

**ALASKA ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS**

Financial Statements  
Year Ended  
December 31, 2005



**MIKUNDA, COTTRELL & Co.**  
Certified Public Accountants

# 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, 2005, 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 2004 financial statements and our report dated April 18, 2005, 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.*

May 2, 2006

**ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS**

Statement of Financial Position

December 31, 2005

(with comparative totals for 2004)

<u>Assets</u>	<u>2005</u>	<u>2004</u>
Current assets:		
Cash	\$ 64,847	42,491
Accounts receivable	<u>28,703</u>	<u>33,000</u>
Total current assets	\$ <u>93,550</u>	<u>75,491</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable	41,557	11,070
Deferred membership dues	<u>4,060</u>	<u>3,990</u>
Total current liabilities	45,617	15,060
Net assets - unrestricted	<u>47,933</u>	<u>60,431</u>
Total liabilities and net assets	\$ <u>93,550</u>	<u>75,491</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, 2005  
(with comparative totals for 2004)

	Unrestricted	
	2005	2004
Support and revenue:		
ALASBO conference and membership fees	\$ 23,510	25,850
Vendor donations	32,460	34,235
Grant revenue	29,750	39,675
Interest	368	210
Miscellaneous	15	2,214
Total support and revenue	<u>86,103</u>	<u>102,184</u>
Expenses:		
Program services	96,941	80,942
Support services - management and general	<u>1,660</u>	<u>750</u>
Total expenses	<u>98,601</u>	<u>81,692</u>
Change in net assets	(12,498)	20,492
Beginning net assets	<u>60,431</u>	<u>39,939</u>
Ending net assets	\$ <u>47,933</u>	<u>60,431</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, 2005

(with comparative totals for 2004)

	Support Services -		Totals	
	<u>Program Services</u>	<u>Management and General</u>	<u>2005</u>	<u>2004</u>
Expenses:				
Conference and travel	\$ 59,422	-	59,422	42,287
Contract services	25,767	-	25,767	24,000
Consulting	4,811	-	4,811	6,288
Postage and delivery	369	-	369	558
Dues and fees	2,201	-	2,201	1,465
Supplies	755	-	755	1,264
Subscriptions	405	-	405	1,158
Printing and reproduction	661	-	661	1,072
Professional services	-	1,660	1,660	750
Scholarship	2,500	-	2,500	2,500
Donations	50	-	50	-
Miscellaneous	-	-	-	350
Totals	\$ <u>96,941</u>	<u>1,660</u>	<u>98,601</u>	<u>81,692</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, 2005  
(with comparative totals for 2004)

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Change in net assets	\$ (12,498)	20,492
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in current assets:		
Accounts receivable	4,297	(6,814)
Changes in current liabilities:		
Accounts payable	30,487	(20,848)
Deferred membership dues	<u>70</u>	<u>(140)</u>
Net cash provided by (used) in operating activities	<u>22,356</u>	<u>(7,310)</u>
Net increase (decrease) in cash	22,356	(7,310)
Beginning cash	<u>42,491</u>	<u>49,801</u>
Ending cash	\$ <u>64,847</u>	<u>42,491</u>

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

# ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

## Notes to Financial Statements

December 31, 2005

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 (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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.

### Income Taxes

The Association is a tax-exempt corporation under Section 501(c) (6) of the Internal Revenue Code. Accordingly, no provision for federal income taxes is included in the financial statements.

### 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.

### Summarized Comparative Financial Information for 2004

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.

# ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Notes to Financial Statements, continued

See Independent Accountant's Report

(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 up to \$100,000.

At December 31, 2005, cash consisted of the following:

	<u>Book Balance</u>	<u>Bank Balance</u>
Checking accounts	\$ 43,409	45,541
Certificates of deposit	<u>21,438</u>	<u>21,438</u>
Total cash	\$ <u>64,847</u>	<u>66,979</u>

(4) **Accounts Receivable**

At December 31, 2005, accounts receivable consisted of the following:

DOEED OASIS Contract	\$ 14,875
Conference fees	1,600
Vendor show fees	10,410
Other	<u>1,818</u>
Total receivables	\$ <u>28,703</u>

(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.