

**ALL FACULTY ASSOCIATION**

**Financial Statements**

**June 30, 2021**

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Executive Council of  
All Faculty Association

We have reviewed the accompanying financial statements of All Faculty Association (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, cash flows and the statement of functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountant's Conclusion

Based on our review we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

GIBSON & COMPANY, INC.  
CERTIFIED PUBLIC ACCOUNTANT  
*Gibson & Company, Inc.*  
*Certified Public Accountant*

Sacramento, California  
January 14, 2022

# ALL FACULTY ASSOCIATION

## Statement of Financial Position

June 30, 2021

### Assets

#### Current Assets:

Cash	\$	499,918
Prepaid expenses		4,348
Deposits		<u>500</u>
Total Current Assets		504,766

#### Equipment:

Equipment		21,245
Accumulated depreciation		<u>(20,971)</u>
Net Equipment		<u>274</u>

Total Assets	\$	<u><u>505,040</u></u>
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See the accompanying notes and independent accountant's review report

ALL FACULTY ASSOCIATION

Statement of Financial Position

June 30, 2021

Liabilities and Net Assets

Current Liabilities:

Accounts payable	\$ 7,599
Accrued payroll and payroll taxes	<u>1,948</u>
Total Current and Total Liabilities	9,547

Net Assets:

Without donor restrictions:	
General Operating	495,219
Equipment	<u>274</u>
Total Net Assets	<u>495,493</u>

Total Liabilities and Net Assets	\$ <u><u>505,040</u></u>
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# ALL FACULTY ASSOCIATION

## Statement of Activities and Changes in Net Assets

For the Year Ended June 30, 2021

### Revenue:

Dues	\$ 302,772
Interest and miscellaneous	<u>700</u>
Total Revenue	303,472

### Expenses:

#### Program Services:

Member representation	<u>148,411</u>
Total Program Services	148,411

#### Supporting Services:

General and administrative expenses	<u>36,224</u>
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Total Expenses	<u>184,635</u>
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Change in Net Assets	118,837
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Net Assets, Beginning of Year	<u>376,656</u>
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Net Assets, End of Year	<u><u>\$ 495,493</u></u>
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See the accompanying notes and independent accountant's review report

ALL FACULTY ASSOCIATION

Statement of Cash Flows

For the Year Ended June 30, 2021

	<u>Total</u>
Cash Flows From Operating Activities:	
Change in net assets	\$ 118,837
Adjustments to reconcile change in net assets to net cash provided by operations:	
Depreciation	992
(Increase) decrease in:	
Prepaid expenses	(190)
Increase (decrease) in:	
Accounts payable	(18,846)
Accrued payroll and related liabilities	<u>1,948</u>
Total adjustments	<u>(16,096)</u>
Net Cash Provided (Used) By Operating Activities	<u>102,741</u>
Cash Flows From Investing Activities:	
Net Cash Used By Investing Activities	-0-
Cash Flows From Financing Activities:	
Net Cash Used By Financing Activities	<u>-0-</u>
Net Increase (Decrease) in Cash	102,741
Cash at Beginning of Year	<u>397,177</u>
Cash at End of Year	\$ <u>499,918</u>

See the accompanying notes and independent accountant's review report

# ALL FACULTY ASSOCIATION

## Statement of Functional Expenses

For the Year Ended June 30, 2021

	Program Services Member Representation	Supporting Services Administration	Total
Without Donor Restrictions			
Salaries	\$ 9,476	28,426	37,902
Payroll Taxes	763	2,290	3,053
Worker's Compensation Insurance	111	331	442
Conferences & Travel	1,440	-0-	1,440
Depreciation	893	99	992
Equipment Rental & Maintenance	306	34	340
Recognitions & Awards	232	26	258
Events	52	-0-	52
Liability Insurance	1031	114	1,145
Insurance Officers & Directors	-0-	3,628	3,628
Accounting Fees	4,986	554	5,540
Legal Fees	19,677	-0-	19,677
Office Supplies	43	5	48
Professional Dues	10,495	-0-	10,495
Reassigned Time	47,701	-0-	47,701
Rent	5,469	608	6,077
State Taxes	-0-	10	10
AFDAF	27,343	-0-	27,343
Subscriptions	609	68	677
Contributions	2,000	-0-	2,000
Postage & Delivery	50	5	55
FACCC Contract Membership	15,000	-0-	15,000
Computer Supplies	234	26	260
Other Professional Fees	500	-0-	500
Total Expenses	\$ 148,411	36,224	184,635

