CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED JUNE 30, 2009 AND 2008

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

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Gilbert Associates, Inc.
CPAs and Advisors

INDEPENDENT AUDITOR'S REPORT

Board of Directors
California School Boards Association and Affiliates
Sacramento, California

We have audited the accompanying consolidated statement of financial position of the California School Boards Association and Affiliates (Association) as of June 30, 2009, and the related statements of activities and of cash flows for the year then ended. These consolidated financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The financial statements of the Association as of June 30, 2008, were audited by other auditors whose report dated September 30, 2008, expressed a qualified opinion on those statements.

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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As more fully described in Note 4 to the financial statements, the Association recognizes the cost of its defined benefit pension plan in accordance with accounting principles promulgated by the Government Accounting Standards Board, which is not in accordance with financial accounting principles generally accepted in the United States of America (GAAP). GAAP requires an employer to recognize the overfunded or underfunded status of a defined benefit pension plan as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through unrestricted net assets. The effects of that departure on the financial statements are not reasonably determinable.

In our opinion, except for the effects of the matter discussed in the preceding paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the California School Boards Association and Affiliates as of June 30, 2009, and the changes in their net assets and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

2880 Gateway Oaks Drive, Suite 100 • Sacramento, CA 95833

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplemental information on pages 13 through 18 is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, except for the effects of the matter discussed in the third paragraph on page 1, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

September 9, 2009

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
CURRENT ASSETS:		
Cash and equivalents	$ 5,391,682	$ 6,880,932
Accounts receivable, net	640,053	556,044
Current portion of grants receivable	351,570	321,430
Inventories	33,774	37,571
Deposits, prepaid expenses and other assets	315,101	316,520
Total current assets	6,732,180	8,112,497
GRANTS RECEIVABLE, Net	75,000	165,000
PROPERTY AND EQUIPMENT, Net	2,008,442	2,041,174
TOTAL ASSETS	$ 8,815,622	$ 10,318,671
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 609,527	$ 732,134
Deferred revenues	1,990,298	2,419,736
Compensated absences	496,408	482,983
Total liabilities	3,096,233	3,634,853
NET ASSETS:		
Unrestricted:		
Undesignated	4,033,527	4,384,959
Board designated	941,318	1,450,946
Total unrestricted	4,974,845	5,835,905
Temporarily restricted	744,544	847,913
Total net assets	5,719,389	6,683,818
TOTAL LIABILITIES AND NET ASSETS	$ 8,815,622	$ 10,318,671

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
UNRESTRICTED NET ASSETS:		
REVENUES:		
Membership dues	$ 5,923,408	$ 5,593,682
Policy services	3,136,975	3,037,626
Continuing education	1,789,913	1,934,838
District services programs	1,602,821	1,267,239
Education legal alliance	1,266,747	1,302,718
Foundation programs	686,856	1,320,857
Financial programs	231,155	272,518
Interest income	199,206	401,094
Executive search	167,712	480,251
Communications and member services	155,870	207,558
CCBE programs	119,805	104,979
Governmental relations		14,011
Miscellaneous	136,730	132,008
Net assets released from restrictions	595,533	500,369
Total revenues	16,012,731	16,569,748
EXPENSES:		
Program services:		
Foundation programs	3,040,082	3,417,874
Policy services	2,542,333	2,399,647
Education legal alliance	1,803,683	1,449,129
Communications and member services	1,697,503	1,864,908
Continuing education	1,477,860	1,467,410
Governmental relations	1,405,140	1,245,416
District services programs	1,087,097	889,243
Policy analysis	586,420	488,412
Executive search	331,595	785,036
Financial programs	187,213	183,168
CCBE programs	89,799	97,293
Total program services	14,248,725	14,287,536
Governance and administration	2,625,066	2,582,452
Total expenses	16,873,791	16,869,988
DECREASE IN UNRESTRICTED NET ASSETS	(861,060)	(300,240)
TEMPORARILY RESTRICTED NET ASSETS:		
Foundation grants	492,164	1,093,515
Net assets released from restrictions	(595,533)	(500,369)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	(103,369)	593,146
INCREASE (DECREASE) IN NET ASSETS	(964,429)	292,906
NET ASSETS, Beginning of Year	6,683,818	6,390,912
NET ASSETS, End of Year	$ 5,719,389	$ 6,683,818

