

Heart for Lebanon Foundation

Financial Statements

Years Ended December 31, 2018 and 2017

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Independent Auditors' Report

Board of Directors
Heart for Lebanon Foundation
Black Mountain, North Carolina

We have audited the accompanying financial statements of Heart for Lebanon Foundation, 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, 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.

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.

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 Heart for Lebanon Foundation as of December 31, 2018 and 2017, and the results of 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, Heart for Lebanon Foundation adopted FASB ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* in 2018. Our opinion is not modified with respect to this matter.

Dixon Hughes Goodman LLP

**Asheville, North Carolina
April 9, 2019**

Heart for Lebanon Foundation
Statements of Financial Position
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u> (As Adjusted)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 584,540	\$ 615,619
Investments	580,881	215,032
Cash and cash equivalents, restricted	352,417	184,489
Investments, board designated	871,157	891,157
Funds held for others	<u>205,693</u>	<u>197,246</u>
Total current assets	<u>\$ 2,594,688</u>	<u>\$ 2,103,543</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 16,160	\$ 3,609
Funds held-related party	<u>205,693</u>	<u>197,246</u>
Total current liabilities	221,853	200,855
Net assets:		
Without donor restrictions	2,020,418	1,718,199
With donor restrictions	<u>352,417</u>	<u>184,489</u>
Total net assets	<u>2,372,835</u>	<u>1,902,688</u>
Total liabilities and net assets	<u>\$ 2,594,688</u>	<u>\$ 2,103,543</u>

See accompanying notes.

Heart for Lebanon Foundation
Statements of Activities and Changes in Net Assets
Year Ended December 31, 2018

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
Support and revenues:			
Contributions	\$ 1,344,469	\$ 3,796,599	\$ 5,141,068
Dividends and interest	63,798	-	63,798
Investment losses, net	(176,411)	-	(176,411)
Net assets released from restrictions	<u>3,628,671</u>	<u>(3,628,671)</u>	<u>-</u>
Total support and revenues	<u>4,860,527</u>	<u>167,928</u>	<u>5,028,455</u>
Expenses:			
Program services:			
General programs	3,667,039	-	3,667,039
Missionary services	<u>160,000</u>	<u>-</u>	<u>160,000</u>
Total program services	<u>3,827,039</u>	<u>-</u>	<u>3,827,039</u>
Supporting services:			
Management and general	379,680	-	379,680
Fundraising	<u>351,589</u>	<u>-</u>	<u>351,589</u>
Total supporting services	<u>731,269</u>	<u>-</u>	<u>731,269</u>
Total expenses	<u>4,558,308</u>	<u>-</u>	<u>4,558,308</u>
Change in net assets	302,219	167,928	470,147
Net assets, beginning of year	<u>1,718,199</u>	<u>184,489</u>	<u>1,902,688</u>
Net assets, end of year	<u>\$ 2,020,418</u>	<u>\$ 352,417</u>	<u>\$ 2,372,835</u>

See accompanying notes.

Heart for Lebanon Foundation
Statements of Activities and Changes in Net Assets
Year Ended December 31, 2017
(As Adjusted)

(Continued)

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
Support and revenues:			
Contributions	\$ 745,004	\$ 3,858,265	\$ 4,603,269
Dividends and interest	56,680	-	56,680
Investment gains, net	46,683	-	46,683
Net assets released from restrictions	4,235,894	(4,235,894)	-
Total support and revenues	<u>5,084,261</u>	<u>(377,629)</u>	<u>4,706,632</u>
Expenses:			
Program services:			
General programs	4,174,168	-	4,174,168
Missionary services	160,000	-	160,000
Total program services	<u>4,334,168</u>	<u>-</u>	<u>4,334,168</u>
Supporting services:			
Management and general	329,640	-	329,640
Fundraising	299,383	-	299,383
Total supporting services	<u>629,023</u>	<u>-</u>	<u>629,023</u>
Total expenses	<u>4,963,191</u>	<u>-</u>	<u>4,963,191</u>
Change in net assets	121,070	(377,629)	(256,559)
Net assets, beginning of year	<u>1,597,129</u>	<u>562,118</u>	<u>2,159,247</u>
Net assets, end of year	<u>\$ 1,718,199</u>	<u>\$ 184,489</u>	<u>\$ 1,902,688</u>

See accompanying notes.

