



**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED  
JUNE 30, 2017 AND 2016**

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**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**JUNE 30, 2017**

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**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**JUNE 30, 2017 AND 2016**

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**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting, Auditing, Tax, and Consulting*

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Community College League of California  
Sacramento, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Community College League of California (League), which comprise the statements of financial position as of June 30, 2017 and 2016, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the 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 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 effectiveness 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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

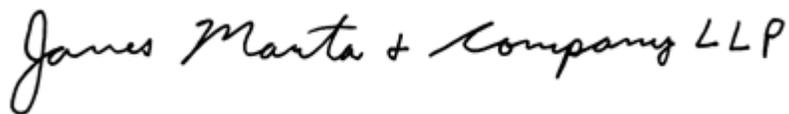
In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the League as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

**Other Required Reporting**

In accordance with auditing standards generally accepted in the United States of America, we have also issued our report dated November 6, 2017 on our consideration of the League's internal control over financial reporting. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and the results of that testing, and not to provide an opinion on internal control over financial reporting. That report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the League's internal control over financial reporting.



James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
November 6, 2017

## **FINANCIAL STATEMENTS**

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**STATEMENTS OF FINANCIAL POSITION**

**AS OF JUNE 30, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 3,385,975	\$ 2,813,544
Cash held for future library consortium	1,189,061	1,037,815
Cash held on behalf of others	216,048	200,147
Investments held for future library consortium	1,879,703	1,871,914
Accounts receivable	243,987	448,976
Prepaid expenses and deposits	191,651	150,658
Total Current Assets	7,106,425	6,523,054
Noncurrent Assets		
Property & equipment, net	302,328	320,526
Gift annuity investments	5,015,958	4,726,714
Total Noncurrent Assets	5,318,286	5,047,240
<b>Total Assets</b>	<b>\$ 12,424,711</b>	<b>\$ 11,570,294</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 127,582	\$ 266,997
Accrued liabilities	88,764	104,089
Deferred revenue	153,566	153,782
Amounts held for future library consortium	3,068,764	2,909,729
Cash held on behalf of others	216,048	200,147
Current portion of gift annuity liabilities	461,178	483,099
Total Current Liabilities	4,115,902	4,117,843
Noncurrent Liabilities		
Gift annuity liabilities, net	4,554,780	4,243,615
Total Noncurrent Liabilities	4,554,780	4,243,615
<b>Total Liabilities</b>	<b>8,670,682</b>	<b>8,361,458</b>
Net Assets		
Unrestricted		
Invested in property & equipment	302,328	320,526
Undesignated	3,451,701	2,888,310
Total Net Assets	3,754,029	3,208,836
<b>Total Liabilities And Net Assets</b>	<b>\$ 12,424,711</b>	<b>\$ 11,570,294</b>

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

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**STATEMENTS OF ACTIVITIES**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Revenues		
Membership dues	\$ 2,485,479	\$ 2,432,593
District services	1,794,396	1,594,921
Championships, conventions, conferences, and workshops	1,260,660	1,122,611
Corporate partners	148,375	143,000
Interest and investment income	47,161	26,498
Publications	7,792	7,567
Miscellaneous	55,427	30,087
Total Revenues	<u>5,799,290</u>	<u>5,357,277</u>
Expenses		
Program services:		
Conventions, conferences, and workshops	1,292,559	1,274,872
District services	1,121,517	1,082,465
Legislative	397,428	441,403
Publications	62,181	87,174
Special projects	-	5,000
Athletics	1,182,115	1,090,888
Total program services	<u>4,055,800</u>	<u>3,981,802</u>
General and administration	1,198,297	1,145,483
Total Expenses	<u>5,254,097</u>	<u>5,127,285</u>
Change in Unrestricted Net Assets	<u>545,193</u>	<u>229,992</u>
Net Assets, Beginning of Period	<u>3,208,836</u>	<u>2,978,844</u>
Net Assets, End of Period	<u>\$ 3,754,029</u>	<u>\$ 3,208,836</u>

