

**ALASKA ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS**

Financial Statements
Year Ended
December 31, 2007

RSM McGladrey Network
An Independently Owned Member

 **Mikunda,
Cottrell & Co., Inc.**
Certified Public Accountants & Consultants
Offices in Anchorage & Kenai

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, 2007, 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 2006 financial statements and our report dated April 23, 2007, 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
March 28, 2008

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Statement of Financial Position

December 31, 2007

(with comparative totals for 2006)

	<u>Assets</u>	<u>2007</u>	<u>2006</u>
Current assets:			
Cash		\$ 77,402	30,330
Accounts receivable		920	57,850
Total current assets		<u>\$ 78,322</u>	<u>88,180</u>
 <u>Liabilities and Net Assets</u> 			
Current liabilities:			
Accounts payable		35,385	24,769
Deferred membership dues		4,725	4,095
Total current liabilities		40,110	28,864
Net assets - unrestricted		<u>38,212</u>	<u>59,316</u>
Total liabilities and net assets		<u>\$ 78,322</u>	<u>88,180</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, 2007

(with comparative totals for 2006)

	<u>Unrestricted</u>	
	<u>2007</u>	<u>2006</u>
Support and revenue:		
ALASBO conference and membership fees	\$ 54,045	45,670
Vendor donations	12,270	33,870
Grant revenue	-	63,725
Interest	904	589
Total support and revenue	<u>67,219</u>	<u>143,854</u>
 Expenses:		
Program services	85,932	130,286
Support services - management and general	2,391	2,185
Total expenses	<u>88,323</u>	<u>132,471</u>
 Change in net assets	(21,104)	11,383
 Beginning net assets	<u>59,316</u>	<u>47,933</u>
 Ending net assets	\$ <u>38,212</u>	<u>59,316</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, 2007

(with comparative totals for 2006)

	Program	Support Services - Management	Totals	
	<u>Services</u>	<u>and General</u>	<u>2007</u>	<u>2006</u>
Expenses:				
Conference and travel	\$ 41,553	-	41,553	97,265
Contract services	38,146	-	38,146	18,668
Dues and fees	2,726	-	2,726	4,470
Professional services	-	2,391	2,391	2,185
Scholarship	2,000	-	2,000	2,500
Printing and reproduction	1,284	-	1,284	468
Supplies	170	-	170	715
Postage and delivery	53	-	53	181
Consulting	-	-	-	5,600
Subscriptions	-	-	-	419
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ <u>85,932</u>	<u>2,391</u>	<u>88,323</u>	<u>132,471</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, 2007
(with comparative totals for 2006)

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities:		
Change in net assets	\$ (21,104)	11,383
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in current assets:		
Accounts receivable	56,930	(29,147)
Changes in current liabilities:		
Accounts payable	10,616	(16,788)
Deferred membership dues	<u>630</u>	<u>35</u>
Net cash provided by (used in) operating activities	<u>47,072</u>	<u>(34,517)</u>
Net increase (decrease) in cash	47,072	(34,517)
Beginning cash	<u>30,330</u>	<u>64,847</u>
Ending cash	\$ <u>77,402</u>	<u>30,330</u>

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

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

Notes to Financial Statements

December 31, 2007

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 2006

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, 2007, cash consisted of the following:

	<u>Book Balance</u>	<u>Bank Balance</u>
Checking accounts	\$ 54,472	71,890
Certificates of deposit	<u>22,930</u>	<u>22,930</u>
Total cash	\$ <u>77,402</u>	<u>94,820</u>

(4) **Accounts Receivable**

At December 31, 2007, accounts receivable consisted of the following:

Conference and membership fees	\$ <u>920</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.