Heart for Lebanon Foundation
Statements of Functional Expenses
Year Ended December 31, 2018

	<u>General Programs</u>	<u>Missionary Services</u>	<u>Total Program</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>Total Supporting</u>	<u>Total</u>
Advertising and promotion	\$ 60,680	\$ -	\$ 60,680	\$ 60,774	\$ 121,392	\$ 182,166	\$ 242,846
Communications	16,810	-	16,810	26,594	10,837	37,431	54,241
Compensation	120,797	-	120,797	60,398	60,398	120,796	241,593
Contract services	73,963	-	73,963	133,134	88,755	221,889	295,852
Direct funding	3,335,928	160,000	3,495,928	-	-	-	3,495,928
Insurance	-	-	-	3,247	-	3,247	3,247
Office expenses	2,695	-	2,695	8,084	-	8,084	10,779
Professional fees	-	-	-	38,115	-	38,115	38,115
Rent and Utilities	-	-	-	38,045	-	38,045	38,045
Telephone	-	-	-	2,344	-	2,344	2,344
Travel and transportation	56,166	-	56,166	8,945	70,207	79,152	135,318
Total expenses	<u>\$ 3,667,039</u>	<u>\$ 160,000</u>	<u>\$ 3,827,039</u>	<u>\$ 379,680</u>	<u>\$ 351,589</u>	<u>\$ 731,269</u>	<u>\$ 4,558,308</u>

See accompanying notes.

Heart for Lebanon Foundation
Statements of Functional Expenses
Year Ended December 31, 2017

(Continued)

	<u>General Programs</u>	<u>Missionary Services</u>	<u>Total Program</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>Total Supporting</u>	<u>Total</u>
Advertising and promotion	\$ 57,987	\$ -	\$ 57,987	\$ 58,662	\$ 123,388	\$ 182,050	\$ 240,037
Communications	14,142	-	14,142	23,661	10,504	34,165	48,307
Compensation	32,893	-	32,893	65,786	32,893	98,679	131,572
Contract services	52,500	-	52,500	94,500	63,000	157,500	210,000
Direct funding	3,958,626	160,000	4,118,626	-	-	-	4,118,626
Insurance	-	-	-	5,276	-	5,276	5,276
Office expenses	2,341	-	2,341	7,024	-	7,024	9,365
Professional fees	-	-	-	25,684	-	25,684	25,684
Rent and Utilities	-	-	-	32,400	-	32,400	32,400
Telephone	-	-	-	2,727	-	2,727	2,727
Travel and transportation	55,679	-	55,679	13,920	69,598	83,518	139,197
Total expenses	<u>\$ 4,174,168</u>	<u>\$ 160,000</u>	<u>\$ 4,334,168</u>	<u>\$ 329,640</u>	<u>\$ 299,383</u>	<u>\$ 629,023</u>	<u>\$ 4,963,191</u>

See accompanying notes.

Heart for Lebanon Foundation
Statements of Cash Flows
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u> (As Adjusted)
Cash flows from operating activities:		
Change in net assets:	\$ 470,147	\$ (256,559)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Realized and unrealized (gains)/losses on investments	176,411	(46,683)
Changes in operating assets and liabilities:		
Accounts payable and other current liabilities	12,551	3,609
Net cash provided (used) by operating activities	<u>659,109</u>	<u>(299,633)</u>
Cash flows from investing activities:		
Purchase of investments	(654,163)	(613,940)
Proceeds from sale of investments	131,903	500,658
Net cash used by investing activities	<u>(522,260)</u>	<u>(113,282)</u>
Increase (decrease) in cash	136,849	(412,915)
Cash and cash equivalents, beginning of year	<u>800,108</u>	1,213,023
Cash and cash equivalents, end of year	<u>\$ 936,957</u>	<u>\$ 800,108</u>
As presented on statements of financial position:		
Cash and cash equivalents	\$ 584,540	\$ 615,619
Cash and cash equivalents, restricted	352,417	184,489
Cash and cash equivalents, end of year	<u>\$ 936,957</u>	<u>\$ 800,108</u>

