

CHARITABLE VENTURES
OF
ORANGE COUNTY
(a nonprofit corporation)
FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

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Patrick S. Guzman, C.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Charitable Ventures of
Orange County

We have audited the accompanying financial statements of Charitable Ventures of Orange County (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and changes in net assets, cash flows, and functional expenses 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.

Auditors' 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 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 auditors' 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Auditors' Responsibility (Continued)

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 Charitable Ventures of Orange County 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.



GUZMAN & GRAY
Long Beach, CA
June 28, 2019

CHARITABLE VENTURES OF ORANGE COUNTY
(a nonprofit corporation)
STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2018 AND 2017

ASSETS

	December 31,	
	2018	2017
CURRENT ASSETS		
Cash	\$ 3,240,139	\$ 2,654,599
Contracts and grants receivable	312,011	297,789
Pledges receivable	3,208	9,852
Deposits	26,301	14,668
Donor advised fund	28,552	-
Other	2,500	-
	<u>3,612,711</u>	<u>2,976,908</u>
PROPERTIES AND EQUIPMENT,		
Net of \$7,173 of accumulated depreciation	<u>17,305</u>	<u>12,205</u>
TOTAL ASSETS	<u>\$ 3,630,016</u>	<u>\$ 2,989,113</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 128,508	\$ 86,993
Accrued expenses	256,955	161,228
Grant advance	1,817,904	1,692,848
	<u>2,203,367</u>	<u>1,941,069</u>
TOTAL LIABILITIES	<u>2,203,367</u>	<u>1,941,069</u>
NET ASSETS		
Without Donor Restrictions	267,322	83,423
With Donor Restrictions	1,159,327	964,621
	<u>1,426,649</u>	<u>1,048,044</u>
TOTAL NET ASSETS	<u>1,426,649</u>	<u>1,048,044</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,630,016</u>	<u>\$ 2,989,113</u>

See Independent Auditors' Report and Accompanying Notes to Financial Statements

CHARITABLE VENTURES OF ORANGE COUNTRY
(a nonprofit corporation)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
SUPPORT AND REVENUES			
Contributions	\$ 780	\$ 364,745	\$ 365,525
Contract	592,880	477,969	1,070,849
Program	7,501	948,344	955,845
Grants	93,248	4,427,743	4,520,991
Membership		159,083	159,083
Special events, net of direct donor benefits worth \$182,855		264,070	264,070
In-kind contributions	1,705	38,733	40,438
Investment, net	57	(1,983)	(1,926)
	696,171	6,678,704	7,374,875
NET ASSETS RELEASED FROM RESTRICTIONS	6,483,998	(6,483,998)	
TOTAL SUPPORT AND REVENUES	7,180,169	194,706	7,374,875
EXPENSES			
Program	5,786,005		5,786,005
General and administrative	1,108,811		1,108,811
Fundraising	101,454		101,454
TOTAL EXPENSES	6,996,270		6,996,270
CHANGE IN NET ASSETS	183,899	194,706	378,605
BEGINNING NET ASSETS	83,423	964,621	1,048,044
ENDING NET ASSETS	\$ 267,322	\$ 1,159,327	\$ 1,426,649

See Independent Auditors' Report and Accompanying Notes to Financial Statements

CHARITABLE VENTURES OF ORANGE COUNTRY
(a nonprofit corporation)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Without Donor Restriction	With Donor Restriction	Total
SUPPORT AND REVENUES			
Contributions	\$ 2,062	\$ 258,588	\$ 260,650
Contract		68,250	68,250
Program	364,241	851,639	1,215,880
Grants	57,703	3,345,105	3,402,808
Membership		164,628	164,628
Special events, net of direct donor benefits worth \$114,988		370,307	370,307
In-kind contributions	43,340	905	44,245
Other	18	1,134	1,152
	467,364	5,060,556	5,527,920
NET ASSETS RELEASED FROM RESTRICTIONS	4,860,131	(4,860,131)	
TOTAL SUPPORT AND REVENUES	5,327,495	200,425	5,527,920
EXPENSES			
Program	4,380,516		4,380,516
General and administrative	866,155		866,155
Fundraising	80,603		80,603
TOTAL EXPENSES	5,327,274		5,327,274
CHANGE IN NET ASSETS	221	200,425	200,646
BEGINNING NET ASSETS	83,202	764,196	847,398
ENDING NET ASSETS	\$ 83,423	\$ 964,621	\$ 1,048,044

