

Oklahoma Institute for Child Advocacy
Oklahoma City, Oklahoma

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended December 31, 2018

SAUNDERS & ASSOCIATES, PLLC
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OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Oklahoma Institute for Child Advocacy

We have audited the accompanying financial statements of Oklahoma Institute for Child Advocacy (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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 Institute for Child Advocacy as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Oklahoma Institute for Child Advocacy's 2017 financial statements, and our report dated September 28, 2018 expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Saunders & Associates, PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

December 18, 2019

FINANCIAL STATEMENTS

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

STATEMENT OF FINANCIAL POSITION

December 31, 2018
(With Comparative Totals as of December 31, 2017)

	2018	2017
ASSETS		
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 152,523	\$ 366,285
Accounts Receivable	31,194	26,392
Prepaid Expenses	7,017	11,732
Total Current Assets	190,734	404,409
<u>Property and Equipment:</u>		
Computers and Software	35,275	35,275
Less Accumulated Depreciation	(35,275)	(35,275)
Net Property and Equipment	0	0
TOTAL ASSETS	\$ 190,734	\$ 404,409
 LIABILITIES AND NET ASSETS		
<u>Current Liabilities:</u>		
Accounts Payable	\$ 11,002	\$ 127,091
Accrued Expenses	(1,691)	10,803
Accrued Annual Leave	0	4,368
Total Current Liabilities	9,311	142,262
<u>Net Assets:</u>		
Without Donor Restrictions	181,423	232,104
With Donor Restrictions	0	30,043
Total Net Assets	181,423	262,147
TOTAL LIABILITIES AND NET ASSETS	\$ 190,734	\$ 404,409

* The accompanying notes are an integral part of the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

STATEMENT OF ACTIVITIES

December 31, 2018
(With Comparative Totals as of December 31, 2017)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2018</u>	<u>Total 2,017</u>
<u>SUPPORT AND REVENUE</u>				
Federal Grants	\$ 0	\$ 0	\$ 0	\$ 346,830
State/ County Grants	0	0	0	14,269
Contributions	386,681	0	386,681	370,739
Program Service Fees	0	0	0	5,703
Interest	1,275	0	1,275	1,673
Other	8,503	0	8,503	7,486
Inkind Contributions	645	0	645	943
Net Assets Released From Restrictions:				
Satisfaction of Program Requirements:				
Advocacy	20,043	(20,043)	0	0
OK Lead	10,000	(10,000)	0	0
	<u>427,147</u>	<u>(30,043)</u>	<u>397,104</u>	<u>747,643</u>
Total Support And Revenue				
<u>EXPENSES AND LOSSES</u>				
Program Services:				
Policy/Advocacy	124,295	0	124,295	47,727
Kids Count/Advocacy	2,834	0	2,834	188,437
Power Through Choices	211	0	211	400,398
Teen Pregnancy Prevention	0	0	0	6,934
Fall Forum	4,929	0	4,929	0
FLUX Party	3,058	0	3,058	0
OK Lead	10,100	0	10,100	0
OK Foster Wishes	22,389	0	22,389	0
Advocacy Day	4,028	0	4,028	0
	<u>171,844</u>	<u>0</u>	<u>171,844</u>	<u>643,496</u>
Total Program Services				
Support Services:				
General and Administrative	113,021	0	113,021	140,425
Fundraising	192,963	0	192,963	172,350
	<u>305,984</u>	<u>0</u>	<u>305,984</u>	<u>312,775</u>
Total Support Services				
Total Expenses and Losses	<u>477,828</u>	<u>0</u>	<u>477,828</u>	<u>956,271</u>
Change in Net Assets	(50,681)	(30,043)	(80,724)	(208,628)
Net Assets, Beginning of Year	<u>232,104</u>	<u>30,043</u>	<u>262,147</u>	<u>470,775</u>
NET ASSETS, END OF YEAR	<u>\$ 181,423</u>	<u>\$ 0</u>	<u>\$ 181,423</u>	<u>\$ 262,147</u>