See accompanying notes.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of foundation

Heart for Lebanon Foundation (the "Foundation") was incorporated on June 25, 2007 and is a nonprofit corporation whose purpose is to facilitate proper education, provide humanitarian aid, strengthen community development, and to assist individuals living within the country of Lebanon in recovering from the effects of war through the provision of relief supplies and services.

The Foundation's support comes primarily through fundraising events, individual contributions and corporate contributions.

Basis of accounting

The Foundation's financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation

The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for board-designated endowments.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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 amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Foundation considers all money market account balances to be cash equivalents, except those that are part of the investment portfolio.

Heart for Lebanon Foundation Notes to Financial Statements

Investments

Investments in marketable securities that have readily determinable fair values and all debt securities are stated at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. The Foundation maintains money market funds and mutual funds which are stated at fair value based on market price on December 31, 2018 and 2017.

Investment income is recorded net of investment expenses. For the years ended December 31, 2018 and 2017, investment expenses were \$17,434 and \$15,195, respectively.

The Foundation's investment portfolio is exposed to various risks, such as interest rate risk, market risk, and credit risk. Because of the level of risk associated with such investments, changes in their values will occur, and such changes could materially affect the amounts reported in the Foundation's financial statements.

Funds held for others and funds payable to related party

The Foundation has a separate segregated investment fund that is for the sole benefit of the Foundation's Chief Executive Officer who lives and is based in Lebanon. This fund's activity is not included on the Foundation's financial statement since the activity belongs to the Chief Executive Officer.

Donated services

The Foundation receives donated services from a variety of unpaid volunteers assisting in its activities. Contributed services are recorded only if the service creates or enhances nonfinancial assets, requires a specialized skill, is performed by persons possessing those skills and would otherwise have to be purchased. There were no contributed services that met these criteria.

Functional expenses

The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their nature and expenditure classification. Other expenses that are common to two or more functions are allocated based on management's estimate of the program activities benefited. General and administrative expense provide for the overall support and direction of the Foundation.

Income taxes

Heart for Lebanon Foundation is incorporated as a nonprofit corporation under the laws of the State of North Carolina. It qualified as a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code ("IRC") and is not subject to federal income taxes except for income from its unrelated business activities. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a Foundation that is not a private foundation under Section 509(a)(2).

Tax Positions

The Foundation follows the provisions of "Accounting for Uncertainty in Income Taxes" issued by the Financial Accounting Standards Board ("FASB") which clarifies the accounting for the recognition and measurement of the benefits of individual tax positions in the financial statements, including those of nonprofit foundations. Tax positions must meet a recognition threshold of more-likely-than-not in order for the benefit of those tax positions to be recognized in the Foundation's financial statements.

The Foundation analyzes tax positions taken, including those related to the requirements set forth in IRC Sec. 501(c) to qualify as a tax exempt Foundation, activities performed by volunteers and board members, the reporting of unrelated business income, and its status as a tax-exempt foundation under North Carolina state statute. The Foundation does not know of any tax benefits arising from uncertain tax positions and there was no effect on the Foundation's financial position or changes in net assets as a result of analyzing its tax positions.

Heart for Lebanon Foundation
Notes to Financial Statements

Advertising costs

Advertising costs are charged to operations when incurred.

Conflict of interest policy

It is the policy of the Foundation that all officers and directors shall disclose any conflict of interest between their own individual interests and the interests of the Foundation. The Foundation has a conflict of interest policy whereby board members must advise the board of any direct or indirect interest in any transaction or relationship with the Foundation and not participate in discussions and decisions regarding any action affecting their individual, professional, or business interests.

