 in 2017 result from availability of observable market data such as trades in similar securities at June 30 and/or identical securities near June 30 of the current period. In 2016, these securities were valued using an option adjusted discounted cash flow model.

Assets and liabilities measured at fair value on a nonrecurring basis are classified within the fair value hierarchy as follows at June 30, 2017 (none at June 30, 2018):

	Total	Level 1	Level 2	Level 3
Assets:				
Investments in real estate	\$ 2,509,999	\$ -	\$ 2,509,999	\$ -

Based on the subsequent sale of certain investments in real estate, the Foundation evaluated investments in real estate with a carrying value of \$3,129,014 for impairment. Based on the sales proceeds received subsequent to year end, the Foundation determined the fair value to be \$2,509,999 and recognized impairment of \$619,015 in 2017.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

The following table summarizes the valuation techniques and significant unobservable inputs used for the Foundation's investments that are categorized within Level 3 of the fair value hierarchy:

Financial Instruments Type	Fair Value at June 30		Valuation Techniques	Unobservable Input (c)	Range of Inputs (Weighted Average)	
	2018	2017			June 30, 2018	June 30, 2017
Assets:						
Investments in cash equivalent funds and securities:						
Fixed income investments— foreign bonds	\$ 36,953	\$ 37,161	Option-adjusted discounted cash flow model	Yield	3.3% (3.3%)	2.6% (2.6%)
Equity investments— domestic equities	9,064,097	4,433,954	Market comparable companies	EBIT multiple (b) Discount for lack of marketability (a) Discount for lack of control (a)	18 (18) 15% (15%) 15% (15%)	15 (15%) 15% (15%) 15% (15%)
Investments in limited partnerships and limited liability companies	48,697,710	40,037,035	Discounted cash flows	Discount for lack of marketability (a) Discount for lack of control (a)	10-20% (10.14%) 0-10% (9.86%)	10-20% (10.17%) 0-10% (9.83%)
Investments in oil and gas interests	3,498,467	4,027,556	Discounted cash flows	Revenue multiple (b) Market risk discount (a)	4 (4) 0% (0%)	4 (4) 0% (0%)
Beneficial interest in trusts	22,366,247	22,341,021	Discounted cash flows	Discount rate (a) Expected rate of return (d)	7-11% (10.6%) 0-7% (0.38%)	7-25% (23.73%) 0-7% (0.49%)
Liabilities:						
Charitable funds held for the benefit of other organizations	109,477,442	102,381,492	Income approach	Present value of future cash outflows (e) Discount rate (a)	- 0% (0%)	- 0% (0%)

- (a) Represents amounts used when the Foundation has determined that market participants would take into account these discounts when pricing the asset or liability.
- (b) Represents amounts used when the Foundation has determined that market participants would use such multiples when pricing the investment.
- (c) Significant increases or decreases in any of the above unobservable inputs in isolation may result in a significantly lower or higher fair value measurement.
- (d) Represents the net fair market value of assets to be paid to the Foundation based on terms stated in the trust agreement.
- (e) Represents the respective charitable organization's beneficial interest in the Foundation's investment pool (i.e., the underlying assets which are measured at fair value). The unobservable inputs for the charitable organization liability are the same as those for the Foundation's investment pool disclosed throughout Note 3.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 3. Fair Value Measurements (Continued)

The Foundation's investments in certain entities that calculate net asset value per share, which are measured at fair value, include the following:

	Fair Value		Redemption Frequency	Redemption Notice Period
	2018	2017		
Commingled trust and pooled funds:				
Domestic equities (a)	\$ 317,890,727	\$ 322,412,128	Daily	1 day
Foreign equities (b)	68,555,102	74,540,703	Weekly	1 day
Bonds and notes (c)	70,164,483	90,291,042	Daily	1 day
	<u>\$ 456,610,312</u>	<u>\$ 487,243,873</u>		

- (a) This class is invested in funds with the objective of approximating a weighted total rate of return equal to that of the 1,000 or 2,000 largest capitalized companies in the U.S. The domestic equity funds are stratified to include a value component (i.e., companies that generally have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values) and a growth component (i.e., companies with a greater-than-median orientation towards growth). No accounts have short positions or unfunded commitments.
- (b) This class is invested in funds with the objective of approximating rates of return in excess of the markets in certain countries for equity securities traded outside the United States of America. A portion of the class invests specifically in a common trust fund or portfolio consisting primarily of international securities and a portion of the class invests in international equity securities, registered investment companies, and other investment funds and derivative assets and may also engage in structured transactions using non-U.S. stocks, bonds, currencies and money market instruments, as well as exchange traded futures and options and over-the-counter forward contracts, swaps, and options. No accounts have short positions or unfunded commitments.
- (c) This class invests in government and corporate debt securities with the objective of approximating the returns of the market for debt securities. No accounts have short positions or unfunded commitments.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 4. Property and Equipment

