



FIELDS & FUTURES FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2017 and 2016

WITH

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Fields & Futures Foundation, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Fields & Futures Foundation, Inc. (the Foundation), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit 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 reasonable 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 the Foundation as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Oklahoma City, Oklahoma
February 25, 2019

FIELDS & FUTURES FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash	\$ 807,887	\$ 324,027
Pledges receivable, net	2,094,905	1,315,401
Investments	1,073,410	964,498
Beneficial interest in assets held by community foundations	<u>816,104</u>	<u>172,741</u>
Total assets	<u><u>\$ 4,792,306</u></u>	<u><u>\$ 2,776,667</u></u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,001,873	\$ 662,112
Net assets:		
Unrestricted	994,425	(297,543)
Temporarily restricted	1,979,904	2,239,357
Permanently restricted	<u>816,104</u>	<u>172,741</u>
Total net assets	<u><u>3,790,433</u></u>	<u><u>2,114,555</u></u>
Total liabilities and net assets	<u><u>\$ 4,792,306</u></u>	<u><u>\$ 2,776,667</u></u>

FIELDS & FUTURES FOUNDATION, INC.

STATEMENT OF ACTIVITIES

Year ended December 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains and Other Support				
Contributions	\$ 661,324	\$ 2,927,286	\$ -	\$ 3,588,610
Special event income, net of related benefits to donors of \$206,795	317,260	-	-	317,260
Interest and dividend income	64	32,036	-	32,100
Net unrealized/realized gain on investments	-	77,432	51,008	128,440
Endowment distributions	7,645	-	(7,645)	-
Donor redesignation of net assets	-	(600,000)	600,000	-
Net assets released from restriction	2,696,207	(2,696,207)	-	-
Total revenues, gains and other support	3,682,500	(259,453)	643,363	4,066,410
Expenses				
Program services	2,088,111	-	-	2,088,111
Supporting services:				
Management and general	94,508	-	-	94,508
Fundraising	207,913	-	-	207,913
Total expenses	2,390,532	-	-	2,390,532
Change in net assets	1,291,968	(259,453)	643,363	1,675,878
Net assets, beginning of year	(297,543)	2,239,357	172,741	2,114,555
Net assets, end of year	\$ 994,425	\$ 1,979,904	\$ 816,104	\$ 3,790,433

FIELDS & FUTURES FOUNDATION, INC.

STATEMENT OF ACTIVITIES

Year ended December 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains and Other Support				
Contributions	\$ 401,806	\$ 1,118,503	\$ -	\$ 1,520,309
Special event income, net of related benefits to donors of \$137,322	282,341	-	-	282,341
Other	2,220	-	-	2,220
Interest and dividend income	2,444	20,469	-	22,913
Net unrealized/realized gain (loss) on investments	(4,515)	14,531	8,599	18,615
Endowment distributions	3,536	-	(3,536)	-
Donor redesignation of net assets	37,885	(82,885)	45,000	-
Net assets released from restriction	1,156,759	(1,156,759)	-	-
Total revenues, gains and other support	1,882,476	(86,141)	50,063	1,846,398
Expenses				
Program services	2,091,308	-	-	2,091,308
Supporting services:				
Management and general	87,047	-	-	87,047
Fundraising	234,417	-	-	234,417
Total expenses	2,412,772	-	-	2,412,772
Change in net assets	(530,296)	(86,141)	50,063	(566,374)
Net assets, beginning of year	232,753	2,325,498	122,678	2,680,929
Net assets, end of year	\$ (297,543)	\$ 2,239,357	\$ 172,741	\$ 2,114,555