See the accompanying notes and independent accountant's review report



# ALL FACULTY ASSOCIATION

## Notes to Financial Statements

June 30, 2021

### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### a. Nature and Purpose of the Association

All Faculty Association's purpose is to represent members in the following matters: salary, benefits, working conditions, assistance in filing and pursuing employee grievances, legal representation on both an individual and class basis, and technical assistance in matters of job classification. Dues revenue is derived solely from representing full-time and part-time faculty members at Santa Rosa Junior College. This bargaining agreement expires June 30, 2022.

#### b. Description of Net Assets

The books of account and financial statements of the Association reflect the accrual method of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net assets with donor restrictions – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. The Organization reports donations and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. There are no donor restricted assets.

# ALL FACULTY ASSOCIATION

## Notes to Financial Statements

June 30, 2021

### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

#### c. Income

Dues are collected from members by payroll deduction. Dues, interest income, and other income are recognized when earned.

#### d. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a temporary restriction expires, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

#### e. Equipment

Purchased equipment having an extended useful life are capitalized as equipment at cost. Maintenance and repair costs are charged to expenses as incurred. Replacements and Capital improvements over \$300 are charged to the equipment account. All donated assets are recorded at fair market value at the time of receipt. Depreciation for equipment is recorded using the straight-line method over a period of five to seven years.

#### f. Incorporation/Income Taxes

The Corporation is organized pursuant to the General Non-Profit Law of the State of California and is exempt from Federal and State income taxes under the provisions of I.R.C. Section 501(c)(5) and California Revenue and Taxation Code Section 23701A, therefore no provision has been made for current or deferred income taxes. Income from certain activities not directly related to the Organization's tax exempt purpose is subject to taxation as unrelated business income. The corporation uses the same accounting methods for tax and financial reporting.

#### g. Statement of Cash Flows

For purposes of the statement of cash flows, the Association considers all short term investments with an original maturity of three months or less to be cash equivalents.

# ALL FACULTY ASSOCIATION

## Notes to Financial Statements

June 30, 2021

### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

#### h. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 pandemic and the COVID-19 control responses, and such differences may be material.

#### i. Date of Management's Review

Management has evaluated subsequent events through January 14, 2022 the date on which the financial statements were available to be issued.

### (2) PROPERTY AND EQUIPMENT:

At June 30, 2021, property and equipment is comprised of the following:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
<u>Property and Equipment</u>				
Office furniture and equipment	\$ 5,740	-0-	-0-	5,740
Computer equipment	<u>15,505</u>	<u>-0-</u>	<u>-0-</u>	<u>15,505</u>
Total Property and Equipment	21,245	<u>-0-</u>	<u>-0-</u>	21,245
<u>Accumulated Depreciation</u>				
Office furniture and equipment	5,644	96	-0-	5,740
Computer equipment	<u>14,335</u>	<u>896</u>	<u>-0-</u>	<u>15,231</u>
Total Accumulated Depreciation	<u>19,979</u>	<u>992</u>	<u>-0-</u>	<u>20,971</u>
Net Book Value	\$ <u>1,266</u>			<u>274</u>

Depreciation expense for the year ended June 30, 2021 was \$992.

# ALL FACULTY ASSOCIATION

## Notes to Financial Statements

June 30, 2021

### (3) LIQUIDITY MANAGEMENT:

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash	\$	<u>499,918</u>
	\$	<u>499,918</u>

The organization has a goal to maintain cash on hand to meet 90 days of ordinary business expenses (exclusive of depreciation).

### (4) COVID RESPONSE:

The COVID-19 pandemic developed rapidly in 2020, with a significant number of cases. Measures taken by various governments to contain the virus have affected economic activity. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy.

The Association during the year ended June 30, 2021 did not have an adverse effect on its operations and financial results due to the COVID-19 pandemic.

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Association's operations and financial results will depend on future developments, including the duration and spread of the outbreak which is highly uncertain.