Property and equipment is summarized as follows:

	June 30	
	2018	2017
Land	\$ 7,380,844	\$ 7,380,844
Building	11,224,427	6,373,994
Furniture, fixtures and equipment	1,436,368	971,348
Construction in process	407,027	719,173
	<u>20,448,666</u>	<u>15,445,359</u>
Less accumulated depreciation	3,082,489	2,831,437
	<u>\$ 17,366,177</u>	<u>\$ 12,613,922</u>

Property and equipment depreciation expense totaled approximately \$256,000 and \$255,000 in 2018 and 2017, respectively.

Note 5. Investments in Real Estate

Real estate investments have an original cost basis (or fair value on gift date) of approximately \$27,035,000 and \$29,852,000 at June 30, 2018 and 2017, respectively. The Foundation has recorded accumulated depreciation of approximately \$10,641,000 and \$9,524,000 at June 30, 2018 and 2017, respectively. Net book value of real estate, leased to a related party under noncancelable lease agreements, which expire between 2019 and 2022, are approximately \$15,733,000 and \$16,863,000 at June 30, 2018 and 2017, respectively. Each of the agreements contains an option to extend after the initial lease term. Options to extend occur every five years and contain provisions for rate adjustments. There are no expense obligations for the Foundation under these lease agreements.

Expected future minimum receipts under noncancelable leases at June 30, 2018, are as follows:

Years ending June 30:	
2019	\$ 2,357,000
2020	1,462,000
2021	1,297,000
2022	645,000
	<u>\$ 5,761,000</u>

Depreciation expense on investments in real estate totaled approximately \$1,147,000 and \$1,166,000 in 2018 and 2017, respectively.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 6. Split-Interest Agreements

At June 30, 2018 and 2017, the Foundation has recorded approximately \$9,498,000 and \$9,405,000 in fair value of charitable gift annuities and charitable lead and remainder unitrusts in which the Foundation serves as the trustee as an asset (i.e., investment in cash equivalent funds and securities and real estate) in its consolidated statements of financial position. Assets received under these agreements are recorded at fair value and in the appropriate net asset category. Related contributions per the agreements are recognized as contribution revenue and are equal to the present value of future benefits to be received by the Foundation over the term of the agreements. Contribution revenue related to these agreements totaled approximately \$102,000 and \$198,000 in 2018 and 2017, respectively. Liabilities have been established for these split-interest agreements in which the Foundation is the trustee or for which the Foundation is obligated to an annuitant under a charitable gift annuity. These liabilities totaled approximately \$4,877,000 and \$4,824,000 at June 30, 2018 and 2017, respectively.

During the term of these agreements, changes in the value of the split-interest agreements are recognized in the consolidated statements of activities based on accretion of the discounted amount of the contribution, and re-evaluations of the expected future benefits (payments) to be received (paid) by the Foundation (beneficiaries), based on changes in life expectancy and other assumptions. Discount rates ranging from 1.0 percent to 7.8 percent were used in these calculations at the dates of the contributions.

Beneficial interest in trusts: The Foundation is the beneficiary of a charitable lead unitrust for which it does not serve as trustee. Under the charitable lead trust agreement, the trust will pay 7 percent of the net fair market value of the trust estate to the Foundation over the next eight years, and the assets remaining at the end of the trust term will be distributed to a third-party beneficiary. The fair value of the Foundation's beneficial interest is based on the present value of the estimated expected future cash inflows using a discount rate of 7 percent at June 30, 2018 and 2017. The Foundation received distributions of approximately \$296,000 and \$269,000 during the years ended June 30, 2018 and 2017, respectively. Changes in fair value of the beneficial interest are reflected as a change in value of split-interest agreements in the consolidated statements of activities. The Foundation estimates the fair value of its beneficial interest to be approximately \$1,353,000 and \$1,509,000 at June 30, 2018 and 2017, respectively.