FIELDS & FUTURES FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2017

	Program Services				Supporting Services		
	Build	Empower	Inspire	Total	Management and General	Fundraising	Total
Materials and services:							
Athletic field construction	\$ 1,821,416	\$ -	\$ -	\$ 1,821,416	\$ -	\$ -	\$ 1,821,416
Athletic field maintenance	83,437	-	-	83,437	-	-	83,437
Court construction	17,000	-	-	17,000	-	-	17,000
District banquets and clinics	-	16,132	-	16,132	-	-	16,132
Coaching clinics	-	3,711	-	3,711	-	-	3,711
Other	-	2,182	23,159	25,341	-	-	25,341
	1,921,853	22,025	23,159	1,967,037	-	-	1,967,037
Contracted services	-	30,255	6,000	36,255	9,300	129,150	174,705
Salaries	5,553	33,321	19,570	58,444	55,712	31,997	146,153
Printed materials	-	1,834	2,783	4,617	182	6,867	11,666
Supplies and office expenses	-	319	160	479	8,680	34,718	43,877
Grants paid	-	-	10,424	10,424	-	-	10,424
Awards	-	6,000	2,705	8,705	-	-	8,705
Insurance	28	167	98	293	2,497	1,558	4,348
Professional services	90	539	317	946	18,039	517	19,502
Travel	-	911	-	911	-	-	911
Paid advertising	-	-	-	-	-	495	495
Postage and shipping	-	-	-	-	98	311	409
	1,927,524	95,371	65,216	2,088,111	94,508	205,613	2,388,232
Provision for uncollectible accounts	-	-	-	-	-	2,300	2,300
	\$ 1,927,524	\$ 95,371	\$ 65,216	\$ 2,088,111	\$ 94,508	\$ 207,913	\$ 2,390,532

See notes to financial statements.

FIELDS & FUTURES FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2016

	Program Services				Supporting Services		
	Build	Empower	Inspire	Total	Management and General	Fundraising	Total
Materials and services:							
Athletic field construction	\$ 1,919,177	\$ -	\$ -	\$ 1,919,177	\$ -	\$ -	\$ 1,919,177
Athletic field maintenance	12,298	-	-	12,298	-	-	12,298
Campus landscaping	4,692	-	-	4,692	-	-	4,692
District banquets and clinics	-	20,382	-	20,382	-	-	20,382
Coaching clinics	-	4,951	-	4,951	-	-	4,951
Other	-	7,102	13,997	21,099	-	-	21,099
	1,936,167	32,435	13,997	1,982,599	-	-	1,982,599
Contracted services	-	18,154	9,077	27,231	8,319	138,178	173,728
Salaries	6,441	35,884	22,502	64,827	50,467	45,929	161,223
Printed materials	-	1,096	1,229	2,325	1,243	29,017	32,585
Supplies and office expenses	-	260	130	390	7,693	9,469	17,552
Awards	-	8,753	2,038	10,791	-	3,123	13,914
Insurance	30	165	103	298	1,511	3,565	5,374
Professional services	86	477	299	862	17,382	610	18,854
Bad debt	-	-	-	-	-	4,000	4,000
Travel	-	1,173	812	1,985	-	-	1,985
Postage and shipping	-	-	-	-	432	526	958
	\$ 1,942,724	\$ 98,397	\$ 50,187	\$ 2,091,308	\$ 87,047	\$ 234,417	\$ 2,412,772

See notes to financial statements.

FIELDS & FUTURES FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 1,675,878	\$ (566,374)
Adjustments to reconcile the change in net assets to net cash provided by (used in) operating activities:		
Net unrealized/realized gains on investments	(128,440)	(18,615)
Contribution of stock, at fair value, net of immediate conversions to cash	(407,383)	(4,515)
Changes in operating assets and liabilities:		
Pledges receivable	(779,504)	(88,723)
Accounts payable	339,761	282,194
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	700,312	(396,033)
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	656,782	140,202
Purchases of investments	(280,879)	(110,749)
Net increase in beneficial interest in assets held by community foundations	(592,355)	(41,464)
	<hr/>	<hr/>
Net cash used in investing activities	(216,452)	(12,011)
Net increase (decrease) in cash	483,860	(408,044)
Cash, beginning of year	324,027	732,071
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Cash, end of year	\$ 807,887	\$ 324,027
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Supplemental Information for Noncash Operating and Investing Activities		
Contribution of stock, at fair value	\$ 772,467	\$ 152,200
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FIELDS & FUTURES FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

Note 1 – Nature of Operations

Organization

Fields & Futures Foundation, Inc. (the Foundation) is an Oklahoma not-for-profit corporation established in December 2013, which was formed to serve Oklahoma City Public Schools athletics in their mission to grow student participation in sports by rebuilding athletic fields, providing improved resources and professional development for the district's coaches, and creating new opportunities for students to join a team and benefit from that experience. The following are the major programs of the Foundation:

Build – Efforts to construct or renovate athletic fields within Oklahoma City Public Schools at secondary school campuses. At a minimum, all projects involve the installation of new irrigation systems, fencing, sod, dugouts and public seating. Further, the Foundation assumes responsibility to provide complete and comprehensive annual field maintenance services to all sports facilities completed by the Foundation into perpetuity.