* The accompanying notes are an integral part of the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	Program Services									
	Policy/ Advocacy	Kids Count/ Advocacy	Power Through Choices	Pregnancy Prevention	Fall Forum	FLUX Party	OK Lead	OK Foster Wishes		
EXPENSES										
Salaries & Wages	\$ 55,216	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,729	\$ 0		
Retirement	0	0	0	0	0	0	0	0		
Employee Benefits	3,555	0	1,284	0	0	0	0	0		
Payroll Taxes	4,183	0	0	0	0	0	0	0		
Professional Fees	32,681	3,258	0	0	0	0	1,234	2,530		
Advertising & Promotion	915	0	0	0	0	0	0	822		
Office Expenses	13,387	0	0	0	247	0	2,329	177		
Information Technology	0	0	0	0	0	0	0	264		
Occupancy	9,546	(444)	0	0	0	0	0	432		
Travel	1,884	20	(358)	0	846	52	14	107		
Conferences/Meetings/Training	336	0	0	0	1,775	3,006	2,030	2,466		
Interest	0	0	0	0	0	0	0	0		
Depreciation	0	0	0	0	0	0	0	0		
Insurance	2,592	0	0	0	0	0	0	36		
Fundraising Events	0	0	0	0	0	0	0	0		
Other Expenses	0	0	(715)	0	0	0	300	29		
Program-Related Expenses	0	0	0	0	2,061	0	464	15,526		
Inkind Expenses	0	0	0	0	0	0	0	0		
TOTAL EXPENSES - 2018	\$ 124,295	\$ 2,834	\$ 211	\$ 0	\$ 4,929	\$ 3,058	\$ 10,100	\$ 22,389		
TOTAL EXPENSES - 2017	\$ 47,727	\$ 188,437	\$ 711,954	\$ 6,934	\$ 400,398	\$ 6,934	\$ 0	\$ 0		

* The accompanying notes are an integral part of the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	Supporting Services					Total 2017		
	Program Services	Advocacy Day	Total Programs	General & Administrative	Fundraising		Total 2018	
EXPENSES	\$	0	\$ 58,945	\$ 28,420	\$ 74,946	\$ 103,366	\$ 162,311	\$ 462,781
Salaries & Wages	0	0	0	0	0	0	0	5,037
Retirement	0	0	0	0	0	0	0	58,260
Employee Benefits	0	4,839	4,839	2,531	9,988	12,519	17,358	33,811
Payroll Taxes	0	4,183	4,183	2,384	5,505	7,889	12,072	141,670
Professional Fees	0	39,703	39,703	44,721	27,724	72,445	112,148	6,592
Advertising & Promotion	0	1,737	1,737	110	807	917	2,654	52,780
Office Expenses	0	16,140	16,140	8,957	25,480	34,437	50,577	10,205
Information Technology	0	264	264	2,268	743	3,011	3,275	40,674
Occupancy	0	9,534	9,534	10,742	8,597	19,339	28,873	31,809
Travel	6	2,571	2,571	3,126	1,148	4,274	6,845	19,077
Conferences/Meetings	4,022	13,635	13,635	5,291	27,368	32,659	46,294	257
Interest	0	0	0	470	0	470	470	2,183
Depreciation	0	0	0	0	0	0	0	7,332
Insurance	0	2,628	2,628	3,308	2,592	5,900	8,528	61,521
Fundraising Events	0	0	0	0	6,034	6,034	6,034	2,545
Other Expenses	0	(386)	(386)	730	2,001	2,731	2,345	18,794
Program-Related Expenses	0	18,051	18,051	(37)	30	(7)	0	943
Inkind Expenses	0	0	0	0	0	0	0	
TOTAL EXPENSES - 2018	\$	4,028	\$ 171,844	\$ 113,021	\$ 192,963	\$ 305,984	\$ 477,828	
TOTAL EXPENSES - 2017	\$	0	\$ 643,496	\$ 140,425	\$ 172,350	\$ 312,775	\$ 956,271	

* The accompanying notes are an integral part of the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	<u>2,018</u>	<u>2017</u>
<u>Cash Flows From Operating Activities</u>		
Change in Net Assets	\$ (80,724)	\$ (208,628)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	0	2,183
(Increase) Decrease in Pledges Receivable	0	800
(Increase) Decrease in Accounts Receivable	(4,802)	38,166
(Increase) Decrease in Prepaid Expenses	4,715	(709)
Increase (Decrease) in Accounts Payable	(116,089)	121,076
Increase (Decrease) in Accrued Expenses	(12,494)	(67,681)
Increase (Decrease) in Accrued Leave	<u>(4,368)</u>	<u>(366)</u>
Net Cash Provided (Used) by Operating Activities	<u>(213,762)</u>	<u>(115,159)</u>
<u>Cash Flows From Investing Activities</u>		
Purchases of Property and Equipment	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Investing Activities	<u>0</u>	<u>0</u>
<u>Cash Flows From Financing Activities</u>		
Net Cash Provided (Used) by Financing Activities	<u>0</u>	<u>0</u>
Net Increase (Decrease) in Cash	(213,762)	(115,159)
Cash at Beginning of Year	<u>366,285</u>	<u>481,444</u>
CASH AT END OF YEAR	<u>\$ 152,523</u>	<u>\$ 366,285</u>

* The accompanying notes are an integral part of the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 1: ORGANIZATION MISSION AND NATURE OF ACTIVITIES

The Oklahoma Institute for Child Advocacy (OICA) was organized in 1983 as a not-for-profit corporation for children in Oklahoma. The Organization's mission is to create awareness, take action, and change policy on behalf of children and youth. The Organization affirms the value and vulnerability of children and youth by raising awareness of their needs, and by promoting public policies, programs and preventive strategies to ensure that they reach their full potential.