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**STATEMENTS OF CASH FLOWS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>Net Cash Flows Provided (Used) by Operating Activities</b>		
Change in net assets	\$ 545,193	\$ 229,992
Reconciliation to net cash provided (used) by operating activities:		
Depreciation	34,323	38,810
Changes in:		
Cash held for future library consortium	(159,035)	(472,742)
Cash held on behalf of others	(15,901)	(72,062)
Accounts receivable	204,989	43,236
Prepaid expenses and deposits	(40,993)	3,585
Gift annuity investments	(289,244)	587,654
Accounts payable	(139,415)	167,252
Accrued liabilities	(15,325)	(12,249)
Deferred revenue	(216)	119,379
Gift annuity liabilities	289,244	(587,654)
Amounts held for future library consortium	159,035	543,129
Cash held on behalf of others	15,901	72,062
Net cash provided (used) by operating activities	9,040	660,392
<b>Net Cash Flows Provided (Used) by Investing Activities</b>		
Purchases of property and equipment	(16,125)	(27,796)
Purchase of investments	(487,591)	(1,001,936)
Sale of investments	453,682	905,646
Investment income	33,909	25,903
Net cash provided (used) by investing activities	(16,125)	(98,183)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	572,431	562,209
<b>Cash and Cash Equivalents, Beginning of Year</b>	2,813,544	2,251,335
<b>Cash and Cash Equivalents, End of Year</b>	\$ 3,385,975	\$ 2,813,544
<b>Supplementary Information</b>		
Unrealized gain (loss) on investments	\$ 2,598	\$ 595

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

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### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

#### A. ORGANIZATION

The Community College League of California (the League, CCLC) is a nonprofit public benefit corporation organized for the advancement of education, particularly to better the educational opportunities of California community college students and local community colleges. California Community College Athletic Association (CCCAA) is a program within the League that organizes and administers intercollegiate athletic regional and state championship events throughout California. The League also supports the local community college districts of California by assisting with educating and developing board members, faculty and staff of the colleges through research and educational policy development and by representing the colleges to governmental bodies.

#### B. BASIS OF PRESENTATION

The accompanying financial statements are presented in conformity with Accounting Standards Codification (ASC) 958-205, *Not-For-Profit Entities – Presentation of Financial Statements*. Under ASC 958-205, the League reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The League has no temporarily or permanently restricted net assets.

#### C. REVENUE RECOGNITION

Membership dues are recognized as revenues in the membership period. Dues collected in advance of the membership period are recorded as deferred revenue until earned. Revenues from conventions, conferences, workshops and district services programs are recognized when the related events or services occur. Fees collected in advance of such events or services are recorded as deferred revenue until earned.

Contributions and private foundation grants are recognized in full when received or unconditionally promised, in accordance with ASC 958-605, *Not-For-Profit Entities – Revenue Recognition*. Donor-restricted amounts are reported as increases in temporarily restricted net assets. Temporarily restricted net assets become unrestricted, and are reported in the statements of activities as satisfaction of restrictions when the time restrictions expire or the contributions are used for the restricted purposes.

#### D. CASH AND CASH EQUIVALENTS

For financial statement purposes, the League considers all investments with a maturity at purchase of three months or less to be cash equivalents.

#### E. PROPERTY AND EQUIPMENT

Property and Equipment are stated at cost and depreciated using the straight-line method over estimated useful lives of 3 to 20 years. The League's policy is to capitalize such items with a cost of \$500 or more.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

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### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. AMOUNTS HELD FOR FUTURE LIBRARY CONSORTIUM

Amounts held for future library consortium represent funds received from member community colleges to be held and distributed by the League for products and services obtained by those members. The League contracts with certain vendors on behalf of the community colleges and provides fiscal administrative services to facilitate payments for services provided.

#### G. INCOME TAXES

The League is exempt from incomes taxes under Internal Revenue Code Section (IRC §) 501(c)(3). It is however, subject to income taxes from activities unrelated to its tax-exempt purpose.

The League adopted the accounting principles related to accounting for uncertainty in income taxes (as described under ASC 740-10) as of July 1, 2009 and has determined that there is no material impact on the financial statements for June 30, 2017. With some exceptions, the League is no longer subject to U.S. federal and state income tax examinations by tax authorities for years prior to 2012.

#### H. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the program services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services based on employees' time incurred and management's estimates of the usage of resources.

#### I. SUBSEQUENT EVENTS

The League's management evaluated its financial statements for subsequent events through November 6, 2017, the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

#### J. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. FAIR VALUE MEASURES

Assets and liabilities measured at fair value are recorded in accordance with ASC 820, *Fair Value Measurements and Disclosures*, which clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair values as follows:

Level 1 Inputs	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
Level 2 Inputs	Inputs other than quoted prices in active markets that are observable either directly or indirectly.
Level 3 Inputs	Unobservable inputs in which there is little or no market data, which require management to develop their own assumptions.