Empower – Efforts to provide resources, training and encouragement to the coaches within Oklahoma City Public Schools. Programs include coaching clinics, district awards banquets, professional development workshops, and coordinated volunteer efforts to assist coaches in fundraising and implementing district initiatives.

Inspire – Efforts to connect resources and volunteers to campuses to help inspire and motivate students to participate in extracurricular activities. The Foundation's core programs aim to remove barriers students may face, including: costs of sports physicals, transportation, hunger, safe playing equipment, and appropriate apparel. Efforts extend beyond campuses to also educate parents of students and families in surrounding neighborhoods about the benefits of playing interscholastic sports, exercising and participating in campus events and activities.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets

The focus of these financial statements is to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met by either actions of the Foundation and/or passage of time. Contributions restricted by the donor in which the restriction is met in the same year are recorded as temporarily restricted and then released from restriction.

Permanently restricted net assets – Net assets that have been restricted by donors to be maintained by the Foundation in perpetuity.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases and decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Use of estimates

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions in determining the reported amounts of assets and liabilities and disclosures of 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.

Cash and cash equivalents

Unless otherwise restricted by donor-imposed stipulations, the Foundation considers all cash and other highly liquid investments with original maturities of three months or less to be cash equivalents.

Pledges receivable

Pledges receivable with payments due in future periods are recorded as increases in temporarily or permanently restricted assets at their fair values, which are estimated at net realizable value if payments are due in one year or less or at the present value of future cash flows, computed using a risk-adjusted rate if payments are to be received after one year. Management closely monitors outstanding pledges receivable balances throughout the year and provides an allowance for uncollectible accounts when collection becomes doubtful. Uncollectible pledges are written off against the allowance when all reasonable collection efforts have been exhausted. Pledges receivable balances are considered to be fully collectible. Accordingly, no provision has been made for an allowance for pledges receivable.

Investments

The Foundation's investments include mutual funds, equity securities, and U.S. government and agency securities, which are reported at fair value based upon quoted market prices or dealer quotes. Realized and unrealized gains (losses) are reported in the statement of activities. Donated investment instruments are initially recorded at estimated fair value at the date of the donation. Any such investments that are converted nearly immediately into cash are classified as cash inflows from operating activities within the statement of cash flows, unless the donor restricts the use of contributed resources to long-term purposes.

Contribution revenue

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. All

contributions are available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Certain vendors involved in the Foundation's programs contribute materials and services directly to Oklahoma City Public Schools. Because the vendor specifically designates the beneficiary of their contributions, these contributions do not meet the criteria for recognition in the Foundation's financial statements.

Functional allocation of expenses

Costs of providing the Foundation's various programs and supporting services have been summarized on a functional basis in the statements of activities. Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Expenses which apply to more than one functional category have been allocated based upon estimates made by management.

Income taxes

The Foundation is exempt from federal taxes on income related to its exempt purpose under the provisions of Internal Revenue Code Section 501(c)(3).

Concentration of credit risk

The Foundation maintains cash in bank accounts which typically exceeds federally insured amounts. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Financial instruments which potentially subject the Foundation to credit risk consist of unconditional promises to give and investments. Credit risk for all of the Foundation's promises to give is concentrated because the majority of the balances are receivable from individuals and entities located within the same geographic region.

At December 31, 2017, approximately 66% of pledges receivable were from two donors. At December 31, 2016, approximately 87% of pledges receivable were due from four donors.

The Foundation's investments consist of various mutual funds, equity securities, and U.S. government and agency securities. Investments held are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investments held will occur in the near term and that such change could materially affect the investment account balances and the amounts reported in the statements of financial position and the statements of activities.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation. These reclassifications had no effect on the previously reported change in net assets.