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	$ (964,429)	$ 292,906
Reconciliation to net cash and equivalents provided (used) by operating activities:		
Depreciation	233,584	209,945
Changes in:		
Accounts receivable, net	(84,009)	71,151
Grants receivable	59,860	(337,930)
Inventories	3,798	13,667
Deposits, prepaid expenses and other assets	1,419	(5,140)
Accounts payable and accrued expenses	(122,614)	55,752
Deferred revenues	(429,436)	172,010
Compensated absences	13,425	25,936
Net cash provided (used) by operating activities	(1,288,402)	498,297
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(200,848)	(368,396)
NET INCREASE (DECREASE) IN CASH AND EQUIVILENTS	(1,489,250)	129,901
CASH AND EQUIVALENTS, Beginning of year	6,880,932	6,751,031
CASH AND EQUIVALENTS, End of year	$ 5,391,682	$ 6,880,932

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization – The California School Boards Association (CSBA) is a California nonprofit public benefit corporation. The objective of CSBA is to provide leadership in setting and implementing the public education agenda in California and to support school board governance at the district and county levels. Members consist primarily of the governing boards of California school districts.

Principles of consolidation – The accompanying financial statements reflect the consolidation of CSBA and several affiliated organizations that provide services on behalf of CSBA to its members. CSBA and its affiliates (collectively, the Association) are governed by Boards of Directors with common members and share common facilities and management. Material transactions among the entities have been eliminated in consolidation. The affiliated organizations are described below:

The California School Boards Foundation (CSBF) is a California nonprofit public benefit corporation established to provide support and training to school board members, to conduct policy research and analysis in education, and to recognize educational leadership and achievements in California.

The California School Boards Association Finance Corporation (CSBAFC) is a California nonprofit public benefit corporation established to render financial assistance to educational bodies in the State of California. The current programs include a Tax Revenue Anticipation Note (TRAN) program, a Certificate of Participation program (COP), a lease purchase program, and a Qualified Zone Academy (QZAB) program.

The California School Boards Association District Services Corporation (CSBADSC) is a California nonprofit public benefit corporation established to provide support, training, and assistance to California school districts, community colleges, and other public agencies whose primary purpose is public education. The most active programs include a Medi-Cal reimbursement service that assists school districts in receiving federal monies for specific medical services provided to eligible students; sponsorship of the US Communities Governmental Purchasing Alliance (a national pooled purchasing alliance with Cities, Counties, and Schools) that offer school districts deep discounts in purchasing supplies and services; and deferred compensation programs to help school districts establish, evaluate, and comply with complex Internal Revenue Service regulations.

Basis of presentation – The consolidated financial statements are presented in conformity with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*. Under SFAS No. 117, the Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The Association has no permanently restricted net assets.

Revenue recognition – Membership dues are recognized as revenue in the applicable membership period. Revenues from educational activities, conferences, and other events and from fee-based services are recognized when the events occur. Dues and fees collected in advance of services rendered are recorded as deferred revenues until earned. Fees for arranging TRANs and COP financing agreements among California school districts, financial institutions, and the general public are recognized upon the close of escrow.

Foundation grants are recognized in full when received or unconditionally promised, in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. All grants are considered available for unrestricted use unless specifically restricted by grantors for future periods or specific purposes. Grantor-restricted amounts are reported as increases in temporarily or permanently restricted net assets. Temporarily restricted net assets become unrestricted, and are reported in the statement of activities as net assets released from restrictions, when the time restrictions expire or the grants are used for the restricted purpose.

Cash and equivalents – For financial statement purposes, the Association considers all investments with maturity at purchase of three months or less to be cash equivalents.

The Association is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Association's investment in this pool is reported in the accompanying financial statements at amounts based upon the Association's pro-rata share of the fair value provided by the LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the LAIF, which are recorded on an amortized cost basis. Cash and equivalents as of June 30, 2009 and 2008, include funds of $4,617,894 and $6,252,907, respectively, which are pooled in the LAIF. The amounts held in the LAIF are considered liquid, and therefore treated as a cash equivalent.

Accounts receivable and credit policies – Accounts receivable consist of uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. Accounts receivable are stated at the amount billed to the customer. Customer account balances with invoices dated over 60 days old are considered delinquent.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. At June 30, 2009 and 2008, the allowance for doubtful accounts was $47,000 and $2,000, respectively.

Inventory – Inventories consist of supplies and publications and are carried at the lower of cost or market value.

Property and equipment are recorded at cost. The Association capitalizes all expenditures for property and equipment in excess of $1,000. Buildings are depreciated using the straight-line method over estimated useful lives of 30 years. Building improvements, office furniture, and equipment are depreciated using the straight-line method over estimated useful lives of 2 to 15 years.

