



**Colorado Association of School
Executives and Affiliate**

Combined Financial Statements

Year Ended August 31, 2021

*Revd
10/31*

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JOHNSON AND ASSOCIATES, CPAs, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Colorado Association of School Executives and Affiliate
Englewood, Colorado

Report on the Financial Statements

We have audited the accompanying combined financial statements of Colorado Association of School Executives (CASE) and its affiliate, which comprise the combined statement of financial position as of August 31, 2021, and the related combined statements of activities and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with the 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 appropriateness 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 estimates made by management, as well as evaluating the overall presentation of the combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of CASE and its affiliate as of August 31, 2021, 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.

Report on Summarized Comparative Information

We have previously audited the Colorado Association of School Executives and Affiliate's August 31, 2020 combined financial statements, and we have expressed an unmodified audit opinion on those audited combined financial statements in our report dated December 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2020 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statement of financial position and combining statements of activities and cash flows are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Johnson and Associates, CPAs, PC

Sterling, Colorado

January 28, 2022

Colorado Association of School Executives and Affiliate
 Combined Statements of Financial Position
 August 31, 2021 and 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash, cash equivalents, and restricted cash	\$ 891,398	\$ 403,018
Investments	242,807	214,289
Accounts receivable, less allowance for doubtful accounts of \$7,160 (2021) and \$235 (2020)	547,659	650,481
Other current assets	30,660	11,922
TOTAL CURRENT ASSETS	<u>1,712,524</u>	<u>1,279,710</u>
OTHER ASSETS, condo reserve account	<u>17,884</u>	<u>10,312</u>
PROPERTY AND EQUIPMENT		
Buildings and improvements	985,650	981,971
Furniture and fixtures	32,830	32,830
Office equipment	17,249	17,249
	<u>1,035,729</u>	<u>1,032,050</u>
Less accumulated depreciation	(86,290)	(50,332)
NET PROPERTY AND EQUIPMENT	<u>949,439</u>	<u>981,718</u>
TOTAL ASSETS	<u>\$ 2,679,847</u>	<u>\$ 2,271,740</u>

See accompanying notes to combined financial statements.

Colorado Association of School Executives and Affiliate
 Combined Statements of Financial Position
 August 31, 2021 and 2020

	2021	2020
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable - trade	\$ 239,570	\$ 17,597
Accounts payable - other	138,901	139,636
Deferred revenue - dues, website and conferences	869,015	942,327
Notes payable, current portion	25,605	24,603
Lease payable, current portion	3,771	3,588
TOTAL CURRENT LIABILITIES	<u>1,276,862</u>	<u>1,127,751</u>
LONG-TERM LIABILITIES		
Notes payable, less current portion	618,481	644,085
Lease payable, less current portion	645	4,416
TOTAL NON-CURRENT LIABILITIES	<u>619,126</u>	<u>648,501</u>
TOTAL LIABILITIES	<u>1,895,988</u>	<u>1,776,252</u>
NET ASSETS		
With donor restrictions	26,600	26,600
Without donor restrictions	757,259	468,888
TOTAL NET ASSETS	<u>783,859</u>	<u>495,488</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,679,847</u>	<u>\$ 2,271,740</u>

See accompanying notes to combined financial statements.

Colorado Association of School Executives and Affiliate
 Combined Statements of Activities
 For the Years Ended August 31, 2021 and 2020