#### L. PENSION PLANS

The financial statements are prepared on the accrual basis of accounting in conformity with accounting standards applicable to not-for-profit entities. Financial Accounting Standards Board (FASB) statements 87 – Employers’ Accounting for Pensions and 158 – Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans – An Amendment of FASB Statements No. 87, 88, 106 and 132(R) provide guidance on the accounting for pension plans related to non-profit organizations.

### 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at June 30:

	<u>2017</u>	<u>2016</u>
Balance Per Bank	\$ 4,869,676	\$ 4,022,726
Plus: Deposits in Transit	48,357	242,311
Less: Outstanding Checks	<u>(126,949)</u>	<u>(213,531)</u>
Total Cash and Cash Equivalents	<u>\$ 4,791,084</u>	<u>\$ 4,051,506</u>

Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The amount held in banks in excess of FDIC as of June 30, 2017 and 2016 was \$4,132,756 and \$3,315,814, respectively. The League has not experienced any losses in bank deposit accounts that exceed federally insured limits. Management believes the League is not exposed to any significant credit risk related to cash.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

### 2. CASH AND CASH EQUIVALENTS (CONTINUED)

Cash is presented in three categories on the statement of financial position at June 30:

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 3,385,975	\$ 2,813,544
Cash held for future library consortium	1,189,061	1,037,815
Cash held on behalf of others	216,048	200,147
Total Cash and Cash Equivalents	<u>\$ 4,791,084</u>	<u>\$ 4,051,506</u>

### 3. INVESTMENTS

As of June 30, 2017, Community College League of California held the following investments:

Investment Type	Fair Value	Investment Maturities		
		< 1yr	1-3 yrs	>3 yrs
Mutual Funds	\$ 1,776,604	\$ 1,776,604	\$ -	\$ -
Stocks	103,099	103,099	-	-
Total Investments	<u>\$ 1,879,703</u>	<u>\$ 1,879,703</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2016, Community College League of California held the following investments:

Investment Type	Fair Value	Investment Maturities		
		< 1yr	1-3 yrs	>3 yrs
Mutual Funds	\$ 1,768,815	\$ 1,768,815	\$ -	\$ -
Stocks	103,099	103,099	-	-
Total Investments	<u>\$ 1,871,914</u>	<u>\$ 1,871,914</u>	<u>\$ -</u>	<u>\$ -</u>

The League's investments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices.

The entire investment balance as of June 30, 2017 and 2016 is held for future library consortium.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

### 4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	<u>2017</u>	<u>2016</u>
Non-depreciable assets		
Land	\$ 51,177	\$ 51,177
Depreciable assets		
Building and improvements	736,303	732,353
Furniture and equipment	249,525	238,967
Total, at cost	<u>985,828</u>	<u>971,320</u>
Accumulated Depreciation	<u>(734,677)</u>	<u>(701,971)</u>
Depreciable assets, net	<u>251,151</u>	<u>269,349</u>
Property and Equipment, net	<u>\$ 302,328</u>	<u>\$ 320,526</u>

Depreciation expense was \$34,323 and \$38,810 respectively, for the years ended June 30, 2017 and 2016.

### 5. GIFT ANNUITY PROGRAM

The gift annuity program is administered by the League for member community colleges that wish to solicit gift annuities from donors as a fund raising activity. The program is designed so that a donor establishes a gift annuity agreement with the League and in return receives a guaranteed annuity payment of a pre-designated amount over their lifetime. When a gift annuity matures, the remainder interest in the gift annuity is transferred to the community college designated by the donor.

Gift annuity investments represent the fair value of balances held in trust related to the gift annuity program. Gift annuity liabilities represent the sum of the present value of the estimated liability due to primary beneficiaries of the gift annuities and the remainder interest held on behalf of the community colleges.

The League is responsible for all annuity payments to primary beneficiaries under these agreements. As such, the League would incur financial obligations for gift annuity account balances that are insufficient to cover the required annuity payments. The League has not recorded any contingent liability related to these agreements. Management believes that any future obligation will not have a material effect on the financial position of the League.

The League had 116 and 124 participants at June 30, 2017 and 2016, respectively, with account balances of \$5,015,958 and \$4,726,714 at June 30, 2017 and 2016, respectively. The League received administrative and processing fees of \$1,600 for 2016-2017 and \$400 for 2015-2016, in connection with this program.