Subsequent events

Subsequent events were reviewed for the Foundation through April 9, 2019, the date the financial statements were available to be issued.

Recent accounting pronouncement

During fiscal year 2018, the Foundation adopted ASU No. 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 of available resources, and the lack of consistency in the type of information provided about expenses and investment return. The fiscal year 2018 financial statements have been adjusted to reflect retrospective application of the new accounting guidance, except for the disclosure around liquidity and availability of resources. This disclosure has been presented for 2018 as allowed by ASU No. 2016-14.

The net asset reclassification resulting from the adoption of ASU 2016-14 as of December 31, 2017 are as follows:

<u>Net Asset Classifications</u>	<u>ASU 2016-14 Classifications</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
As previously presented:			
Unrestricted	\$ 357,330	\$ -	\$ 357,330
Temporarily restricted	-	1,545,358	1,545,358
Total net assets	<u>\$ 357,330</u>	<u>\$ 1,545,358</u>	<u>\$ 1,902,688</u>
Reclassification to implement ASU 2016-14			
Board designated funds	1,360,869	(1,360,869)	-
Net assets as reclassified	<u>\$ 1,718,199</u>	<u>\$ 184,489</u>	<u>\$ 1,902,688</u>

Reclassifications

Certain accounts related to cash and cash equivalents, investments and investments with board designations in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements and to be consistent with the adoption of ASU 2016-14. As a result of these reclassifications, the prior-year change in net assets or total net assets have not changed.

Heart for Lebanon Foundation
Notes to Financial Statements

2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2018</u>
Total cash and cash equivalents	\$ 584,540
Investments	580,881
Investments, board designated	<u>871,157</u>
Total	<u>\$ 2,036,578</u>

As part of the Foundation's liquidity management plan, cash in excess of daily requirements is invested in short-term investments.

3. Investments

Investments consist of the following at December 31:

	<u>2018</u>	<u>2017</u>
Investments:		
Investments	\$ 580,881	\$ 215,032
Investments, board designated	<u>871,157</u>	<u>891,157</u>
	<u>\$ 1,452,038</u>	<u>\$ 1,106,189</u>
Investments:		
Equities	\$ 663,319	\$ 590,118
Fixed income	374,336	509,701
Cash	<u>414,383</u>	<u>6,370</u>
	<u>\$ 1,452,038</u>	<u>\$ 1,106,189</u>

4. Restrictions on Net Assets

Net assets with donor restrictions consist of contributions restricted by donors for particular purposes. The remaining portion of such contributions as of December 31, 2018 and 2017 consists of the following:

	<u>2018</u>	<u>2017</u>
Relief & community care	\$ 85,458	\$ 88,771
Children at risk	<u>266,959</u>	<u>95,718</u>
	<u>\$ 352,417</u>	<u>\$ 184,489</u>

Heart for Lebanon Foundation
Notes to Financial Statements

5. Restricted Contributions

Total restricted contributions for the year ending December 31, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>
Relief & community care	\$ 1,597,385	\$ 2,238,195
Children at risk	1,086,668	867,410
Capital campaign	<u>1,112,546</u>	<u>752,660</u>
	<u>\$ 3,796,599</u>	<u>\$ 3,858,265</u>

6. Related Party Transactions

Heart for Lebanon, a legal nongovernmental organization in Lebanon, received a total of approximately \$3,336,000 and \$3,959,000 during the years ended December 31, 2018 and 2017, respectively, from the Foundation.

Dr. Camille Melki is the Chief Executive Officer for the Foundation and the affiliated Heart for Lebanon based in Lebanon. Dr. Melki is contracted annually by the Foundation's Board of Directors to serve as a missionary who raises his own financial support, and as Chief Executive Officer, to oversee the day-to-day operations of the affiliated Lebanese organization. He reports to and is accountable to the Foundation's Board of Directors and the affiliated Lebanese organization's General Assembly. During the years ended December 31, 2018 and 2017, the Chief Executive Officer received approximately \$160,000 each year, respectively, in missionary support.