	2021	2020
Net Assets Without Donor Restrictions		
Revenues, Gains and Other Support -		
Membership dues	\$ 872,245	\$ 905,822
Professional learning	1,503,829	804,480
Website income	45,940	45,780
Investment income	31	7,111
Interest income	12	50
Other income	30,587	42,688
PPP loan - fully forgiven	211,783	-
Net assets released from restrictions:		
Satisfaction of restriction	1,887	-
Total Revenues, Gains and Other Support	<u>2,666,314</u>	<u>1,805,931</u>
Expenses -		
Program services		
Membership	495,951	270,801
Professional learning	1,142,160	876,233
Legislative	69,565	70,608
Governance	14,220	6,787
Total Program Services	<u>1,721,896</u>	<u>1,224,429</u>
Support services		
Payroll and payroll related	414,831	536,845
Professional fees	4,226	40,266
Office related	45,734	55,726
Bank and credit card fees	68,166	46,017
Staff travel	2,435	12,111
Other general and administrative	11,462	3,519
Building and equipment rent	46,617	40,853
Interest expense	26,618	27,459
Depreciation	35,958	35,855
Total Support Services	<u>656,047</u>	<u>798,651</u>
Total Expenses	<u>2,377,943</u>	<u>2,023,080</u>
Change in Net Assets Without Donor Restrictions	<u>288,371</u>	<u>(217,149)</u>
Net Assets With Donor Restrictions		
Investment income	1,887	-
Net assets released from restrictions:		
Satisfaction of restriction	(1,887)	-
Change in Net Assets With Donor Restrictions	<u>-</u>	<u>-</u>
Change in Net Assets	288,371	(217,149)
Net Assets, Beginning of Year	<u>495,488</u>	<u>712,637</u>
Net Assets, End of Year	<u>\$ 783,859</u>	<u>\$ 495,488</u>

See accompanying notes to combined financial statements.

Colorado Association of School Executives and Affiliate
 Combined Statement of Cash Flows
 For the Years Ended August 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 288,371	\$ (217,149)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Change in allowance for doubtful accounts	6,925	-
Depreciation	35,958	35,855
Change in assets and liabilities:		
Accounts receivables	95,897	(296,759)
Other current assets	(18,738)	28,934
Condo reserve account	(7,572)	(10,312)
Accounts payable - trade	221,973	(313,873)
Accounts payable - other	(735)	16,991
Accrued vacation	-	(31,895)
Deferred memberships	(73,312)	293,948
Net cash provided by (used in) operating activities	<u>548,767</u>	<u>(494,260)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested earnings on investment account	(1,918)	(7,111)
Opened up investment account for endowment	(26,600)	-
Redemptions from investment account	-	325,000
Acquisition of property and equipment	(3,679)	(1,698)
Net cash provided by (used in) investing activities	<u>(32,197)</u>	<u>316,191</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable principal payments	(24,602)	(23,640)
Lease payable principal payments	(3,588)	(3,413)
Net cash provided by (used in) financing activities	<u>(28,190)</u>	<u>(27,053)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	488,380	(205,122)
Cash, cash equivalents, and restricted cash:		
Beginning	<u>403,018</u>	<u>608,140</u>
Ending	<u>\$ 891,398</u>	<u>\$ 403,018</u>
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION		
Cash payments for interest	<u>\$ 26,618</u>	<u>\$ 27,459</u>

See accompanying notes to combined financial statements.

**COLORADO ASSOCIATION OF SCHOOL EXECUTIVES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
SEE INDEPENDENT AUDITOR'S REPORT
AUGUST 31, 2021**

NOTE 1: NATURE OF ORGANIZATION

Nature of Operations

The Colorado Association of School Executives (CASE) is a combination of the Colorado Association of School Executives (the Association) and the Center for Excellence in Educational Leadership (the Center). CASE was incorporated in Colorado on October 27, 1969, to promote the continuous improvement of education and to elevate the professional and ethical standards of school executives.

The Association's purpose is to provide support to CASE members and to Center departments. The Center conducts conferences and conventions and provides departmental program services to members.

Departments

CASE consists of seven departments comprised of members in different areas of public education.

The Colorado Association of Educational Specialists (CAES) members include staff developers, special education professionals, communication professionals, federal program professionals and district-level administrators serving Colorado public schools.

The Colorado Association of Elementary School Principals (CAESP) is designed to serve Colorado public schools' elementary school principals, assistant principals, district-level leaders and students in principal licensure programs.

The Colorado Association of Leaders in Educational Technology (CALET) members include Chief Technology Officers and other technology leaders in the Colorado public school system.

The Colorado Association of School Personnel Administrators (CASPA) serves school system human resources professionals.

The Colorado Association of Superintendents and Senior Administrators (CASSA) serves superintendents, assistant superintendents and other senior administrators employed in the Colorado school system.

The Colorado Association of Secondary School Principals (CASSP) members include Colorado school system middle and high school principals, assistant principals, athletic directors, deans of students and middle and high school district administrators.

The Department of Business Officials (DBO) serves Colorado school system business officials.

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NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates

The combined financial statements of the Association and the Center have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and, accordingly, reflect all significant receivables, payables and other liabilities.

