

Certified Public Accountants
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To the Board of Directors
Norman Community Foundation
Norman, Oklahoma

We have compiled the accompanying statement of financial position of **Norman Community Foundation** (the Foundation) (a nonprofit corporation) as of June 30, 2008, and the related statements of activities and changes in net assets and cash flows for the year then ended. In accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



January 12, 2009
Norman, Oklahoma

Norman Community Foundation
Statement of Financial Position
June 30, 2008

Assets

Cash and cash equivalents	\$ 12,229
Investments	<u>172,043</u>
Total Assets	<u><u>\$ 184,272</u></u>

Net Assets

Unrestricted Nets Assets	<u>\$ 184,272</u>
Total Net Assets	<u><u>\$ 184,272</u></u>

See accompanying notes and accountant's report.

Norman Community Foundation
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2008

Revenues

Receipt from other funds	\$ 513
Investment (loss)	(10,484)
	<u>(9,971)</u>

Operating Expenses

Administrative fees	2,143
Dues and subscriptions	100
Grants to other organizations	4,600
Insurance	1,423
Legal and accounting fees	1,500
Miscellaneous	148
Postage	52
Printing	1,058
Public relations/promotion	2,140
Telecommunications	353
	<u>13,517</u>

Change in net assets (23,488)

Net assets, beginning of year 207760

Net assets, end of year \$ 184,272

See accompanying notes and accountant's report.

**Norman Community Foundation
Statement of Cash Flows
For the Year Ended June 30, 2008**

Cash flows from Operating Activities	
Change in net assets	\$ (23,488)
Adjustments to reconcile net income(loss) to net cash provided (used) by operating activities:	
Unrealized gain/loss on investments	23,690
Gain/loss realized on sale of securities	(6,617)
	<hr/>
Net cash used by Operating Activities	<u>(6,415)</u>
Cash flows from Investing Activities	
Proceeds from sale of securities	<u>10,384</u>
Net cash provided by Investing Activities	<u>10,384</u>
Net increase in cash and cash equivalents	3,969
Cash and cash equivalents at beginning of year	<u>8,260</u>
Cash and cash equivalents at end of year	<u><u>\$ 12,229</u></u>

See accompanying notes and accountant's report.

Norman Community Foundation
Notes to Financial Statements
June 30, 2008

Note 1 – Summary of Significant Accounting Policies:

Organization

Norman Community Foundation (the Foundation) was incorporated as a non-profit organization on July 27, 1995, under the laws provided by the State of Oklahoma. The purpose of the Foundation is to enhance the quality of life in the community of Norman, Oklahoma by accumulating, administering, and funds to further charitable, scientific, literary, and educational purposes.

The Foundation entered into an agreement with the Communities Foundation of Oklahoma (CFO) on January 1, 2006 to provide operational, investment, and development support. CFO was engaged to assist the Foundation in fulfilling their commitment to the Norman community. All investments were transferred to CFO's investment pool. The Foundation Board and CFO Trustees work together to meet the expectations and needs for each entity. Final authority in all administrative, grant making, and fiduciary responsibilities lies with the CFO Board of Trustees. However, if Norman Community Foundation chooses to terminate their relationship with CFO, all funds administered by Norman Community Foundation and any affiliated funds which also elect, may transfer fund balances, without penalty, to a separate charitable organization, with the exception of matching funds provided by CFO. These matching funds will be retained by CFO.

Basis of Accounting

The financial statements of Norman Community Foundation have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The Foundation's financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statements of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, No. 117, *Financial Statements of Not-For-Profit Organizations* and No. 136, *Transfers of Assets to a Not-For-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*.

Norman Community Foundation
Notes to Financial Statements
June 30, 2008

Note 1 – Summary of Significant Accounting Policies(continued):

Basis of Presentation(continued)

Under SFAS No. 116 and 117, the Foundation is required to report 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.

Contributions received are reported as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose of 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. The standards also provide that if the governing body of the receiving organization has the right to remove a donor restriction, the contributions should be classified as unrestricted net assets. Norman Community Foundation receives contributions from donors with advice regarding distribution of the assets and the earnings. The Foundation attempts to meet the desires expressed by the donors at the time of the contribution; however, the Foundation reserves the right to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose of or to specified organizations if, in the sole judgment of the foundation's Board of Directors, such restrictions or conditions become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. Accordingly, the financial statements classify all donor-advised funds as unrestricted.

SFAS No. 136 requires the Foundation to account for assets that are transferred by a not-for-profit organization for the benefit of that donor or one of its affiliated organizations as a liability to the specified beneficiary concurrent with its recognition of the assets received. All assets of this type and the activity associated with those assets are reported as agency transfers subject to SFAS No. 136 in the financial statements.

Income Tax Status

The Foundation has been granted an exemption from income taxes under the Internal Revenue Code, Section 501(c) (3) and is not a private foundation within the meaning of Section 509(a).

Norman Community Foundation
Notes to Financial Statements
June 30, 2008

Note 1 – Summary of Significant Accounting Policies(continued):

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. There were no cash equivalents for the year ending June 30, 2008.

Investments

CFO investments are held under a master custodial arrangement by a bank trust department. The Foundation receives its proportionate share of income and realized and unrealized capital gains and losses. Securities and other investments are reported at fair value in the accompanying financial statements. Fair values are based on quoted market prices, if available, or the best estimate fair value determined by CFO. Realized gains and losses on sales of securities are computed on the specific identification method.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 – Investments:

At June 30, 2008, investments held by CFO consisted of common stocks and mutual funds \$172,043, stated at fair value.

Investment income (loss) is summarized as follows:

Interest	\$ 474
Dividends	6,115
Net realized gains and losses	6,617
Net unrealized gains and losses	<u>(23,690)</u>
	(10,484)
Investment income allocated to assets held for others	-
Total	<u>\$ (10,484)</u>

**Norman Community Foundation
Notes to Financial Statements
June 30, 2008**

Note 3 – Individual Fund Balances:

At June 30, 2008 individual fund balances consisted of the following:

Norman Community Foundation Administrative Endowment Liability	\$ 165,519
Norman Community Foundation Administrative Operating Fund	7,447
Norman Community Foundation The Norman Fund	<u>11,306</u>
Total	<u>\$ 184,272</u>