Income taxes – CSBA, CSBAFC, and CSBADSC are exempt from income taxes under Internal Revenue Code (IRC) Sections 501(c)(4) and related California code sections. CSBF is exempt under IRC Section 501(c)(3) and related California code sections. CSBA and its affiliates are considered publicly supported organizations and are subject to income taxes from activities unrelated to their tax-exempt purposes. The Association has elected to defer the application of Financial Accounting Standards Board (FASB) Interpretation 48, "Accounting for Uncertainty in Income Taxes" as allowed until July 1, 2009. The Association will evaluate any uncertain tax positions in conjunction with the preparation of its tax return.

Functional allocation of expenses – The costs of providing program services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services based on estimates of employees' time incurred, and on usage of resources.

Use of estimates – 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications – Certain 2008 amounts have been reclassified to conform with the 2009 financial statement presentation.

2. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2009	2008
Land	$ 589,304	$ 589,304
Buildings and improvements	2,577,717	2,451,439
Furniture and equipment	1,039,027	952,289
Leasehold improvements	40,413	40,413
Capital assets in progress	631	15,495
Total	4,247,092	4,048,940
Less accumulated depreciation	(2,238,650)	(2,007,766)
Property and equipment, net	$ 2,008,442	$ 2,041,174

3. OPERATING LEASE COMMITMENTS

CSBA leases certain office space under renewable operating leases that expire in 2010 and 2012. Rent expense at June 30, 2009 and 2008 was $329,272 and $328,547, respectively.

The leases are for additional office space including space for the Governmental Relations Department, to allow legislative staff easier access to the Capitol and the legislative process. These leases contain provision for periodic fixed increases in rent. Rent expense is recognized on the straight-line basis over the life of the lease. Differences between the amount paid in cash and the expense recognized are reflected as deferred rent and are included in accounts payable and accrued expenses on the statements of financial position.

Future minimum lease payments are as follows:

Fiscal year ending June 30,	
2010	$ 336,956
2011	277,302
2012	232,130
Total	$ 846,388

4. DEFINED BENEFIT PENSION PLAN

Qualified employees are covered under a cost sharing multiple-employer defined benefit pension plan (the Plan) maintained by the California Public Employees Retirement System (CalPERS).

The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. State statutes within the Public Employees' Retirement Law establish a menu of benefit provisions and other requirements. With Board approval, the Plan selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues a separate comprehensive annual financial report. Copies of the report may be obtained from the CalPERS executive office at 400 "P" Street, Sacramento, CA 95814.

Active Plan members are required to contribute 7% of their annual covered salary. CSBA is required to contribute actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The contribution rates are established and may be amended by CalPERS.

Under GASB 27, an employer reports an annual pension cost (APC) equal to the annual required contribution (ARC) plus an adjustment for the cumulative difference between the APC and the employer's actual plan contributions for the year. The cumulative difference is called the net pension obligation (NPO). The ARC for the period July 1, 2009 to June 30, 2010 was determined by an actuarial valuation of the plan as of June 30, 2007. The contribution rate for the indicated period was 13.297% of payroll for the retirement program. The Association's contributions to CalPERS for the years ending June 30, 2009 and 2008 were $958,801 and $975,059, respectively, and equal 100% of the required contributions.

A summary of principal assumptions and methods used to determine the ARC is shown below.

Valuation Date	June 30, 2007
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	5 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.25% to 14.45% depending on Age, Service and Type of Employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%.

Initial plan unfunded liabilities are amortized over a closed period equal to the average amortization period at the plan's date of entry into the CalPERS Risk Pool. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20 year period. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

The Schedule of Funding Progress below shows the recent history of the Risk Pool's actuarial value of assets, accrued liability, their relationship, and the relationship of the unfunded liability (UL) to payroll.

Plan's Risk Pool History of Funded Status and Funding Progress

Valuation Date	Accrued Liabilities	Actuarial Assets	Unfunded Liabilities (UL)	Funded Ratio	Annual Covered Payroll	UL as a % of Payroll
6/30/03	$ 430,371,544	$ 429,814,105	$ 557,439	99.9%	$ 159,238,690	0.40%
6/30/04	$ 437,494,341	$ 428,025,075	$ 9,469,266	97.8%	$ 159,135,314	6.00%
6/30/05	$ 484,351,523	$ 459,996,995	$ 24,354,528	95.0%	$ 174,127,476	14.00%
6/30/06	$ 478,122,215	$ 454,602,459	$ 23,519,756	95.1%	$ 170,458,082	13.80%
6/30/07	$ 498,934,859	$ 479,520,670	$ 19,414,189	96.1%	$ 171,052,819	11.30%

5. DEFERRED COMPENSATION AND OTHER RETIREMENT PLANS

The Association offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. No contributions are currently being made by the Association. The deferred compensation is not available to employees until disability, termination, retirement, death or an unforeseeable emergency.

