

**Oklahoma City Community
College Foundation
FINANCIAL STATEMENT &
INDEPENDENT AUDITOR'S REPORT
September 30, 2010 & 2009**

Karen J. Tucker

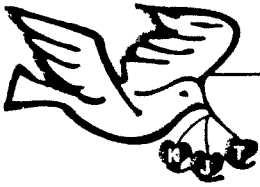
Certified Public Accountant



Oklahoma City Community College Foundation
(A Non-Profit Organization)

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Years Ending September 30, 2010 and 2009

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Karen J. Tucker, CPA

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Independent Auditor's Report

To: Board of Trustees
Oklahoma City Community College Foundation
7777 S. May Avenue
Oklahoma City, OK 73159

We have audited the accompanying Statement of Financial Position arising from cash transactions of Oklahoma City Community College Foundation (Foundation) as of September 30, 2010 and 2009, and the related Statement of Activities of revenue collected and expenses paid for the years then ended. These financial statements are the responsibility of the Foundation's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 3, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Foundation as of September 30, 2010 and its revenue collected and expenses paid during the years then ended, on the basis of accounting described in Note 3.

Karen J. Tucker, CPA

December 16, 2010

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Statement of Financial Position
Years Ending September 30, 2010 and 2009

ASSETS	2010	2009
Cash & Cash Equivalents		
Cash (Note 5 & 6)	\$ 1,675,501.26	\$ 1,058,546.79
Certificate of Deposit (Note 7)	0.00	0.00
Total Cash & Cash Equivalents	\$ 1,675,501.26	\$ 1,058,546.79
Investments		
Retirement Investments (Notes 4 & 12)	171,339.73	152,178.15
Total Investments	171,339.73	152,178.15
Total Current Assets	\$ 1,846,840.99	\$ 1,210,724.94
Fixed Assets		
Equipment, Net of Depreciation (Note 11)	0.00	301.03
TOTAL ASSETS	\$ 1,846,840.99	\$ 1,211,025.97
NET ASSETS		
Temporarily Restricted	\$ 1,722,197.09	\$ 1,090,876.90
Unrestricted	124,643.90	120,149.07
TOTAL NET ASSETS	\$ 1,846,840.99	\$ 1,211,025.97

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Statement of Activities
Years Ending September 30, 2010 and 2009

	2010			2009
	Temporarily Restricted	Unrestricted	Total	Total
Receipts, Donations, and Other Support				
Theater	\$ 553,048.07		\$ 553,048.07	\$ 274,100.00
Theater (Best Seat)	35,188.68		35,188.68	34,548.98
OKC-Go Program	1,190.00		1,190.00	1,280.00
Scholarships (Note 13)	86,371.18		86,371.18	107,909.13
Special Projects (Note 14)	129,084.87		129,084.87	66,335.50
Donated Services (Note 9)		4,100.00	4,100.00	5,275.00
Unrestricted (Other)		23,750.85	23,750.85	12,743.75
Net Assets Released from Restrictions				
Restrictions satisfied by Payments	(192,724.19)	192,724.19	0.00	0.00
Total Donations, Gains and Other Support:	<u>\$ 612,158.61</u>	<u>\$ 220,575.04</u>	<u>\$ 832,733.65</u>	<u>\$ 502,192.36</u>
Disbursements:				
OKC-Go Program		\$ 628.49	\$ 628.49	\$ 10,943.34
Scholarships (Note 13)		74,643.69	74,643.69	99,945.60
Special Projects (Note 14)		117,452.01	117,452.01	162,386.31
Bank Service Charges		6,062.79	6,062.79	4,516.94
Credit Card Fees		297.00	297.00	331.66
Depreciation		301.03	301.03	4,495.78
Donated Services		4,100.00	4,100.00	5,275.00
Unrestricted (Other)		15,490.04	15,490.04	25,821.29
Total Disbursements:	<u>\$ -</u>	<u>\$ 218,975.05</u>	<u>\$ 218,975.05</u>	<u>\$ 313,715.92</u>
Change in Net Assets Before Other Income/(Expenses):	<u>\$ 612,158.61</u>	<u>\$ 1,599.99</u>	<u>\$ 613,758.60</u>	<u>\$ 188,476.44</u>
Other Income(Expenses):				
Interest Income		2,894.84	2,894.84	5,082.74
Dividend Income				
Retirement Investment (Note 12)	3,750.21		3,750.21	5,083.29
Realized Gain/Loss - Investment				
Retirement Investment (Note 12)			0.00	0.00
Unrealized Change in Value - Investment				
Retirement Investment (Note 12)	15,411.37		15,411.37	(1,399.25)
Change in Net Assets	<u>\$ 631,320.19</u>	<u>\$ 4,494.83</u>	<u>\$ 635,815.02</u>	<u>\$ 197,243.22</u>
Net Assets at Beginning of Year	<u>1,090,876.90</u>	<u>120,149.07</u>	<u>1,211,025.97</u>	<u>1,013,782.75</u>
Net Assets at End of Year	<u>\$ 1,722,197.09</u>	<u>\$ 124,643.90</u>	<u>\$ 1,846,840.99</u>	<u>\$ 1,211,025.97</u>