Advocacy – Advocacy efforts seek to ensure that the needs of children and youth are a priority in local and state policy and budgetary decision making.

Program Activities:

Oklahoma KIDS COUNT – OICA has a partnership with the National KIDS COUNT Data Center to provide state, county and other data on a wide array of indicators related to child well-being in Oklahoma; preparation of reports, factsheets and other educational materials.

Policy Education – OICA works with issue coalitions and child advocates to provide awareness, education and training activities that support policy changes to improve the health, education, safety and well-being of Oklahoma's children.

Youth Initiatives – OICA's Youth Initiative projects works to promote key data, research "best practice" strategies, program resources and collaborative efforts that will help expand programs and policies to address the needs of youth more effectively and link prevention with positive youth development from an assets-based approach.

Program Activities – The most significant program activities include:

Power Through Choices Project – Multi-state research project to implement, evaluate and disseminate a model pregnancy and STI prevention program developed to address the unique needs of adolescents in foster care and other out-of-home care settings.

Fall Forum – An annual conference for professionals, community advocates, and interested individuals and organizations who serve Oklahoma's children and youth.

OK Foster Wishes – OICA coordinates with OKDHS to receive Foster Children's holiday wish lists from all over the state. We then partner with the community to distribute the wish lists through businesses, organizations, and individuals as a direct gift to a child in custody.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Pronouncement – On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*, the OICA has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of the Organization's financial statements.

- The temporarily restricted and permanently restricted net assets have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a new disclosure about liquidity and availability of resources (Note 2).

The changes have the following effect on net assets at December 31, 2017.

	<u>As Originally Presented</u>	<u>After Adoption of ASU 2016-14</u>
<u>Net Asset Class</u>		
Unrestricted	\$ 182,035	\$ 0
Temporarily Restricted	80,112	0
Permanently Restricted	0	0
Net Assets Without Donor Restrictions	0	232,104
Net Assets With Donor Restrictions	<u>0</u>	<u>30,043</u>
 Total Net Assets	 <u>\$ 262,147</u>	 <u>\$ 262,147</u>

Basis of Accounting – Financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, as opposed to when cash is received, and expenses are recorded when the liability is incurred rather than when cash is paid.

Basis of Presentation – The OICA's financial statement presentation follows the Financial Accounting Standards Board ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, net assets of the OICA and changes therein are classified and reported as follows:

- Net assets with donor restrictions – net assets subject to donor imposed restrictions
- Net assets without donor restrictions – net assets not subject to donor-imposed restrictions

Recognition of Donor Restrictions – Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of the passage of time or other events specified by donors.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Cash and Cash Equivalents – For purposes of the statement of cash flows, cash and cash equivalents include bank accounts and investments readily convertible to cash. At December 31, 2018, cash and cash equivalents consisted of demand deposits, all of which were fully insured by FDIC.

<u>Category</u>	<u>Balance Per Bank</u>
1) Insured or collateralized with securities held by the organization or by its agent in the organization's name.	\$ 157,576
2) Collateralized with securities held by the pledging financial institution's trust department.	0
3) Uncollateralized	0
TOTAL	<u>\$ 157,576</u>

Property and Equipment – Property and equipment are recorded at cost for purchased items, or fair value at the date of receipt for donated items when the asset has a useful life greater than one year and, generally, a cost of more than \$1,000. Depreciation is provided on a straight-line basis over a three to seven year period that estimates its useful life. At December 31, 2018, all assets owned by OICA were fully depreciated.

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.

Income Taxes and Uncertain Tax Positions

Income Tax Status – The Organization is a not-for-profit corporation exempt from income taxes on income related to its exempt purpose under Section 501(c)(3) of the *Internal Revenue Code* and is subject to a tax on income from any unrelated business, as defined by Section 509(a)(1) of the Code. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

OICA has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examinations by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows. Furthermore, the organization is subject to routine audits by federal and state taxing authorities. Federal and state tax statutes stipulate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, there are no open examinations with the Internal Revenue Service or the Oklahoma Tax Commission.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

OICA has made the election for lobbying expenses as allowed by section 501(h) of the Code. The Organization expended \$24,000 for lobbying activities in the current fiscal year, which is included in professional fees in the accompanying statement of functional expenses.

Support, Revenue and Contributions – In 2018, OICA received grants and contract support from private foundations and corporations. Grants and Contributions received are recorded as revenue at their estimated fair values on the date of receipt or upon satisfaction of any grantor or donor restrictions and are reflected as grants and contributions in the accompanying financial statements. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future period or restricted by the donor for specific purposes are reported as *net assets with donor restrictions*. When a restriction expires, net assets with donor restrictions are reclassified to *without donor restrictions* and reported in the statement of activities as net assets released from restrictions. OICA received no donor restricted support in 2018.