Activity between the Association and the Center has been eliminated in the preparation of the CASE combined financial statements. Inter-entity activity included cash transfers and support expense sharing occurring during the years ended August 31, 2021 and 2020. CASE's policy is to periodically satisfy all inter - entity activity.

The preparation of combined financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions affecting the amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the amounts of revenues, expenses, gains, losses and other changes in net assets during the fiscal years represented in the combined statement of activities. Actual results could differ from those estimates.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Classes of Net Assets

The combined financial statement presentation follows the recommendations of the Financial Accounting Standards Board's Accounting Standards Codification, *Financial Statements of Not-For-Profit Organizations*. Those standards require CASE to report information regarding its financial position and activities by class of net assets:

- *Net Assets Without Donor Restrictions* are those resources currently available for CASE's operating purposes under the direction of its board.
- *Net Assets With Donor Restrictions* include amounts that are stipulated by donors for specific operating purposes or future periods or that are stipulated by donors to be maintained in perpetuity. CASE has \$26,600 of such net assets as of both August 31, 2021, and August 31, 2020. The earnings on these restricted net assets can be spent in accordance with the donors' stipulations.

Fair Value of Financial Instruments

The Association's financial instruments consist principally of cash and cash equivalents, investments in money market and mutual funds, and long-term debt. The fair value of a financial instrument is the amount that would be received in an asset sale or paid to a transfer a liability in an orderly transaction between unaffiliated market participants. Assets measured at fair value are categorized based on whether the inputs are observable in the market and the degree to which the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input

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that is significant to fair value measurement. The hierarchy is prioritized into three levels (with level 3 being the lowest) defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.
- Level 2: Observable inputs other than prices included in level 1, such as quoted prices for similar assets in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; other inputs that are observable or that can be corroborated with observable inputs.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant in the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant observable inputs.

The fair value of the Association's cash and cash equivalents, investment in money market and mutual funds, and long-term debt was based on "Level 1" inputs. The Association does not have any "Level 2" or "Level 3" financial instruments.

Cash, Cash Equivalents, and Restricted Cash

CASE considers all cash and highly liquid financial instruments that are to be used for current operations, and which have an original maturity of three months or less, to be cash and cash equivalents. All other cash and highly liquid financial instruments invested for the long-term purposes of CASE are classified as investments.

CASE maintains three cash and cash equivalent accounts with a commercial bank. The Association holds one account, and the Center holds two accounts. At times, the bank balances may be in excess of Federal Deposit Insurance Corporation insurance limits. CASE has not experienced any losses in such accounts. Excess amounts over the insured amounts are only permitted on a temporary basis when cash flows are projected to be needed to meet immediate invoicing needs. Otherwise, the excess amounts are invested in short-term certificates of deposit.

CASE collects dues for several Colorado school executive groups for the convenience of those groups. The amounts collected are deposited into CASE's general checking account and are disbursed on an as-needed basis to the school executive groups. Cash held for these groups totaled \$81,545 at August 31, 2021 and \$71,233 at August 31, 2020.

Investments

Investments consist of money market funds and mutual funds. Money market funds are considered an investment, as they are held with a brokerage firm, and the Association considers them to be an investment. Investments are measured at fair value in the combined statement of financial position. Realized and unrealized gains and losses are included in the combined statement of activities and classified as unrestricted, unless restricted by donor or applicable law.

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Accounts Receivable/Deferred Revenue - Memberships

Accounts receivable represent amounts due resulting from program services provided and are recorded at the amount management expects to collect from outstanding balances. Accounts receivable are considered past due based on contractual terms. CASE recognizes an allowance for uncollectible accounts on accounts receivable in an amount equal to probable losses. The allowance is based on an analysis of current receivables aging and estimated future write-offs.

August 31, 2021 accounts receivable includes amounts billed, but not collected, for memberships and dues for the 2021 fiscal year. August 31, 2020 accounts receivable includes amounts billed, but not collected, for memberships and dues for the 2020 fiscal year. CASE records a deferred revenue for amounts collected and/or billed prior to the end of the fiscal year that represent subsequent year resources.

Support and Revenue

The Association's revenue consists primarily of membership dues (the membership dues year runs from September 1 through the following August 31). The Center receives revenues from bi-annual conferences and department workshops.