See Independent Auditors' Report and Accompanying Notes to Financial Statements

CHARITABLE VENTURES OF ORANGE COUNTY
(a nonprofit corporation)
STATEMENTS OF CASH FLOW

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	December 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 378,605	\$ 200,646
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	4,732	2,441
Realized (gains) or losses reinvested	(47)	
Unrealized (gains) or losses	2,408	
(Increase) decrease in contracts and grants receivables	(14,222)	(159,878)
(Increase) decrease in pledges receivables	6,644	54,264
(Increase) decrease in deposits	(11,633)	4,237
(Increase) decrease in other assets	(2,500)	
Increase (decrease) in payables	41,515	4,349
Increase (decrease) in accrued expenses	95,727	54,013
Increase (decrease) in grant advance	125,056	347,053
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	626,285	507,125
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(9,831)	(14,646)
Purchase of investments	(30,914)	
NET CASH (USED) BY OPERATING ACTIVITIES	(40,745)	(14,646)
NET INCREASE (DECREASE) IN CASH	585,540	492,479
BEGINNING CASH	2,654,599	2,162,120
ENDING CASH	\$ 3,240,139	\$2,654,599
 <u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</u>		
INTEREST PAID	NONE	NONE
TAXES PAID	NONE	NONE

See Independent Auditors' Report and Accompanying Notes to Financial Statement

CHARITABLE VENTURES OF ORANGE COUNTY
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Accounting		\$ 11,900		\$ 11,900
Advertising	\$ 13,306		\$ 4,167	17,473
Bank charges		3,914		3,914
Conferences, convention, and meetings	42,244			42,244
Depreciation		4,732		4,732
Donations, pledges, and scholarships	671,791			671,791
Dues and subscriptions		2,340		2,340
Employee benefits	176,774	18,607		195,381
Equipment and equipment repair	89,298	1,375		90,673
Event expenses			182,855	182,855
Fiscal sponsorship		593,120		593,120
Incentives and rewards	14,260			14,260
In-kind goods and services	11,475		26,463	37,938
Insurance		46,366		46,366
Payroll tax	235,665	21,496		257,161
Postage and shipping		966		966
Printing	15,237	3,361	11,164	29,762
Professional services	633,703	51,313	55,218	740,234
Program	254,856			254,856
Promotional products	8,193			8,193
Rent and leases	657,913	28,770		686,683
Salaries	2,731,981	278,657		3,010,638
Supplies	98,582	4,725		103,307
Tax and licenses		338		338
Telephone	12,657	26,729		39,386
Training	26,385			26,385
Travel, meals, and entertainment	48,641	2,145		50,786
Utilities	20,777			20,777
Website	22,046			22,046
Other	221	7,957	4,442	12,620
Total expenses with direct donor benefits	<u>5,786,005</u>	<u>1,108,811</u>	<u>284,309</u>	<u>7,179,125</u>
Less: Direct donor benefits	<u>-</u>	<u>-</u>	<u>182,855</u>	<u>182,855</u>
Total expenses net of direct donor benefits	<u>\$ 5,786,005</u>	<u>\$ 1,108,811</u>	<u>\$ 101,454</u>	<u>\$ 6,996,270</u>