Comparative information – The financial statements include certain 2017 comparative information with respect to the statement of activities, such prior information is not presented by net asset class. In the statement of functional expenses, 2017 expenses by object are presented in total rather than by function category. Accordingly, such information should be read in conjunction with OICA's financial statements for the year ended December 31, 2017 from which the summarized information was derived.

NOTE 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects OICA's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions or board mandated restriction within one year of the statement of financial position date. Donor-restricted resources are available to support general expenditures to the extent that restrictions on those resources will be met by conducting the normal activities of OICA's programs in the coming year.

Financial assets at year end	\$ 183,717
Less those unavailable for general expenditures within one year	
Restricted for Program Services	0
Designated by Management	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>183,717</u>

As part of OICA's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically, money market funds.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 4: ACCOUNTS RECEIVABLE

As of December 31, 2018, account receivables of \$31,194 were composed of billings on fees and commitments related to fundraising. Receivables are stated at the amount billed or contribution to be received. Accounts deemed uncollectible are directly written off. All balances are deemed collectible by management at year end.

NOTE 5: PROPERTY AND EQUIPMENT

	<u>Balance</u> <u>12/31/17</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/18</u>
Property and Equipment				
Computers and Software	\$ 35,274	\$ 0	\$ 0	\$ 35,274
Total	35,274	0	0	35,274
Accumulated Depreciation	(35,274)	\$ 0	\$ 0	(35,274)
Net Property and Equipment	\$ 0			\$ 0

All assets are fully depreciated at December 31, 2018.

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Net assets with donor restrictions are available for the following programs as of December 31:

	<u>2018</u>	<u>2017</u>
OK Leads	\$ 0	\$ 10,000
Advocacy	0	20,043
Total Net Assets with Donor Restrictions	\$ 0	\$ 30,043

NOTE 7 RETIREMENT PLAN

OICA offers a Simple IRA retirement plan for eligible regular full-time and regular part-time employees. The employer matches the employee's contribution up to 3% of gross pay. During the year ended December 31, 2018. No contributions were withheld from employees' paychecks; therefore, no matching payments were made. OICA is in the process of calculating amounts that should have been withheld, as well as the corresponding match amount that needs to be remitted. No accrual has been recorded as the amount is unknown at this time. Management is of the opinion that the total would not be material to the financial statements.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 8: CAFETERIA PLAN

OICA offers a variety of pretax and after tax payroll deductions to eligible regular full-time and part-time employees. All of these contributions are entirely voluntary and are at the employee's expense. These benefits include various offerings from an independent insurance provider for accident and disability insurance and flexible spending accounts. Optional health, dental, and life insurance coverage for dependents is available.

NOTE 9: FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Personnel costs are distributed based on time sheet records and estimates of time worked on specific projects. All other costs which cannot be specifically identified to a project are allocated based on an estimate of benefit to the program class.

NOTE 10: LEASE COMMITMENTS

In November of 2018, OICA entered into a 36-month lease agreement for office space. Under the terms of the lease, monthly lease payments equal \$2,093 the first year; \$2,133 the second year; and \$2,174 the third year. Current year lease expense under this lease totaled \$25,193.

Total rent expense relating to the facilities was \$28,366 for the year and is included in occupancy expense in the statement of functional expenses.

OICA signed a five-year lease agreement on a Ricoh Kyocera copier in November 2017, for which monthly payments are \$695. The future minimum lease payments under the agreement are as follows:

<u>Year Ending December 31,</u>	
2019	\$ 8,339
2020	8,339
2021	8,339
2022	<u>6,949</u>
Total	\$ <u>31,966</u>

Lease expense relating to the office equipment was \$7,260 for the year and is included in office supplies expense in the statement of functional expenses.

OKLAHOMA INSTITUTE FOR CHILD ADVOCACY
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

NOTE 11: ACCRUED ANNUAL LEAVE

Accrued leave is awarded to regular full-time and part-time employees annually on January 1. Ten days of leave is granted for employees with one through five years of service and 15 days for those with at least six years of service for full-time employees. The same schedule is pro-rated by the number of hours worked for part-time employees. A maximum of two weeks of awarded vacation may be carried forward into the following year and only by approved request. Terminating employees are not compensated for vacation awarded but not taken. The balance of accrued annual leave at December 31, 2017 was \$4,368. In 2018, OICA stopped recording this liability as employees are not paid for unused leave upon termination.

NOTE 12: SUBSEQUENT EVENTS

Management of Oklahoma Institute for Child Advocacy has evaluated subsequent events through December 18, 2019, which is the date the financial statements were available to be issued.