The Association receives dues throughout the year and recognizes dues revenue on the first day of the new membership dues year. Dues received are recognized as deferred revenue in the year of receipt if they are for the subsequent year's dues.

Membership dues entitle the member to various member benefits that include discounted products and services. This includes legal assistance benefits for "Full-Active" CASE members as follows:

- First year of membership – up to \$375
- Second through fourth year of continuous membership – up to \$750 per year
- Five or more year of continuous membership – up to \$1,500 per year

The Association does not record a reserve for estimated legal assistance benefits payable. Legal fees paid in connection with this member benefit were \$21,697 and \$20,752 for the years ended August 31, 2021 and 2020, respectively.

Property and Equipment

CASE capitalizes all purchases greater than \$5,000 relating to property and equipment items with useful lives exceeding one year. Purchased assets are recorded at cost and donated assets are recorded at their fair market values at the date of the donation and depreciated over the estimated useful lives of the assets. Depreciation is recorded using the straight-line method over the estimated useful lives of the respective assets, which range from five to thirty-nine years.

Income Tax Status and Accounting for Uncertainty in Income Taxes

The Association reports results on its activity as a tax-exempt organization as permitted by Internal Revenue Code (IRC) 501(c)(6). The Center reports results on its activity as a tax-exempt organization as permitted by IRC 501(c)(3). Income earned by these organizations for activities not directly related to their

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tax-exempt purposes is subject to taxation as unrelated business income. No unrelated business events occurred during fiscal 2021 or 2020 that would have created an income tax liability for either entity.

CASE believes that it has conducted its operations in accordance with, and has properly maintained, its tax-exempt status, and it has taken no material uncertain tax positions that qualify for recognition or disclosure in the combined financial statements.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the combined statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Adoption of New Accounting Standard

In 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606 of the FASB Accounting Standards Codification) (ASC). CASE adopted the provisions of this new accounting standard during the year ended August 31, 2020. The new standard applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Adoption of this standard had no effect on the change in net assets or net assets in total for the year ending August 31, 2020.

NOTE 3: LIQUIDITY AND FUNDS AVAILABLE

Financial assets consist of the following amounts as of August 31,

	2021	2020
Financial assets:		
Cash, cash equivalents and restricted cash	\$ 891,398	\$ 403,018
Investments	242,807	214,289
Accounts receivable	547,659	650,481
Financial assets, at year-end	1,681,864	1,267,788
Less amounts not available to be used within one year:		
Funds held for other groups	(81,545)	(71,233)
Net assets with donor restrictions	(26,600)	(26,600)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,573,719	\$ 1,169,955

Management is currently in the process of determining a liquidity reserve goal for the Association.

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NOTE 4: INVESTMENTS

The Association has the following investments as of August 31:

	2021	2020
Cash and cash equivalents	\$ 214,897	\$ 214,289
Mutual funds	27,910	-
	<u>\$ 242,807</u>	<u>\$ 214,289</u>

Investment income consists of the following for the years ended August 31:

	2021	2020
Interest and dividends	\$ 241	\$ 7,111
Net realized and unrealized gain	1,677	-
	<u>\$ 1,918</u>	<u>\$ 7,111</u>

The Association classifies its mutual funds as available for sale and they are carried in the financial statements at fair value. Realized and unrealized gains and losses, determined using the first-in, first-out method, are included in the financial statements as investment income.

NOTE 5: OUTSTANDING DEBT OBLIGATIONS

Capital Lease

The Association has entered into a capital lease for the purchase of a copier. The copier has a capitalized cost of \$17,249 and a remaining book value of \$4,036 and \$7,480 as of August 31, 2021 and 2020, respectively. The lease requires monthly payments of \$326 (including interest at 5%) plus maintenance through October 2022. The Association expensed \$391 and \$493 of interest on the lease during the years ended August 31, 2021 and 2020, respectively. The lease requires payments of \$3,906 in fiscal year 2022 and \$651 in fiscal year 2023. The net present value of the remaining payments as of August 31, 2021 is \$4,416.