New accounting pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which provides more relevant information about available resources (and the changes in those

resources) to donors, grantors, creditors and other users. The most significant aspects of the ASU are as follows: (1) it replaces the current presentation of three classes of net assets (unrestricted, temporarily restricted, and permanently restricted) with two classes of net assets – net assets with donor restrictions and net assets without donor restrictions; (2) it expands the disclosures about the nature and amount of any donor restrictions, board designations of net assets without donor restrictions, as well as any underwater endowment funds; (3) it requires expenses to be presented by nature and function, as well as an analysis of the allocation of these expenses; and (4) it requires specific quantitative and qualitative disclosures to improve the ability of financial statement users to assess the entity's available financial resources and the methods by which it manages liquidity and liquidity risk. ASU 2016-14 is to be applied retrospectively and is effective for the Foundation beginning with its year ending December 31, 2018. The Foundation is currently evaluating the impact this standard will have on its financial statements and related disclosures.

Subsequent events

Management has evaluated subsequent events through February 25, 2019, the date the financial statements were available to be issued.

Note 3 – Pledges Receivable

Pledges receivable are as follows at December 31:

	<u>2017</u>	<u>2016</u>
Pledges receivable expected to be collected in:		
Less than one year	\$ 1,353,649	\$ 841,999
One to five years	759,167	485,000
Total pledges receivable	2,112,816	1,326,999
Less allowance for uncollectible pledges	-	-
Less discount to present value	<u>(17,911)</u>	<u>(11,598)</u>
Net pledges receivable	<u>\$ 2,094,905</u>	<u>\$ 1,315,401</u>

Pledges expected to be received in more than one year are discounted at 2.2% for 2017, and 1.93% for 2016. Substantially all pledges are restricted for use in a future period or for a specific program of the Foundation.

In June 2017, the Foundation received a \$1,500,000 matching pledge from a corporate donor. According to the terms of the pledge, the Foundation is eligible to collect up to \$500,000 each year for three consecutive years, conditional upon the Foundation collecting matching funds of \$500,000 for each of the three years. Through December 2017, the Foundation has collected the entire \$1,500,000 toward the total match requirement; as such, the Foundation reported \$1,500,000 of contributions in the statement of activities for the year ended December 31, 2017. The Foundation collected \$500,000 of this pledge during the year, with the remaining balance of \$1,000,000 reflected in pledges receivable in the statement of financial position for the year ended December 31, 2017.

Note 4 – Beneficial Interests in Assets Held by Community Foundations

The Foundation is the beneficiary of certain endowment funds held at the Oklahoma City Community Foundation (OCCF) and The Communities Foundation of Oklahoma (CFO). OCCF and CFO are not-for-profit entities that provide for endowment transfer contributions to be pooled to maximize return on investments for the benefit of area not-for-profit organizations. Transfers to the endowment funds are

permitted by not-for-profit entities, as well as contributions by individual donors in the community who designate the beneficiary of their contributions. OCCF and CFO maintain variance power and legal ownership over all assets transferred and contributed. Earnings on these endowed funds are distributed annually in accordance with the terms of the endowment and spending policies of each foundation.

During the years ended December 31, 2017 and 2016, in accordance with specific donor stipulations, the Foundation transferred \$600,000 and \$45,000, respectively, to endowment funds held at OCCF and CFO, naming itself as the specified beneficiary of the funds. Income distributions of \$7,645 and \$3,536 were received from the endowed funds during 2017 and 2016, respectively. The fair value of transfers to OCCF and CFO at December 31, 2017 and 2016, including reinvested earnings, net of distributions, are reflected in the statements of financial position as beneficial interest in assets held by community foundations. The fair value of endowed funds held by OCCF and CFO at December 31, 2017, for the benefit of the Foundation that were contributed directly to OCCF and CFO by donors, was \$223,180 and \$22,097, respectively. The fair value of endowed funds held by OCCF and CFO at December 31, 2016, for the benefit of the Foundation that were contributed directly to OCCF and CFO by donors, was \$14,796 and \$21,580, respectively. These endowed funds are not reflected in the Foundation's accompanying statements of financial position.

Note 5 – Fair Value Measurements

The FASB Accounting Standards Codification established a consistent framework for measuring fair value and fair value hierarchy based on the observability of inputs used to measure fair value.

These inputs are summarized in the three broad levels listed below:

- Level 1 Quoted prices in active markets for identical assets or liabilities.
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset or liability's 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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

During the years ended December 31, 2017 and 2016, there were no transfers of financial instruments between Levels 1, 2, or 3.

Mutual funds and equity securities – valued at quoted market prices for identical assets and are classified within Level 1.