The Foundation has a separate segregated investment fund that is for the sole benefit of the Chief Executive Officer. This fund's activity is not included on the Foundation's financial statement since it is considered to be the Chief Executive Officer's fund. The investment balance of this fund was \$205,693 and \$197,246 as of December 31, 2018 and 2017, respectively.

The members of the Foundation's board of directors contributed approximately \$27,000 and \$23,700 in 2018 and 2017, respectively.

The Foundation contracts services for day-to-day operations with a company that is related to a board member. In December 31, 2018 and 2017, the Foundation paid \$150,000 each year, respectively, to this company to perform the general administration function and the fundraising function. The Foundation also used a company related to a board member to facilitate radio advertisements. The Foundation reimbursed the company \$207,702 and \$205,915 during the years ended December 31, 2018 and 2017 for these advertisements.

The Foundation rents office space from a relative of the Chief Operating Officer. During 2018 and 2017, the Foundation paid \$33,600 and \$32,400 in rental expense.

Minimum future lease payments are estimated as follows:

2019	\$ 36,000
2020	<u>40,800</u>
Total	<u>\$ 76,800</u>

Heart for Lebanon Foundation
Notes to Financial Statements

7. Concentration of Credit Risk and Contingencies

The Foundation's cash deposit balances on occasion may exceed the FDIC limit during the year. Management believes that it is not exposed to any significant credit risk on its cash balances.

Financial instruments, which potentially subject the Foundation to concentrations of credit risk, consist of money market accounts and investment securities. The Foundation has significant investment in various types of mutual funds and therefore, is subject to concentration of credit risk. Investments are made by an investment manager engaged by the Foundation, and is monitored by the board of directors. Although the fair value of investments is subject to fluctuations on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the Foundation and its purpose.

8. Concentration of Revenue and Support

In 2018 and 2017, the Foundation received 37% and 32%, respectively, of its support from five donors. Revenues from the major sources for the years ending December 31, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Christian Ministry Organization 1	\$ 548,228	\$ 746,100
Not-for-profit	371,080	434,000
Christian Ministry Organization 2	251,231	290,000
Church	506,720	-
Christian Ministry Organization 2	230,102	-
All other sources	<u>3,233,707</u>	<u>3,133,169</u>
	<u>\$ 5,141,068</u>	<u>\$ 4,603,269</u>

9. Functional Allocation of Expenses

The Foundation provides direct funding for programs based in Lebanon. This amount was remitted to an affiliated Foundation in Lebanon. Management and general expenses consisted mainly of financial administration expenses and for day-to-day operations. Fund raising expenses are costs related to fundraising campaigns in the United States and related travel and communication costs.

The direct funding program expenditures in 2018 and 2017 were for the following:

	<u>2018</u>	<u>2017</u>
Relief and Community Care	\$ 1,601,828	\$ 2,129,000
Children at Risk	619,753	596,813
Capital Campaign	1,114,347	1,170,500
Administration	<u>-</u>	<u>62,313</u>
	<u>\$ 3,335,928</u>	<u>\$ 3,958,626</u>

Heart for Lebanon Foundation
Notes to Financial Statements

10. Fair Value Measurements

Assets recorded at fair value in the statement of position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

- Level 1. Unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2. Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices for identical assets or liabilities in inactive markets, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3. Significant unobservable inputs reflecting management's own assumptions about the inputs used in determining the fair value.

Fair values of assets measured on a recurring basis as of December 31, 2018 and 2017 are as follows:

	<u>Assets at Fair Value as of December 31, 2018</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Marketable securities	<u>\$ 1,037,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,037,655</u>

	<u>Assets at Fair Value as of December 31, 2017</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Marketable securities	<u>\$ 1,099,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,099,819</u>

The Foundation had \$414,383 and \$6,370 of cash and cash equivalents held in investment accounts as of December 31, 2018 and 2017, respectively, which was not classified as a level as prescribed within the provision.

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.