Note Payable

On April 29, 2019, the Association entered into a promissory note agreement for the purchase of the second floor of the building that the Association had been leasing. The building was purchased for \$879,003 with the seller financing \$700,000. The agreement requires monthly principal and interest payments of \$4,242, with annual interest of 4% charged from April 2019 until May 2029. After that date, the interest rate will change to the prime rate of interest plus one percent as published on June 1, 2029, as set by the Wall Street Journal. The interest rate change cannot exceed the previous year's rate by more than two percent and shall be capped at a maximum of eight percent. The note is secured by a deed of trust on the building.

The Association is a member of the building's condominium association and makes a monthly payment of \$937 into a reserve fund to be used for future non-routine repairs and replacements. The Association

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contributed \$11,250 and \$10,312 into this account during the years ended August 31 2021 and 2020, respectively.

The Association sublets a portion of the second floor for a monthly payment of \$1,340. Rent received totaled \$16,080 and \$14,928 for the years ended August 31, 2021 and 2020, respectively.

Principal payments on this loan are as follows for the year ended August 31,

2022	\$	25,605
2023		26,648
2024		27,734
2025		28,864
2026		30,040
Years subsequent to 2026		505,195
	\$	<u>644,086</u>

PPP Loan

In February of 2021, the Association received loan proceeds of \$211,783 under the Small Business Administration's Payroll Protection Program (PPP) 7(a) loan program. The Association received notification of the Small Business Administration's full forgiveness of the loan proceeds in July of 2021.

NOTE 6: RETIREMENT AND OTHER THAN PENSION EMPLOYEE BENEFITS

Defined Benefit Pension Plan

CASE, employer identification number 157, contributes to the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). When applicable, SDTF provides retirement and disability benefits, administers annual increases and pays death benefits for members or beneficiaries. All CASE employees qualify for SDTF membership. Title 24, Article 51, of the Colorado Revised Statutes, as amended, assigns the authority to establish benefit provisions and rates to the Colorado State Legislature. PERA prepares an annual financial report which includes financial statement information and supplementary information required by SDTF. The package is available to the public by either writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by calling 303.832.9950 or 1.800.759.7372.

Funding Policy

Contribution requirements of CASE and its employees are established under Title 24, Article 51, Part 4, of the Colorado Revised Statutes, as amended. CASE employees are required to make contributions to PERA at the following rates: 8.00% through June of 2019; 8.75% from July of 2019 through June of 2020; 10.0% from July of 2020 through June of 2021; and 10.50% after June of 2021. CASE's contribution rate for calendar years 2019, 2020 and 2021 was 20.40%, 20.90%, and 20.95%, respectively, of covered salary. A portion of CASE's contribution (1.02% of covered salary) is allocated to the Health Care Trust Fund. CASE

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NOTES TO COMBINED FINANCIAL STATEMENTS
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contributions to SDTF for the years ending August 31, 2021 and 2020 were \$161,345 and \$155,572, respectively, which were equal to its required contributions.

Funding Status

SDTF's financial statements are reported on a calendar year basis. SDTF had a funded status of 65% as of December 31, 2020, and a funded status of 62% as of December 31, 2019. The Association's percentage of the SDTF plan (based on Association contributions relative to all contributions received by SDTF for the 2020 fiscal year and the 2019 fiscal year) was .0251% as of December 31, 2020, and .00227% as of December 31, 2019.

Health Care Trust Fund

CASE, employer identification number 157, contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). When applicable, HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans. All CASE employees qualify for HCTF membership. Title 24, Article 51, of the Colorado Revised Statutes, as amended, assigns the authority to establish benefit provisions and rates to the Colorado State Legislature. PERA prepares an annual financial report which includes financial statement information and supplementary information required by HCTF. The package is available to the public by either writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203 or by visiting their website at www.copera.org/investments/pera-financial-reports.

Funding Policy

Contribution requirements of CASE and its employees are established under Title 24, Article 51, Part 12, of the Colorado Revised Statutes, as amended. CASE is required to contribute to the Health Care Trust Fund at a rate of 1.02% of covered salary. CASE's contribution to the HCTF for the years ending August 31, 2021, and 2020 was \$8,394 and \$8,242, respectively.

Funding Status

HCTF's financial statements are reported on a calendar year basis. HCTF had a funded status of 32.78% as of December 31, 2020, and a funded status of 24.49% as of December 31, 2019. The Association's percentage of the HCTF plan (based on Association contributions relative to all contributions received by HCTF for the 2020 fiscal year and the 2019 fiscal year) was .00890% as of December 31, 2020, and .00899% as of December 31, 2019.