U.S. government and agency securities – valued using quoted prices in active markets for identical assets when available. Where quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of investments with similar characteristics, or discounted cash flows. Inputs used include broker/dealer quotes and other data which are obtained from independent pricing services. These investments are classified within Level 2.

Beneficial interest in assets held by community foundations – measured at fair value using Level 3 inputs. Since OCCF and CFO maintain variance power for the beneficial interests held, there is no potential market for the beneficial interests or similar assets. Consequently, the valuation is determined by aggregating the valuation of the underlying investments of the beneficial interest as reported by OCCF and CFO. These are considered Level 3 measurements.

The following table sets forth, by level within the fair value hierarchy, the Foundation's assets measured at fair value on a recurring basis:

	Year ended December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 485,795	\$ -	\$ -	\$ 485,795
Equity securities	171,428	-	-	171,428
U.S. government and agency securities	-	416,187	-	416,187
Total investments	657,223	416,187	-	1,073,410
Beneficial interest in assets held by community foundations	-	-	816,104	816,104
	<u>\$ 657,223</u>	<u>\$ 416,187</u>	<u>\$ 816,104</u>	<u>\$ 1,889,514</u>
	Year ended December 31, 2016			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 388,535	\$ -	\$ -	\$ 388,535
U.S. government and agency securities	-	575,963	-	575,963
Total investments	388,535	575,963	-	964,498
Beneficial interest in assets held by community foundations	-	-	172,741	172,741
	<u>\$ 388,535</u>	<u>\$ 575,963</u>	<u>\$ 172,741</u>	<u>\$ 1,137,239</u>

The following table summarizes the changes in the fair value of the Foundation's Level 3 financial assets for the years ended December 31:

	Beneficial Interest in Assets Held by OCCF and CFO	
	2017	2016
Balance, beginning of year	\$ 172,741	\$ 122,678
Net investment performance	51,008	8,599
Contributions	600,000	45,000
Distributions	(7,645)	(3,536)
Balance, end of year	<u>\$ 816,104</u>	<u>\$ 172,741</u>

The summary of changes in fair value of Level 3 assets has been prepared to reflect the activity in the same categories as those provided to the Foundation by OCCF and CFO. Net investment performance includes realized and unrealized gains (losses) on investments, investment income, and administration fees. Distributions from OCCF and CFO decrease the Foundation's beneficial interest and increase cash at the

time of distribution. The change in value is included in net unrealized/realized gain on investments in the statement of activities.

Note 6 – Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31:

	2017	2016
Field construction	\$ 345,437	\$ -
Administrative overhead	328,559	461,500
Athletic field maintenance*	274,038	851,142
Middle school programs or construction	-	150,000
Southwest High School athletic complex	150,000	-
Court construction	148,090	-
Special event and other sponsorships	116,200	17,500
Northwest Classen High School athletic complex	-	132,500
Northwest Classen High School tennis courts	85,000	85,000
Track and field programs	55,576	24,955
Development and fundraising	50,000	-
Other program support	9,000	9,000
U.S. Grant High School athletic complex	7,242	-
Gifts for endowment	1,000	1,000
Oklahoma City Public Schools spring awards banquet	-	10,000
Oklahoma City Public Schools coaching clinics	-	1,500
	<hr/>	<hr/>
Restricted by donor for specific purpose	1,570,142	1,744,097
Time restricted pledges	409,762	495,260
	<hr/>	<hr/>
Total temporarily restricted net assets	<u>\$ 1,979,904</u>	<u>\$ 2,239,357</u>

* Contribution restricted for field maintenance and minor repairs at completed athletic complexes, or to be transferred to permanent endowments held by community foundations for the benefit of the Foundation (see Note 4).

Permanently restricted net assets of \$816,104 and \$172,741, respectively, as of December 31, 2017 and 2016, consist of funds held at OCCF and CFO to support athletic field maintenance and general operations.

Note 7 – Related Party Transactions

The Foundation receives various pledges and contributions from related parties, which include transactions with a board member and family members of a board member, as well as an entity partially owned by a board member. As of and for the years ended December 31, 2017 and 2016, pledges receivable included \$230,022 and \$645,000, respectively, from these related parties. Contributions include approximately \$981,000 and \$218,000, respectively, from these related parties. The Deputy Director has an ownership interest in a company that provides advertising services to the Foundation. Payments to this company were approximately \$81,000 and \$77,000 for the years ended December 31, 2017 and 2016, respectively.