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Statement of Cash Flows
Years Ending September 30, 2010 and 2009

	2010			2009
	Temporarily Restricted	Unrestricted	Total	Total
Cash Flows from Operating Activities:				
RESTRICTED:				
Theater	553,048.07		553,048.07	274,100.00
Theater (Best Seat)	35,188.68		35,188.68	34,548.98
OKC-Go Program	561.51		561.51	(9,663.34)
Scholarships	11,727.49		11,727.49	7,963.53
Special Projects	11,632.86		11,632.86	(96,050.81)
UNRESTRICTED:				
Bank Service Charges		(6,062.79)	(6,062.79)	(4,516.94)
Credit Card Fees		(297.00)	(297.00)	(331.66)
Unrestricted (Other)		8,260.81	8,260.81	(13,077.54)
Net Cash Provided from Operating Activities	<u>\$ 612,158.61</u>	<u>\$ 1,901.02</u>	<u>\$ 614,059.63</u>	<u>\$ 192,972.22</u>
Cash Flows from Investing Activities:				
Interest Income	0.00	2,894.84	2,894.84	5,082.74
Software Purchase	0.00	0.00	0.00	0.00
Realized Gains/(Losses)	0.00	0.00	0.00	0.00
Net Cash Flows from Investing Activities:	<u>\$ -</u>	<u>\$ 2,894.84</u>	<u>\$ 2,894.84</u>	<u>\$ 5,082.74</u>
Net Change in Cash	\$ 612,158.61	\$ 4,795.86	\$ 616,954.47	\$ 198,054.96
Net Cash at Beginning of Year	938,698.75	119,848.04	1,058,546.79	860,491.83
Net Cash at End of Year	<u>\$ 1,550,857.36</u>	<u>\$ 124,643.90</u>	<u>\$ 1,675,501.26</u>	<u>\$ 1,058,546.79</u>

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 1: Nature of Organization

The Oklahoma City Community College Foundation (Foundation) is a nonprofit organization organized in 1997 and obtained 501(C)(3) status on April 23, 1998 from the State of Oklahoma. The Foundation is located at 7777 South May Avenue, Oklahoma City, OK 73159-4444. The mission of the Foundation is to benefit, support and enhance the development and priorities of the Oklahoma City Community College (OCCC). The primary purposes of the Foundation are to fund scholarships to students attending OCCC and to provide resources to supplement college operations. The efforts of the Foundation are to generate funds which shall be in alignment with the academic needs and priorities of OCCC. The Foundation shall ensure integrity to meet donor expectations.

Note 2: Basis of Presentation

The Foundation follows the requirements of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 117, *Financial Statement of Not-For-Profit Organizations*. Under FASB Statement No. 117, the Foundation is reporting information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- a. Permanently Restricted net assets are those that were given to the Foundation where the principal and any earnings are restricted for a particular use as designated by the donor.
- b. Temporarily Restricted net assets are those that were given to the Foundation where the principal and any earnings expire upon the passage of a prescribed period or upon the occurrence of a stated event as specified by the donor.
- c. Unrestricted net assets are those, not included in the above categories, given to the Foundation where the principal, as well as earnings, can be used by the Foundation for whatever purpose the Foundation determines. Donor-restricted resources intended for capital projects are released and reclassified as unrestricted support when spent.