In addition, the Foundation is a 99 percent beneficiary of a trust for which it does not serve as trustee. Under the terms of the agreement, the trust is governed by an independent trustee and a supervisory committee. The trust will periodically make distributions from the trust, as determined by the trustee. The supervisory committee consists of five members and they are responsible for (1) review and evaluation of the business operations of the assets held in trust, including employee salaries (2) review and evaluation of the Foundation's activities with respect to investment of trust proceeds and expenditures (grants) and (3) review and evaluation of the trustee, including the power to dismiss and replace the trustee. One of the members of the supervisor committee is also an employee of the Foundation. The fair value of the Foundation's beneficial interest is based on an independent appraisal of the underlying trust assets representing, the present value of the estimated future inflows using discount rate ranges from 0- to 25 percent depending on the type of assets at June 30, 2018. The Foundation recognized contribution revenue of approximately \$24,841,000 in 2017, related to the receipt of the beneficial interest and received distributions of approximately \$2,574,000 and \$5,000,000 from the trust in 2018 and 2017, respectively. Changes in fair value of the beneficial interest are reflected as a change in value of split-interest agreements in the consolidated statements of activities and totaled approximately \$2,756,000 and \$992,000 in 2018 and 2017, respectively. The Foundation estimates the fair value of its beneficial interest to be approximately \$21,013,000 and \$20,832,000 at June 30, 2018 and 2017, respectively. The trust was liquidated and all of the assets held for the benefit of the Foundation, were distributed to the Foundation on October 31, 2018. The supervisory committee will remain in place; however, their objectives are now limited to charitable grants and philanthropy.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 7. Concentrations

The Foundation maintains cash in bank depository accounts that, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash or cash equivalents.

The Foundation received contributions from five donors totaling approximately 55 and 81 percent of contribution revenue in 2018 and 2017, respectively. At June 30, 2018, the Foundation has contributions receivable due from one donor totaling approximately 83 percent of total contributions receivable.

Note 8. Grants and Program Services Payable

Grants and program services payable consist of unconditional amounts awarded, but not paid, to various not-for-profit organizations and scholarship receipts. Unconditional grants and scholarships amounts payable are expected to be paid as follows:

	June 30	
	2018	2017
2019	\$ 10,066,174	\$ 9,083,751
2020	978,000	905,000
2021	800,000	880,000
2022	625,000	775,000
2023	600,000	600,000
Thereafter	1,800,000	2,400,000
	<u>14,869,174</u>	<u>14,643,751</u>
Less unamortized discount (5%)	1,127,028	1,192,788
	<u>\$ 13,742,146</u>	<u>\$ 13,450,963</u>

The Foundation's trustees have approved conditional grants and program services totaling approximately \$792,000 and \$845,000 at June 30, 2018 and 2017, respectively. No amounts have been recognized in the consolidated financial statements because the recipient agencies have not met certain conditions of the grants, primarily relating to continued academic progress for scholarship recipients and completion of construction.

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 9. Total Net Asset Composition

In addition to endowment funds, the Foundation also manages other non-endowed funds. The Foundation's total net asset composition is as follows:

	June 30, 2018		
	Unrestricted	Temporarily Restricted	Total
Endowment funds	\$ 111,805,991	\$ 685,967,506	\$ 797,773,497
Non-endowed funds:			
Donor-advised	99,499,371	-	99,499,371
Designated	11,169,943	-	11,169,943
	110,669,314	-	110,669,314
Split-interest agreements	-	26,987,638	26,987,638
Total net assets	\$ 222,475,305	\$ 712,955,144	\$ 935,430,449

	June 30, 2017		
	Unrestricted	Temporarily Restricted	Total
Endowment funds	\$ 107,423,434	\$ 634,149,095	\$ 741,572,529
Non-endowed funds:			
Donor-advised	82,703,119	-	82,703,119
Designated	10,625,597	-	10,625,597
	93,328,716	-	93,328,716
Split-interest agreements	2,297,050	24,629,075	26,926,125
Total net assets	\$ 203,049,200	\$ 658,778,170	\$ 861,827,370

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 10. Endowment Disclosures

Endowment net asset composition by type of fund:

	June 30, 2018		
	Unrestricted	Temporarily Restricted	Total
Donor-restricted endowment funds:			
Legacy funds	\$ 25,441,728	\$ 531,364,717	\$ 556,806,445
Charitable organization endowment funds	1,652,134	93,129,159	94,781,293
Scholarship and award funds	5,711,751	44,560,519	50,272,270
Field of interest funds	2,992,040	16,913,111	19,905,151
Total donor-restricted endowment funds	35,797,653	685,967,506	721,765,159
Other endowment funds	15,613,549	-	15,613,549
Board-designated endowment funds:			
Fund for Oklahoma City	15,112,100	-	15,112,100
Program initiatives	10,055,601	-	10,055,601
Administration	35,227,088	-	35,227,088
Total board-designated endowment funds	60,394,789	-	60,394,789
Total endowment funds	\$ 111,805,991	\$ 685,967,506	\$ 797,773,497
	June 30, 2017		
	Unrestricted	Temporarily Restricted	Total
Donor-restricted endowment funds:			
Legacy funds	\$ 25,776,719	\$ 496,012,141	\$ 521,788,860
Charitable organization endowment funds	1,777,191	86,618,360	88,395,551
Scholarship and award funds	5,554,568	40,093,595	45,648,163
Field of interest funds	3,443,908	11,424,999	14,868,907
Total donor-restricted endowment funds	36,552,386	634,149,095	670,701,481
Other endowment funds	15,524,268	-	15,524,268
Board-designated endowment funds:			
Fund for Oklahoma City	15,147,536	-	15,147,536
Program initiatives	8,010,206	-	8,010,206
Administration	32,189,038	-	32,189,038
Total board-designated endowment funds	55,346,780	-	55,346,780
Total endowment funds	\$ 107,423,434	\$ 634,149,095	\$ 741,572,529

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 10. Endowment Disclosures (Continued)

Changes in endowment net assets for the year ended June 30, 2018:

	Unrestricted	Temporarily Restricted	Total
Endowment net assets, beginning of year	\$ 107,423,434	\$ 634,149,095	\$ 741,572,529
Investment return:			
Investment income	1,181,501	12,472,176	13,653,677
Investment fees	(148,911)	(2,975,907)	(3,124,818)
Net investment gain	3,048,644	53,805,000	56,853,644
Total investment return	4,081,234	63,301,269	67,382,503
Contributions	4,169,805	13,371,231	17,541,036
Administrative fees	(206,672)	(2,497,056)	(2,703,728)
Administrative fee revenue designated for operations	3,599,961	-	3,599,961
Appropriation of endowment assets	22,357,033	(22,357,033)	-
Expenditure of endowment assets	(29,618,804)	-	(29,618,804)
Endowment net assets, end of year	<u>\$ 111,805,991</u>	<u>\$ 685,967,506</u>	<u>\$ 797,773,497</u>

Changes in endowment net assets for the year ended June 30, 2017:

	Unrestricted	Temporarily Restricted	Total
Endowment net assets, beginning of year	\$ 98,810,426	\$ 552,316,692	\$ 651,127,118
Investment return:			
Investment income	1,117,303	8,874,695	9,991,998
Investment fees	(174,335)	(2,675,647)	(2,849,982)
Net investment gain	4,365,370	56,955,094	61,320,464
Total investment return	5,308,338	63,154,142	68,462,480
Contributions	3,075,412	43,822,341	46,897,753
Administrative fees	(192,131)	(2,233,676)	(2,425,807)
Administrative fee revenue designated for operations	3,302,152	-	3,302,152
Appropriation of endowment assets	22,910,404	(22,910,404)	-
Expenditure of endowment assets	(25,791,167)	-	(25,791,167)
Endowment net assets, end of year	<u>\$ 107,423,434</u>	<u>\$ 634,149,095</u>	<u>\$ 741,572,529</u>

Oklahoma City Community Foundation, Inc.

Notes to Consolidated Financial Statements

Note 11. Collections

The Foundation maintains various collections of works of art, historical treasures, and similar assets. These collections are maintained for public exhibition, education, and research in furtherance of public service rather than for financial gain. Substantially all of these assets are protected, kept unencumbered, cared for, and preserved by the John Kirkpatrick Fund for Historic, Cultural and Civic Understanding Affiliated Fund. As a matter of policy, the proceeds of items in collections that are sold are used to acquire other items for collections.