Employees of the Association over age 21 with at least 12 months of service may also participate in a defined contribution 401(k) retirement plan (the "Plan"). Employees may make voluntary contributions up to federally designated limits. The Association may make discretionary contributions to the Plan, however, no employer contributions to the Plan were made during the years ended June 30, 2009 and 2008.

The previously reported June 30, 2008 financial statements have been restated to properly exclude the plan assets and related liabilities of the deferred compensation and 401(k) plans, decreasing total assets and liabilities by $2,652,191. These amounts are held by third-party trustees and represent funds invested by the Association's employees which they are entitled to upon request. This correction had no net impact on the Association's net assets as of June 30, 2008.

6. NET ASSETS

A portion of the Association's unrestricted net assets are designated for the Education Legal Alliance.

Temporarily restricted net assets consist of unexpended funds from grants, restricted for use in the following programs:

	2009	2008
TCE - Physical Education/Physical Activity Grant	$ 391,350	
Healthy Communities/Healthy Students Grant	202,536	$ 280,000
TCE - Indoor Air Quality - Asthma Grant	108,726	283,966
TCE - School Health Grant	17,983	83,588
The Packard Grant		92,144
Adequacy Project Grant		44,018
Miscellaneous	23,949	64,197
Total	$ 744,544	$ 847,913

7. CONCENTRATIONS OF CASH

The Association maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts. Management believes the Association is not exposed to any significant credit risk related to cash. Cash balances held in banks are 100% insured by Federal Depository Insurance Corporation (FDIC) through December 31, 2009 under the FDIC's Temporary Liquidity Guarantee Program.

8. SUBSEQUENT EVENT

On July 1, 2009, the Association entered into a line of credit (LOC) lending agreement with A&I Advisors, Inc. to provide $250,000 in various advances through September 2009. The LOC bears interest at a rate of 5% per annum, expires on December 10, 2010 and is collateralized by a security interest in the assets of the borrower. Principal and interest payments are receivable in twelve equal monthly installments commencing on January 10, 2010.

SUPPLEMENTAL SCHEDULES

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2009

ASSETS	CSBA	CSBF	CSBAFC	CSBADSC	Consolidated
CURRENT ASSETS:					
Cash and equivalents	$ 5,020,469	$ 120,879	$ 62,240	$ 188,094	$ 5,391,682
Accounts receivable, net	123,797	53,032	8,500	454,724	640,053
Current portion of grants receivable		351,570			351,570
Inventories	33,774				33,774
Deposits, prepaid expenses and other assets	303,140	9,067		2,894	315,101
Total current assets	5,481,180	534,548	70,740	645,712	6,732,180
GRANTS RECEIVABLE, Net		75,000			75,000
PROPERTY AND EQUIPMENT, Net	2,008,442				2,008,442
DUE FROM (TO) AFFILIATES	(877,253)	(444,526)	855,148	466,631	
TOTAL ASSETS	$ 6,612,369	$ 165,022	$ 925,888	$ 1,112,343	$ 8,815,622
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable and accrued expenses	$ 418,415	$ 42,990	$ 2,501	$ 145,621	$ 609,527
Deferred revenues	1,687,808	292,525		9,965	1,990,298
Compensated absences	496,408				496,408
Total liabilities	2,602,631	335,515	2,501	155,586	3,096,233
NET ASSETS:					
Unrestricted:					
Undesignated	3,068,420	(915,037)	923,387	956,757	4,033,527
Board designated	941,318				941,318
Total unrestricted	4,009,738	(915,037)	923,387	956,757	4,974,845
Temporarily restricted		744,544			744,544
Total net assets	4,009,738	(170,493)	923,387	956,757	5,719,389
TOTAL LIABILITIES AND NET ASSETS	$ 6,612,369	$ 165,022	$ 925,888	$ 1,112,343	$ 8,815,622