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 3: Basis of Accounting

The Foundation prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting (OCBOA) other than accounting principles generally accepted in the United States of America.

Separate accounts are maintained for each fund; however, the accompanying financial statements have been prepared on a basis which shows the financial position and changes in net assets of the Foundation in total. Funds with similar characteristics have been combined for financial statement presentation.

Interest and dividend income are recognized on the cash basis. Per Foundation investment policy (Note 4), funds may be commingled with other funds for investment purposes with the appropriate pro rata share of earnings going to their respective funds.

If financials were presented on the basis of generally accepted accounting principles (GAAP), there would be no significant differences.

Note 4: Summary of Significant Accounting Policies

Financial Management Policies were approved at board meeting held on October 25, 2000. In August 2009, amended policy to include the Director of Development as authorized signer on account. Policies include:

- a. Board approval for any purchase or expenditure of \$5,000 or more, except as budgeted;
- b. All disbursements over \$1,500 are required to have two (2) of the following authorized signatures; President, Treasurer, Executive Director or Director of Development of the Foundation. Upon position change of authorized signatures, a new bank signature card shall be completed/updated;
- c. The Executive Director and/or Director of Development has signature authority on disbursements upto \$1,500; and
- d. An Annual Operating Budget shall be presented to the Foundation Board for approval on an annual basis.

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Plan of Work is prepared and approved by board on an annual basis.

Investments were held in Retirement Investment Advisors Accounts. Investments held at year end are recorded at their fair market values as of September 30, 2010.

An Investment Policy was presented by Investment Committee. Currently, the Investment Committee members are Paul Odom, David Greenwell, Dennis Clowers and Randy Thurman. The board approved initial investment policy on October 7, 1999. Investment Committee is authorized to manage funds until it is deemed appropriate to designate a money manager. Policy includes but not limited to asset allocation, prohibited assets classes and transactions, evaluation and performance criteria, investment guidelines, spending policy, types of funds and earnings allocation. Investment policy statement may be amended from time to time at the discretion of the Board of Trustees of the Foundation. Types of Funds specifically noted in original policy are:

- a. The Quasi Endowment Fund represents a pool of funds set aside by the Foundation to create institutional savings. The principal may be invaded. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earning going to funds as specified.
- b. The Equipment Endowment Fund represents a pool of gifts for the Foundation given by donors for the specific purpose of buying equipment for the College from earnings. The principal cannot be invaded. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earning going to buy equipment.
- c. The Scholarship Endowment Fund represents a pool of gifts for the Foundation given by donors for the specific purpose of awarding scholarships to students from earnings. The principal cannot be invaded. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earning going to scholarships.
- d. The Library Endowment Fund represents a pool of gifts for the Foundation given by donors for the specific purpose of providing support for the College library from earnings. The principal cannot be invaded. The fund can be commingled with other endowment funds for investment purposes, with the appropriate pro rata share of earning going to the College library.

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

- e. The Unrestricted Fund represents a pool of funds given to the Foundation where the principal, as well as earnings, can be used by the Foundation for whatever purpose the Foundation determines.

- f. The Restricted Fund represents a pool of funds given to the Foundation where the principal and any earnings are restricted for a particular use as designated by the donor. Separate amounts may be restricted for various purposes within this fund.

The investment policy statement was approved by board on March 8, 2006. The purpose investment policy statement is to establish a clear understanding between the Board, the Investment Committee, Fund Managers, if any, and any outside advisors. The written investment policy allows the Board and Committee to clearly establish the prudence and diversification standards they want the investment process to maintain. The effect of the written policy is to increase the likelihood that the funds managed pursuant to this policy will be able to meet the use of the funds intended by the donors and/or the financial needs of the Foundation.

Note 5: Checking Account

Checking account is held at Coppermark Bank. The account is covered by F.D.I.C. insurance upto \$250,000. Balance in account at September 30, 2010 is \$57,302.83

Note 6: Cash Sweep Account

Cash Sweep account is held at Coppermark Bank. Balance in account at September 30, 2010 is \$1,618,198.43

Note 7: Certificate of Deposit

None held at this time.