CHARITABLE VENTURES OF ORANGE COUNTY
(a nonprofit corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Accounting		\$ 13,496		\$ 13,496
Advertising	\$ 29,949		\$ 4,479	34,428
Bank charges		2,109		2,109
Conferences, convention, and meetings	32,924			32,924
Depreciation		2,441		2,441
Donations, pledges, and scholarships	629,982			629,982
Dues and subscriptions		1,042		1,042
Employee benefits	109,355	11,258		120,613
Equipment and equipment repair	24,401	2,624		27,025
Event expenses			114,988	114,988
Fiscal sponsorship		355,978		355,978
Incentives and rewards	29,519			29,519
In-kind services	44,245			44,245
Insurance		38,490		38,490
Payroll tax	253,671	15,885		269,556
Postage and shipping		1,532		1,532
Printing	18,411	2,042	5,508	25,961
Professional services	577,323	139,011	65,171	781,505
Program	196,132			196,132
Promotional products	4,552			4,552
Rent and leases	477,018	21,220		498,238
Salaries	1,812,160	213,793		2,025,953
Supplies	60,903	7,004		67,907
Tax and licenses		1,224		1,224
Telephone	10,201	21,254		31,455
Training	28,992			28,992
Travel, meals, and entertainment	21,425	3,422		24,847
Utilities	9,817			9,817
Website	9,536			9,536
Other		12,330	5,445	17,775
Total expenses with direct donor benefits	<u>4,380,516</u>	<u>866,155</u>	<u>195,591</u>	<u>5,442,262</u>
Less: Direct donor benefits	<u>-</u>	<u>-</u>	<u>114,988</u>	<u>114,988</u>
Total expenses net of direct donor benefits	<u>\$ 4,380,516</u>	<u>\$ 866,155</u>	<u>\$ 80,603</u>	<u>\$ 5,327,274</u>

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Charitable Ventures of Orange County, Inc. (the "Organization") was incorporated May 2007 as a California nonprofit corporation. The Organization enables nonprofit groups to effectively build capacity by providing a comprehensive array of business services, including fiscal sponsorship, accounting, strategic planning, marketing, and training. The Organization's facilities are located in Orange County, California.

Basis of Presentation

The accompanying financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenue, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets are classified and reported as:

Without Donor Restrictions – Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

With Donor Restrictions – Those resources subject to donor-imposed restrictions that will be satisfied by action of the Organization or by the passage of time.

The Organization has elected to present contributions with donor restrictions that are fulfilled in the same period within the net assets without donor restrictions class.

Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Cash and Cash Equivalents

All highly-liquid debt instruments purchased with original maturities of three months or less are considered to be cash equivalents.

Receivables

Receivables are recorded when collectability is reasonably assured.

No allowance for uncollectable amounts has been established as management believes the total receivables to be fully collectible.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Properties and equipment are purchased and capitalized at cost. Donated properties and equipment are capitalized at fair market value on the date of the gift. Property and equipment is being depreciated using the straight-line method over its estimated useful life as follows:

Leasehold improvements	39 years
Land improvements	39 years
Furniture and equipment	5 years
Vehicles	5 years

Grant Advance

The Organization received an advance to reimburse program specific expenses. Grant advance liability will be reduced as proper expenses are incurred during operations.

Donated Services and Materials

The contribution of services shall be recognized if the services received require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services that do not meet the criteria shall not be recognized. Donated materials and assets are recorded at fair market value at the date of the gift.

For the years ended December 31, 2018 and 2017, the Organization recognized donated goods and services of \$40,438 and \$44,245, respectively.

Allocation of Functional Expenses

Expenses relating directly to program services, management, and fundraising have been allocated as such. Expenses that relate both to program, management, or fundraising have been allocated among the programs and services benefited.

Reclassifications

Certain prior year reported amounts have been reclassified to conform to the current year presentation.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status

The Organization is exempt from California franchise tax and Federal income tax under the provisions of Section 23701(d) of the California Revenue Code and Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has classified the Organization as a public charity. Income for certain activities not directly related the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

Income Taxes

The Organization recognizes the financial statement benefit of tax positions, such as filing status of tax exempt, only after determining that the relevant tax authority would more likely than not sustain the position following an audit. The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was \$17,473 and \$34,428 for the years ended December 31, 2018 and 2017, respectively.

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606) (ASU 2014-09), 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 updated standard will replace most existing revenue recognition guidance in generally accepted accounting principles of the United States 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 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

In February 2018, the FASB issued ASU 2018-02, Leases (Topic 842) (ASU 2018-02). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Organization is currently evaluating the impact of the adoption of the new standard on the financial statements.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented with no change in net assets or reclassifications.