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

ASSETS	CSBA	CSBF	CSBAFC	CSBADSC	Consolidated
CURRENT ASSETS:					
Cash and equivalents	$ 6,713,150	$ 66,805	$ 20,415	$ 80,562	$ 6,880,932
Accounts receivable, net	136,625	98,570	1,000	319,849	556,044
Current portion of grants receivable		321,430			321,430
Inventories	37,571				37,571
Deposits, prepaid expenses and other assets	311,688	2,500		2,332	316,520
Total current assets	7,199,034	489,305	21,415	402,743	8,112,497
GRANTS RECEIVABLE, Net		165,000			165,000
PROPERTY AND EQUIPMENT, Net	2,041,174				2,041,174
DUE FROM (TO) AFFILIATES	(1,570,644)	19,072	902,059	649,513	
TOTAL ASSETS	$ 7,669,564	$ 673,377	$ 923,474	$ 1,052,256	$ 10,318,671
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable and accrued expenses	$ 619,214	$ 27,559	$ 87	$ 85,274	$ 732,134
Deferred revenues	2,078,006	331,505		10,225	2,419,736
Compensated absences	482,983				482,983
Total liabilities	3,180,203	359,064	87	95,499	3,634,853
NET ASSETS:					
Unrestricted:					
Undesignated	3,038,415	(533,600)	923,387	956,757	4,384,959
Board designated	1,450,946				1,450,946
Total unrestricted	4,489,361	(533,600)	923,387	956,757	5,835,905
Temporarily restricted		847,913			847,913
Total net assets	4,489,361	314,313	923,387	956,757	6,683,818
TOTAL LIABILITIES AND NET ASSETS	$ 7,669,564	$ 673,377	$ 923,474	$ 1,052,256	$ 10,318,671

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

UNRESTRICTED NET ASSETS:	CSBA	CSBF	CSBAFC	CSBADSC	Consolidated
REVENUES:					
Membership dues	$ 5,923,408				$ 5,923,408
Policy services	3,136,975				3,136,975
Continuing education	1,789,913				1,789,913
District services programs				$1,602,821	1,602,821
Education legal alliance	1,266,747				1,266,747
Foundation programs		$ 686,856			686,856
Financial programs			$ 231,155		231,155
Interest income	147,674	10	25,422	26,100	199,206
Executive search	167,712				167,712
Communications and member services	155,870				155,870
CCBE programs	119,805				119,805
Governmental relations					
Miscellaneous	135,755	975			136,730
Net assets released from restrictions		595,533			595,533
Total revenues	12,843,859	1,283,374	256,577	1,628,921	16,012,731
EXPENSES:					
Program services:					
Foundation programs		3,040,082			3,040,082
Policy services	2,542,333				2,542,333
Education legal alliance	1,803,683				1,803,683
Communications and member services	1,697,503				1,697,503
Continuing education	1,477,860				1,477,860
Governmental relations	1,405,140				1,405,140
District services programs				1,087,097	1,087,097
Policy analysis	586,420				586,420
Executive search	331,595				331,595
Financial programs			187,213		187,213
CCBE programs	89,799				89,799
Total program services	9,934,333	3,040,082	187,213	1,087,097	14,248,725
Governance and administration	2,625,066				2,625,066
Total expenses	12,559,399	3,040,082	187,213	1,087,097	16,873,791
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	284,460	(1,756,708)	69,364	541,824	(861,060)
TEMPORARILY RESTRICTED NET ASSETS:					
Foundation grants		492,164			492,164
Net assets released from restrictions		(595,533)			(595,533)
DECREASE IN TEMPORARILY RESTRICTED NET ASSETS		(103,369)			(103,369)
INTERCOMPANY REVENUE (EXPENSES)	(764,083)	1,375,271	(69,364)	(541,824)	
INCREASE (DECREASE) IN NET ASSETS	(479,623)	(484,806)			(964,429)
NET ASSETS, Beginning of Year	4,489,361	314,313	923,387	956,757	6,683,818
NET ASSETS, End of Year	$ 4,009,738	$ (170,493)	$ 923,387	$ 956,757	$ 5,719,389