NOTE 7: EVALUATION OF SUBSEQUENT EVENTS

Events subsequent to August 31, 2021 have been evaluated through January 28, 2022, the date these financial statements were available to be issued, to determine whether they should be disclosed to keep the financial statements from being misleading. Management found no subsequent events to be disclosed.

Colorado Association of School Executives and Affiliate
 Combining Statement of Financial Position
 August 31, 2021
 With Comparative Totals for August 31, 2020
 See Independent Auditor's Report

	Association	Center	Eliminations	Total	
				2021	2020
ASSETS					
CURRENT ASSETS					
Cash, cash equivalents and restricted cash	\$ 645,937	\$ 245,461	\$ -	\$ 891,398	\$ 403,018
Investments	242,807	-	-	242,807	214,289
Accounts receivable, less allowance for doubtful accounts	547,659	-	-	547,659	650,481
inter-entity receivable	-	178,882	(178,882)	-	-
Other current assets	10,886	19,774	-	30,660	11,922
TOTAL CURRENT ASSETS	1,447,289	444,117	(178,882)	1,712,524	1,279,710
OTHER ASSET, condo reserve account	17,884	-	-	17,884	10,312
PROPERTY AND EQUIPMENT					
Buildings and improvements	985,650	-	-	985,650	981,971
Furniture and fixtures	32,830	-	-	32,830	32,830
Office equipment	17,249	-	-	17,249	17,249
	1,035,729	-	-	1,035,729	1,032,050
Less accumulated depreciation	(86,290)	-	-	(86,290)	(50,332)
	949,439	-	-	949,439	981,718
TOTAL ASSETS	\$ 2,414,612	\$ 444,117	\$ (178,882)	\$ 2,679,847	\$ 2,271,740

Colorado Association of School Executives and Affiliate
Combining Statement of Financial Position
August 31, 2021
With Comparative Totals for August 31, 2020
See Independent Auditor's Report

	Association	Center	Eliminations	Total	
				2021	2020
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable - trade	\$ 56,692	\$ 182,878	\$ -	\$ 239,570	\$ 17,597
Accounts payable - other	138,901	-	-	138,901	139,636
Deferred revenue - dues, website and conferences	772,635	96,380	-	869,015	942,327
Inter-entity payable	178,882	-	(178,882)	-	-
Notes payable, current portion	25,605	-	-	25,605	24,603
Lease payable, current portion	3,771	-	-	3,771	3,588
TOTAL CURRENT LIABILITIES	1,176,486	279,258	(178,882)	1,276,862	1,127,751
LONG-TERM LIABILITIES					
Notes payable, less current portion	618,481	-	-	618,481	644,088
Lease payable, less current portion	645	-	-	645	4,416
TOTAL NON-CURRENT LIABILITIES	619,126	-	-	619,126	648,501
TOTAL LIABILITIES	1,795,612	279,258	(178,882)	1,895,988	1,776,252
NET ASSETS					
With donor restrictions	26,600	-	-	26,600	26,600
Without donor restrictions	592,400	164,859	-	757,259	468,888
TOTAL NET ASSETS	619,000	164,859	-	783,859	495,488
TOTAL LIABILITIES AND NET ASSETS	\$ 2,414,612	\$ 444,117	\$ (178,882)	\$ 2,679,847	\$ 2,271,740

Colorado Association of School Executives and Affiliate
Combining Statement of Activities
For the Year Ended August 31, 2021
With Comparative Totals for the Year Ended August 31, 2020
See Independent Auditor's Report