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 8: Contingent Liabilities

OKC-Go Program: Scholarships are approved but not paid until approximately a year later. Scholarships are approved to allow students to get all necessary supplies to begin course work. Payments are made to OCCC after all the student's funds/grants/scholarships are exhausted in each semester. The estimated contingent liability for the school year 2008-2010 is \$4,255.58 Breakdown by semester is as follows:

Fall 2008 Semester	\$ 1,233.55
Spring 2009 Semester	\$ 612.19
Fall 2009 Semester	\$ 2,188.59
Spring 2010	<u>\$ 221.25</u>
TOTAL:	\$ 4,255.58

Note 9: Donated and Reduced-Fee Services

Contributed services are reported in the financial statements for voluntary donations of services when those services: (1) Create or enhance non-financial assets; or (2) Require specialized skills provided by individuals possessing those skills and are services that would be typically purchased if not provided by the donation.

Quarterly Financial Statements as well as Federal and State Income Tax Returns (Form 990 & Form 512-E) are prepared and donated by Treasurer David Greenwell. Auditing services were provided by Karen J. Tucker, CPA at a reduced fee. The estimated fair value of these donated services was \$4,100.

Additionally, a number of volunteers have donated significant amounts of time to the Foundation in various capacities. However, these services have not been recognized, inasmuch as such services either do not require specialized skills or would not typically be purchased had they not been provided by donation. The value of these services is not readily determinable.

Note 10: Federal Income Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(C)(3) of the Internal Revenue Code and corresponding provisions of Oklahoma law and, accordingly, is not subject to federal or state income taxes. There are no unrelated business activities that would trigger a tax liability.

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 11: Assets/Equipment

The Foundation purchased equipment and software and is using the following depreciation methods.

DESCRIPTION	DATE ACQUIRED	VALUE	DEPRECIATION METHOD	ACCUMULATED DEPRECIATION
Equipment	Various	\$16,269.00	5 Years, Double Declining	\$ 16,269.00
Software	04/17/2007	\$ 1,949.84	3 Yrs, Straight-Line	\$ 1,949.84

Note 12: Investment – Retirement Investment, Inc.

		2010	2009
Original Investments			
Fund - OKC-Go Program			
	OKC-Go Program	33,500.00	33,500.00
	Bishop Scholarship	30,500.00	30,500.00
	Rapp Foundation	5,000.00	5,000.00
	Reynolds Gift	15,000.00	15,000.00
	Sonic Gift	25,000.00	25,000.00
	TOTAL – Fund OKC-Go Program	\$ 109,000.00	\$ 109,000.00
	Fund- Library Completion	6,500.00	6,500.00
	Fund -Sorosis Scholarship	10,000.00	10,000.00
	Fund -Technology Fund	4,500.00	4,500.00
	TOTAL Original Investments at September 30, 2001	\$ 130,000.00	\$ 130,000.00
	Dividends Income - Current Year	\$ 3,750.21	\$ 5,083.29
	Dividends Income - Prior Years	16,834.98	11,751.69
	Interest Income – Current Year	0.00	0.00
	Interest Income – Prior Years	2,710.53	2,710.53
	Change in Investment Current Year	15,411.37	(1,399.25)
	Change in Investment Prior Years	2,632.64	4,031.89
	Net Investments at September 30, 2010	\$ 171,339.73	\$ 152,178.15

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 13: "SCHOLARSHIP" Donations and Disbursements by Name/Category