Note 12. Retirement Plan and Other Benefits

Substantially all employees of the Foundation participate in the Retirement Plan of Oklahoma City Community Foundation, Inc. (the Plan), commonly known as a Section 403(b) plan. Under the Plan, the Foundation contributes 10 percent of the respective employee's regular salary to provide retirement benefits. In addition, employees may contribute a specified percentage of their regular salary to the Plan. The total amount contributed by the Foundation and the employee cannot exceed 100 percent of the employee's regular salary, subject to Internal Revenue Service limitations. Contributions made by the Foundation are vested over six years of service as follows.

Years of Vesting Service	Vested Percentage
1	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Benefits paid under the Plan are limited to the sum of the employee's and the Foundation's contributions and investment earnings on those contributions. The Foundation contributed approximately \$285,000 and \$269,000 to the Plan during the years ended June 30, 2018 and 2017, respectively.

The Foundation has entered into severance benefit agreements with select key executives. Split-dollar life insurance premiums of approximately \$262,000 and \$254,000 are included in other assets, and severance benefits payable of approximately \$654,000 and \$586,000 are included in accounts payable and other liabilities at June 30, 2018 and 2017, respectively.

Note 13. Loan Guarantee and Pledge

On June 21, 2018, one of the Foundation's affiliated organizations entered into a continuing and unconditional loan guaranty for an unaffiliated non-profit organization. In August and September 2018, the affiliated organization transferred funds totaling \$11,200,000 to a separate account with the lender to serve as pledged collateral for the guaranty. As of the financial statement date, no draws have been made by the non-profit organization on the related loan agreement. Three trustees of the affiliated organization are also members of the borrower's board of directors.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

To the Board of Trustees
Oklahoma City Community Foundation, Inc.

We have audited the consolidated financial statements of Oklahoma City Community Foundation, Inc. and its affiliated organizations (the Foundation) as of and for the years ended June 30, 2018 and 2017 (the financial statements) and have issued our report thereon which contains an unmodified opinion on those financial statements (see page 1). Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Oklahoma City, Oklahoma
November 13, 2018

Oklahoma City Community Foundation, Inc.

Oklahoma City Community Foundation and Affiliated Organizations—Schedule of Assets*
Years Ended June 30, 2018 and 2017

	2018	2017
Albers Family Fund	\$ 1,031,180	\$ 1,111,414
Allied Arts Foundation	1,454,214	1,375,044
Bob and Nancy Anthony Family	1,542,330	1,467,450
Christian Keesee Charitable Fund	4,612,118	2,746,648
Community Resources Oil and Gas	2,260,519	1,946,728
Community Resources Real Estate	938,272	852,541
Cowboy Hall of Fame	1,720,946	1,611,290
Deer Creek	2,115,572	1,963,978
Everett Family Foundation	2,725,003	2,595,239
Heritage Hall	2,005,243	1,912,924
Hospice Foundation of Oklahoma	2,389,996	2,273,973
Janice and Joe L. Singer Family	2,392,488	2,230,055
John and Claudia Holliman	1,176,271	1,068,788
John Kirkpatrick Fund for Historic, Cultural & Civic Understanding Affiliated Fund	20,289,174	19,410,197
Kirkpatrick Family	316,753,095	299,367,115
E. Phil and Roberta Kirschner Foundation Fund	15,328,240	15,073,658
Lawton Community Foundation, Inc.	9,631,686	9,156,728
Leadership Oklahoma City	1,156,106	1,131,707
Love Family	30,935,433	31,391,300
Malzahn Family	51,016,902	41,879,575
Oklahoma City Art Museum	9,961,021	9,533,417
Oklahoma City Community Foundation, Inc.	511,247,612	463,127,697
Oklahoma City Retailers Foundation	958,317	993,087
Oklahoma Philharmonic	7,129,255	6,029,860
Raymond H. and Bonnie Hefner Family	1,949,130	1,906,029
Robert and Blanche Gordon Family	8,345,820	7,995,243
Rural Oklahoma Community Foundation, Inc.	8,207,775	7,848,973
Science Museum Oklahoma	55,217,205	53,822,704
William E. and Margaret H. Davis Family	1,574,683	1,532,476
Vogt Family Affiliated Fund	2,239,161	2,180,411
	1,078,304,767	995,536,249
Less accumulated depreciation	13,723,362	12,355,753
	\$ 1,064,581,405	\$ 983,180,496

* The Oklahoma City Community Foundation and affiliated organizations—schedule of assets is a summary of the total assets, prior to consideration of accumulated depreciation, held by each organization included in the consolidated financial statements. Accumulated depreciation is presented in total rather than by affiliated organization in the table.