Fair Value of Financial Instruments

The Organization has adopted the provisions of Fair Value Measurements and Disclosures for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The standard also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure through June 28, 2019, which represents the date the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT, net

Property, equipment and the related accumulated depreciation consist of the following as of December 31:

	<u>2018</u>	<u>2017</u>
Furniture and fixtures	\$ 24,478	\$ 14,646
Less: accumulated depreciation	(7,173)	(2,441)
	<u>\$ 17,305</u>	<u>\$ 12,205</u>

Depreciation expense was \$4,732 and \$2,441 for the year ended December 31, 2018 and 2017, respectively.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 3 – DONOR RESTRICTED NET ASSETS

Temporarily restricted net assets include the following as of December 31:

	<u>2018</u>	<u>2017</u>
Project restrictions	<u>\$ 1,159,327</u>	<u>\$ 946,621</u>

Net assets were released from donor restrictions either by incurring expenses, which satisfied the restricted purposes or by the occurrences of other events specified by donors for the year ended December 31, 2018 and 2017, were \$6,483,998 and \$4,860,131, respectively.

NOTE 4 – RETIREMENT PLAN

Effective August 2015, the Organization adopted a noncontributory profit sharing and retirement savings 401(k) plan. Employees 18 years or older are eligible to participate on the first of the month following nine months of employment. The annual employee contribution limit is \$24,500 for all employees age 50 and up and all other employees are limited to \$18,500.

NOTE 5 - CONCENTRATION OF CREDIT RISK

The Organization operates in Orange County, California, and is dependent upon the local economy.

Cash deposits in financial institutions may exceed federally insured limits at times during the year. Charitable Ventures of Orange County maintains cash in several accounts in financial institutions which are presently insured by the Federal Deposit Insurance Corporation up to \$250,000. At times during the year the FDIC limit has been exceeded. At year ended December 31, 2018 and 2017, \$2,721,199 and 2,006,530 respectively, of cash was over the FDIC limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in these accounts.

Grants received have various objectives and compliance requirements. Management believes that all objectives and requirements have been met.

NOTE 6 – RELATED PARTY TRANSACTION

During 2018 and 2017, the Organization received donated services from a Board member with a value of \$1,705 and \$44,245, respectively, which included strategic support, grant writing, program development, strategic planning, project management, marketing, editorial services, and use of office space.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 7 – DONOR ADVISED FUNDS

In 2018 the Organization received funds from a donor whom requested that the funds be held by the Orange County Community Foundation (the"OCCF"). The donor requested that the funds be held by OCCF until the Organization decides to spend the funds. As of December 31, 2018 the donor advised fund had a balance of \$28,552.

NOTE 8 – FAIR VALUE MEASUREMENTS

GAAP emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As a basis for considering market participant assumptions in fair market value measurements, the fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices in active market for identical assets or liabilities that we have the ability to access. Level 2 inputs utilize other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability, such as interest rates, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the assets or liabilities, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based upon inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair values measured on a recurring basis

Fair values of assets measured on a recurring basis at December 31, 2018 are as follows:

	<u>Fair Value</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
Donor advised funds	\$ <u>28,552</u>	<u> </u>	\$ <u>28,552</u>	<u> </u>

Fair values for the beneficial interest in foundation endowment are determined by reference to quoted market prices and other relevant information generated by market transactions.

CHARITABLE VENTURES OF ORANGE COUNTY, INC.
(a nonprofit corporation)
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 9 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, are comprised of the following:

Cash	\$	3,240,139
Contracts and grants receivable		312,011
Pledges receivable		3,208
Deposits		26,301
Donor advised fund		<u>28,552</u>
Financial assets, at year end		<u>3,610,211</u>
Less: those unavailable for general expenditures within one year, due to:		
Funds restricted for affiliates use		1,159,327
Funds not yet earned by the Organization		<u>1,817,904</u>
Total financial assets unavailable for general expenditure		<u>2,977,231</u>
Financial assets available to meet cash needs or general expenditures within one year	\$	<u>632,980</u>

The Organization's board of directors review and approve an annual budget made by management for Charitable Ventures of Orange County. The Organization's top management reviews each programs liquidity with its program manager on a regular basis and regulates the expenditures and revenues of each program.