	Association	Center	Eliminations	Total	
				2021	2020
Net Assets Without Donor Restrictions					
Revenues, Gains and Other Support -					
Membership dues	\$ 872,245	\$ -	\$ -	\$ 872,245	\$ 905,822
Professional learning	-	1,503,829	-	1,503,829	804,480
Website income	45,940	-	-	45,940	45,780
Investment income	31	-	-	31	7,111
Interest income	-	12	-	12	50
Other income	30,587	-	-	30,587	42,688
PPP loan - fully forgiven	55,599	156,184	-	211,783	-
Net assets released from restrictions:					
Satisfaction of restriction	1,887	-	-	1,887	-
Total Revenues, Gains and Other Support	1,006,289	1,660,025	-	2,666,314	1,805,931
Expenses -					
Program services					
Membership	495,951	-	-	495,951	270,801
Professional learning	6,754	1,135,406	-	1,142,160	876,233
Legislative	69,565	-	-	69,565	70,608
Governance	14,220	-	-	14,220	6,787
Total Program Services	586,490	1,135,406	-	1,721,896	1,224,429
Support services					
Payroll and payroll related	414,831	-	-	414,831	536,845
Professional fees	4,226	-	-	4,226	40,266
Office related	45,734	-	-	45,734	55,726
Bank and credit card fees	33,984	34,182	-	68,166	46,017
Staff travel	2,435	-	-	2,435	12,111
Other general and administrative	10,702	760	-	11,462	3,519
Building and equipment rent	46,617	-	-	46,617	40,853
Interest expense	26,618	-	-	26,618	27,459
Depreciation	35,958	-	-	35,958	35,855
Total Support Services	621,105	34,942	-	656,047	798,651
Total Expenses	1,207,595	1,170,348	-	2,377,943	2,023,080
Change in Net Assets Without Donor Restrictions	(201,306)	489,677	-	288,371	(217,149)
Net Assets With Donor Restrictions					
Investment income	1,887	-	-	1,887	-
Net assets released from restrictions:					
Satisfaction of restriction	(1,887)	-	-	(1,887)	-
Change in Net Assets With Donor Restrictions	-	-	-	-	-
Change in Net Assets	(201,306)	489,677	-	288,371	(217,149)
Net Assets, Beginning of Year	820,306	(324,818)	-	495,488	712,637
Net Assets, End of Year	\$ 619,000	\$ 164,859	\$ -	\$ 783,859	\$ 495,488

Colorado Association of School Executives and Affiliate
Combining Statement of Cash Flows
For the Year Ended August 31, 2021
With Comparative Totals for the Year Ended August 31, 2020
See Independent Auditor's Report

	Association	Center	Total	
			2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ (201,306)	\$ 489,677	\$ 288,371	\$ (217,149)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:				
Change in allowance for doubtful accounts	6,925	-	6,925	-
Depreciation	35,958	-	35,958	35,855
Change in assets and liabilities:				
Accounts receivables	95,897	-	95,897	(296,759)
Inter-entity receivables	427,941	(178,882)	249,059	(128,346)
Other current assets	(964)	(17,774)	(18,738)	28,934
Condo reserve account	(7,572)	-	(7,572)	(10,312)
Accounts payable - trade	43,215	178,758	221,973	(313,873)
Accounts payable - other	(735)	-	(735)	16,991
Accrued vacation	-	-	-	(31,895)
Deferred memberships	(124,292)	50,980	(73,312)	293,948
Inter-entity payables	178,882	(427,941)	(249,059)	128,346
Net cash provided by (used in) operating activities	453,949	94,818	548,767	(494,260)
CASH FLOWS FROM INVESTING ACTIVITIES				
Reinvested earnings on investment accounts	(1,918)	-	(1,918)	(7,111)
Opened up investment account fr endowment	(26,600)	-	(26,600)	-
Redemptions from investment account	-	-	-	325,000
Acquisition of property and equipment	(3,679)	-	(3,679)	(1,698)
Net cash provided by (used in) investing activities	(32,197)	-	(32,197)	316,191
CASH FLOWS FROM FINANCING ACTIVITIES				
Notes payable proceeds received	-	-	-	-
Notes payable principal payments	(24,602)	-	(24,602)	(23,640)
Lease payable principal payments	(3,588)	-	(3,588)	(3,413)
Net cash provided by (used in) financing activities	(28,190)	-	(28,190)	(27,053)
Net increase (decrease) in cash, cash equivalents, and restricted cash	393,562	94,818	488,380	(205,122)
Cash, cash equivalents, and restricted cash:				
Beginning	252,375	150,643	403,018	608,140
Ending	\$ 645,937	\$ 245,461	\$ 891,398	\$ 403,018
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION				
Cash payments for interest	\$ 26,618	\$ -	\$ 26,618	\$ 27,459