NAME	2010		2009	
	DONATIONS	DISBURSEMENTS	DONATIONS	DISBURSEMENTS
Bartlett Fund	0.00	500.00	0.00	1,000.00
Black Student Association	\$ 140.00		0.00	0.00
Bobby D. Gaines	65.00	300.00	60.00	300.00
Bode Nursing	1,130.50	1,805.40	4,809.00	1,694.49
Bruce Owen		300.00	0.00	200.00
Burkhalter		1,000.00	481.00	500.00
Calhoun Nursing	1,454.00	1,500.00	2,890.00	1,500.00
Carl Albert Film & Video		1,500.00	0.00	0.00
Chesapeake	10,000.00	9,000.00	10,000.00	7,500.00
Connie Nieser	2,062.00	1,600.00	2,121.50	1,600.00
Endowment Fund	1,000.00			
Engineering	7,500.00	500.00	2,500.00	1,000.00
Faculty Association	6,186.20	5,087.32	5,676.56	7,133.17
Gamel	25,000.00	19,400.00	25,000.00	36,500.00
Holton Music	200.00	500.00	575.00	500.00
HOPE	2,543.96	500.00	1,908.33	2,750.00
Jack Cain	583.76		447.52	270.00
Kay Edwards	480.00	360.39	590.00	250.00
Kayla Fessler		500.00	0.00	0.00
Keith Leftwich			0.00	1,000.00
Language Scholarship	500.00	500.00	0.00	0.00
Larry D. Golden	1,830.00	300.00	1,395.00	200.00
Lee Ann Hall	1,005.00		0.00	0.00
Linda Thornton	480.00		715.00	250.00
Mary Ann Merz	60.00	300.00	180.00	300.00
Matt Skvaria	240.00		320.00	
Metro Auto	5,000.00	4,500.00	0.00	0.00
Moore Service League	1,500.00	1,500.00	1,500.00	1,500.00
MTV/Laws Scholarship	0.00		7,432.85	7,432.85
Nursing	797.00	527.00	220.00	450.00
Nursing Student Assn	0.00		812.00	475.00
Robert P. Todd Leadership	1,490.00	500.00	570.00	500.00
Rutledge Scholarship	1,250.00	1,929.35	1,150.00	1,745.77
Schwab Memorial		962.61		508.28
Sechrist	2,281.76	2,700.00	2,824.00	1,200.00
Sharon Robinson	0.00	150.00		150.00
Student	11,592.00	16,121.62	33,731.37	21,236.04
Susan Clowers Memorial	0.00	300.00		300.00
TOTALS:	\$ 86,371.18	\$ 74,643.69	\$ 107,909.13	\$ 99,945.60

Oklahoma City Community College Foundation
(A Non-Profit Organization)
Notes to Financial Statements
Years Ending September 30, 2010 and 2009

Note 14: "SPECIAL PROJECTS" Donations and Disbursements by Name/Catetory

NAME	2010 DONATIONS	2010 DISBURSEMEN TS	2009 DONATIONS	2009 DISBURSEMEN TS
AD Astra	\$10,000.00	\$ 10,000.00	\$ 15,000.00	\$ 25,000.00
Arts Festival	8,378.00	15,135.05	6,300.00	17,220.00
Arts & Humanities	420.00		175.00	
Biology Dept.	4,122.00		3,885.00	
Biotech Fund		171.25		
Business Division	360.00		275.00	
Center for Learning/Teaching			100.00	
Cultural Projects	2,251.25	746.75	1,587.50	2,543.20
Cultural (Kilpatrick/Ad Astra)	15,000.00	14,568.32	10,000.00	8,681.68
Facility Assn Oper Fund	7,458.32	146.45		
Film Creativity		16.22		491.22
Film & Video (Kilpatrick/Reynolds)	75,209.05	75,477.21	25,000.00	102,166.49
Film – Allied Arts				452.56
Ground & Landscaping	255.00		240.00	
Health Professions Division	1,322.50	116.40	1,083.35	25.76
Health Professions Div-EMS	75.00		290.15	3,805.75
Institute Global Excellence	233.75		42.50	
Information Technology Div	1,550.00	743.84	1,650.00	
Nursing Expense Fund	500.00			
Performing Theater Art Gallery	1,000.00			
Science/Health Labs	905.00		395.00	1,126.00
Security Life		26.00	312.00	312.00
Social Sciences Div.	45.00			
TV New Lab				375.65
Women's Career Program		304.52		
Writing Symposium		0.00		186.00
TOTALS:	\$ 129,084.87	\$ 117,452.01	\$ 66,335.50	\$ 162,386.31

Oklahoma City Community College Foundation
 Recommended Journal Entries
 Year Ending September 30, 2010

WorkPaper Index: AD - 2010 - 30
 Prepared By: KJT
 Date: 02/28/11

	DESCRIPTION	DEBIT	CREDIT
1	UnRealized Capital Gains/Losses Dividend Income Reclassify dividend income for year.	3,750.21	3,750.21
2	Depreciation Expense Accum Depreciation Record Annual Depreciation	301.03	301.03
3	Disbursements - Donated Services Donations - Donated Services Record Donation Services	4,100.00	4,100.00
		<u>8,151.24</u>	<u>8,151.24</u>