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2008

UNRESTRICTED NET ASSETS:	CSBA	CSBF	CSBAFC	CSBADSC	Consolidated
REVENUES:					
Membership dues	$ 5,593,682				$ 5,593,682
Policy services	3,037,626				3,037,626
Continuing education	1,934,838				1,934,838
District services programs				$1,267,239	1,267,239
Education legal alliance	1,302,718				1,302,718
Foundation programs		$ 1,320,857			1,320,857
Financial programs			$ 272,518		272,518
Interest income	313,595	10	45,789	41,700	401,094
Executive search	480,251				480,251
Communications and member services	207,558				207,558
CCBE programs	104,979				104,979
Governmental relations	14,011				14,011
Miscellaneous	131,858	150			132,008
Net assets released from restrictions		500,369			500,369
Total revenues	13,121,116	1,821,386	318,307	1,308,939	16,569,748
EXPENSES:					
Program services:					
Foundation programs		3,417,874			3,417,874
Policy services	2,399,647				2,399,647
Education legal alliance	1,449,129				1,449,129
Communications and member services	1,864,908				1,864,908
Continuing education	1,467,410				1,467,410
Governmental relations	1,245,416				1,245,416
District services programs				889,243	889,243
Policy analysis	488,412				488,412
Executive search	785,036				785,036
Financial programs			183,168		183,168
CCBE programs	97,293				97,293
Total program services	9,797,251	3,417,874	183,168	889,243	14,287,536
Governance and administration	2,582,452				2,582,452
Total expenses	12,379,703	3,417,874	183,168	889,243	16,869,988
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	741,413	(1,596,488)	135,139	419,696	(300,240)
TEMPORARILY RESTRICTED NET ASSETS:					
Foundation grants		1,093,515			1,093,515
Net assets released from restrictions		(500,369)			(500,369)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS		593,146			593,146
INTERCOMPANY REVENUE (EXPENSES)	(813,208)	1,368,043	(135,139)	(419,696)	
INCREASE (DECREASE) IN NET ASSETS	(71,795)	364,701			292,906
NET ASSETS, Beginning of Year	4,561,156	(50,388)	923,387	956,757	6,390,912
NET ASSETS, End of Year	$ 4,489,361	$ 314,313	$ 923,387	$ 956,757	$ 6,683,818

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF NET ASSETS

YEAR ENDED JUNE 30, 2009

	Unrestricted							
	Undesignated					Designated		
	CSBA	CSBF	CSBAFC	CSBADSC	Total	ELA	Temporarily Restricted	Total
Revenues	$ 11,549,805	$ 687,841	$ 256,577	$ 1,628,921	$ 14,123,144	$ 1,294,054	$ 492,164	$ 15,909,362
Expenses	(10,755,716)	(3,040,082)	(187,213)	(1,087,097)	(15,070,108)	(1,803,683)		(16,873,791)
Net Assets Released from Restrictions		595,533			595,533		(595,533)	
Excess (Deficit) of Revenues Over Expenses	794,089	(1,756,708)	69,364	541,824	(351,431)	(509,629)	(103,369)	(964,429)
Intercompany Revenue (Expenses)	(764,083)	1,375,271	(69,364)	(541,824)				
Increase (Decrease) in Net Assets	30,006	(381,437)			(351,431)	(509,629)	(103,369)	(964,429)
Net Assets, Beginning of Year	3,038,415	(533,600)	923,387	956,757	4,384,959	1,450,946	847,913	6,683,818
Net Assets, End of Year	$ 3,068,421	$ (915,037)	$ 923,387	$ 956,757	$ 4,033,528	$ 941,317	$ 744,544	$ 5,719,389

CALIFORNIA SCHOOL BOARDS ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF NET ASSETS

YEAR ENDED JUNE 30, 2008

	Unrestricted							
	Undesignated					Designated		
	CSBA	**CSBF**	**CSBAFC**	**CSBADSC**	**Total**	**ELA**	**Temporarily Restricted**	**Total**
Revenues	$ 11,754,546	$ 1,321,017	$ 318,307	$ 1,308,939	$ 14,702,809	$ 1,366,570	$1,093,515	$ 17,162,894
Expenses	(10,930,574)	(3,417,874)	(183,168)	(889,243)	(15,420,859)	(1,449,129)		(16,869,988)
Net Assets Released from Restrictions		500,369			500,369		(500,369)	
Excess (Deficit) of Revenues Over Expenses	823,972	(1,596,488)	135,139	419,696	(217,681)	(82,559)	593,146	292,906
Intercompany Revenue (Expenses)	(813,208)	1,368,043	(135,139)	(419,696)				
Increase (Decrease) in Net Assets	10,764	(228,445)			(217,681)	(82,559)	593,146	292,906
Net Assets, Beginning of Year	3,027,651	(305,155)	923,387	956,757	4,602,640	1,533,505	254,767	6,390,912
Net Assets, End of Year	$ 3,038,415	$ (533,600)	$ 923,387	$ 956,757	$ 4,384,959	$ 1,450,946	$ 847,913	$ 6,683,818