

**ALASKA ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS**

Financial Statements

Year Ended
December 31, 2011

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ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

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Independent Accountant's Compilation Report

Board of Directors
Alaska Association of School
Business Officials

We have compiled the accompanying statement of financial position of Alaska Association of School Business Officials (ALASBO) as of December 31, 2011, and the related statements of activities, functional expenses, 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. The prior year summarized comparative information has been derived from ALASBO's 2010 financial statements and our report dated December 31, 2011, stated that we did not issue an opinion or any other form of assurance on those statements.

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.

Mikunda, Cottrell & Co.

Anchorage Alaska
November 14, 2012

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Statement of Financial Position

December 31, 2011

(with comparative totals for 2010)

	<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:			
Cash		\$ 152,729	115,508
Accounts receivable		<u>24,759</u>	<u>31,956</u>
Total current assets		<u>\$ 177,488</u>	<u>147,464</u>
 <u>Liabilities and Net Assets</u> 			
Current liabilities:			
Accounts payable		33,276	35,030
Deferred membership dues		<u>10,125</u>	<u>10,125</u>
Total current liabilities		43,401	45,155
Net assets - unrestricted		<u>134,087</u>	<u>102,309</u>
Total liabilities and net assets		<u>\$ 177,488</u>	<u>147,464</u>

See accompanying notes to financial statements and independent accountant's report.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Statement of Activities

Year Ended December 31, 2011

(with comparative totals for 2010)

	<u>Unrestricted</u>	
	<u>2011</u>	<u>2010</u>
Support and revenue:		
ALASBO conference and membership fees	\$ 94,570	98,863
Grant revenue	29,500	58,250
Procurement card revenue, net of reimbursements of \$79,968 for 2011 and \$59,468 for 2010	27,353	20,535
Vendor donations	18,350	17,660
Interest	63	151
Other	3,498	2,117
Total support and revenue	<u>173,334</u>	<u>197,576</u>
Expenses:		
Program services	98,288	115,832
Support services - management and general	43,268	38,451
Total expenses	<u>141,556</u>	<u>154,283</u>
Change in net assets	31,778	43,293
Beginning net assets	<u>102,309</u>	<u>59,016</u>
Ending net assets	\$ <u>134,087</u>	<u>102,309</u>

See accompanying notes to financial statements and independent accountant's report.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Statement of Functional Expenses

Year Ended December 31, 2011

(with comparative totals for 2010)

	Program Services	Support Services - Management and General	Totals	
			2011	2010
Expenses:				
Conferences and travel	\$ 75,993	-	75,993	74,316
Contract services	-	38,471	38,471	34,496
Consulting	11,000	-	11,000	31,811
Scholarships and awards	7,750	-	7,750	5,807
Professional services	-	4,797	4,797	3,955
Dues and fees	3,484	-	3,484	3,430
Supplies	-	-	-	255
Postage and delivery	61	-	61	111
Other	-	-	-	102
	<u>-</u>	<u>-</u>	<u>-</u>	<u>102</u>
Totals	\$ <u>98,288</u>	<u>43,268</u>	<u>141,556</u>	<u>154,283</u>

See accompanying notes to financial statements and independent accountant's report.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Statement of Cash Flows
Year Ended December 31, 2011
(with comparative totals for 2010)

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Change in net assets	\$ 31,778	43,293
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in current assets - accounts receivable	7,197	(29,060)
Changes in current liabilities - accounts payable	<u>(1,754)</u>	<u>(21,845)</u>
Net cash provided by (used in) operating activities	<u>37,221</u>	<u>(7,612)</u>
Net increase (decrease) in cash	37,221	(7,612)
Beginning cash	<u>115,508</u>	<u>123,120</u>
Ending cash	\$ <u><u>152,729</u></u>	<u><u>115,508</u></u>

See accompanying notes to financial statements and independent accountant's report.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Notes to Financial Statements

December 31, 2011

See Independent Accountant's Report

(1) **Description of Organization**

The Alaska Association of School Business Officials (ALASBO) was founded in 1974 and is an affiliate of the Association of School Business Officials International (ASBO). ALASBO's mission is to promote excellence in school business management through professional development and recognition, research and continuing education, publications, and cooperation with other members of the educational community. ALASBO's regular and associate members represent business officials of public school districts in the State of Alaska, Alaska Department of Education and Early Development, and the business community.

(2) **Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958, Alaska Association of School Business Officials 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.

Cash

Cash includes currency on hand, demand and time deposits with banks or financial institutions, and other amounts that have the general characteristics of demand deposits.

Public Support and Revenue Recognition

Contributions, including pledges, from the general public are recognized as public support when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Contributions that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted contributions based on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or 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.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Notes to Financial Statements, continued

See Independent Accountant's Report

Summary of Significant Accounting Policies, continued

Public Support and Revenue Recognition, continued

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. Bequests are recognized at the time an unassailable right to the gift has been established and proceeds are measurable.

Membership dues revenue is recognized in the period for which the dues are paid. Dues collected in advance are recorded as "deferred membership dues" on the accompanying statement of financial position.

Management Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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.

Allocation of Functional Expenses

Functional expenses are allocated to program services and support services based on direct identification of expenses. Substantially all of the management and general expenses of the Association are borne by its members and their employers, board of directors, and committee members, with the exception of an executive management contract and professional fees related to preparation of the annual financial statements and preparation of the IRS form 990.

Income Taxes

The Association is a tax-exempt corporation under Section 501(c) (6) of the Internal Revenue Code. ALASBO applies the provisions of Topic 740 of the FASB Accounting Standards Codification relating to accounting for uncertainty in income taxes. ALASBO annually reviews its tax return and positions taken in accordance with the recognition standards. It is ALASBO management's opinion that it has no uncertain tax positions which would require disclosure or adjustment in these financial statements.

The 2008, 2009 and 2010 tax returns remain subject to examination by the Internal Revenue Services.

Program Services

Program services are those activities conducted by the Association that are in direct support of the Association's mission as described in note 1.

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Notes to Financial Statements, continued

See Independent Accountant's Report

Summary of Significant Accounting Policies, continued

Summarized Comparative Financial Information for 2010

The financial statements include certain prior year comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America.

Subsequent Events

The Organization has evaluated subsequent events through November 14, 2012, the date on which the financial statements were issued.

(3) **Cash**

The Association maintains demand and time deposits at one financial institution. Accounts at the institution are insured by the Federal Deposit Insurance Corporation.

At December 31, 2011, cash consisted of the following:

	<u>Bank Balance</u>	<u>Book Balance</u>
Checking accounts	\$ 138,276	127,663
Certificates of deposit	<u>25,066</u>	<u>25,066</u>
Total cash	<u>\$ 163,342</u>	<u>152,729</u>

(4) **Accounts Receivable**

At December 31, 2011, accounts receivable consisted of the following:

Conference and membership fees	\$ <u>24,759</u>
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(5) **Contingent Liability**

Amounts received or receivable from the State of Alaska are subject to audit and adjustment. Any disallowed claims, including amounts already collected, would become a liability of the Association.