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

5. GIFT ANNUITY PROGRAM (CONTINUED)

Gift annuity investments consist of the following at June 30:

	<u>2017</u>	<u>2016</u>
Money market funds	\$ 119,081	\$ 107,346
Taxable Bonds	2,647,297	2,488,771
Stocks	<u>2,249,580</u>	<u>2,130,597</u>
Total	<u>\$ 5,015,958</u>	<u>\$ 4,726,714</u>

The League’s gift annuity investments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices.

6. DEFINED BENEFIT PENSION PLAN

Plan Description

Qualified employees are covered under a defined benefit pension plan maintained by an agency of the State of California. The League’s employees are members of the California Public Employees’ Retirement System (CalPERS).

The CalPERS Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. The Plan is part of the Public Agency portion of CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees’ Retirement Law. The Plan selects optional benefit provisions by contract with CalPERS and adopts those benefits through Board approval. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, California 95814.

Funding Policy

Active League plan members are required to contribute 7% as “Classic Members,” or 6.25% as “PEPRA Members” (if employed subsequent to the adoption of the California Public Employees’ Pension Reform Act of 2013) of their annual covered salary. In addition, the League is required to contribute the 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 required employer contribution rate for Classic Members for the fiscal years ended June 30, 2017, and 2016 were 7.2% and 7.159% of annual payroll. The required employer contribution rate for PEPRA Members for the fiscal years ended June 30, 2017, and 2016 were 6.533% and 6.555% of annual payroll. The contribution requirements of the plan members are established by the state statute.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

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### 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The League's contributions to CalPERS for the fiscal years ending June 30, 2017, and 2016 were \$296,260 and \$280,467 respectively, and equal 100% of the required contributions for each year. The League did not contribute more than 5% of the total contributions to CalPERS for the years ended June 30, 2017, and 2016.

The risks of participating in this multiemployer defined benefit pension plan are different from single employer plans because: (a) assets contributed to the CalPERS plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the plan, the unfunded obligations of the CalPERS plan may be required to be borne by the remaining participating employers, and (c) if the League chooses to stop participating in the CalPERS plan, it may be required to pay a withdrawal liability to the plan. In connection with ongoing renegotiation of collective bargaining agreements, the League may discuss and negotiate for the complete or partial withdrawal from the multiemployer pension plan. Depending on the number of employees withdrawn in any future period and the financial condition of the multiemployer plan at the time of withdrawal, the associated withdrawal liabilities could be material to the League's change in net assets in the period of the withdrawal. The League has no plans to withdraw from the multiemployer pension plan.

#### Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

#### Pension Liability

At June 30, 2017 and 2016, the League had no outstanding amount of contributions due to CalPERS. For nonprofit entities reporting under Financial Accounting Standards Board (FASB) standards, no liability is recognized for pension liability arising from participation in a multi-employer plan (e.g. CalPERS). This differs from Governmental Accounting Standards Board (GASB) reporting standards which require the calculation of net pension liability in accordance with GASB 68.

### 7. DEFERRED COMPENSATION AND OTHER RETIREMENT PLANS

The League 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 League. The deferred compensation is not available to employees until disability, termination, retirement, death or an unforeseeable emergency.

Employees of the League may also participate in a defined contribution 401(k) retirement plan. Employees may make voluntary contributions up to federally designated limits. No contributions are currently being made by the League.

# COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

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### 8. RELATED ENTITIES

#### Retiree Health Benefits Joint Powers Agency

The Retiree Health Benefits Joint Powers Agency (JPA) was formed in January 2005 to create an irrevocable trust for accumulating funds for payment of member districts' post-employment benefit obligations and operate an investment program for accumulated benefit funds. The board of the JPA consists of one member appointed by the governing body of each participating district, plus two ex-officio members who are League employees. The League acts as administrator for the JPA and collected fees for administrative services totaling \$134,377 and \$147,411 for the fiscal years ended June 30, 2017 and 2016, respectively.

#### California Community College Financing Authority

The California Community College Financing Authority (CCCFA) was created to serve as a conduit debt issuer of lease revenue bonds for California community colleges. The board of the CCCFA consists of two representatives from the Community College League of California (the Executive Director and one other employee); and one appointee from each of the following community college districts: Butte Glenn Community College District, Palomar Community College District and State Center Community College District. The League acts as administrator for the CCCFA and collected fees for administrative services totaling \$12,500 and \$1,300 for the fiscal years ended June 30, 2017 and 2016, respectively.

## **SUPPLEMENTARY INFORMATION**

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**SCHEDULE I  
STATEMENT OF FINANCIAL POSITION BY PROGRAM**

**JUNE 30, 2017**

	<u>CCLC</u>	<u>CCCAA</u>	<u>Eliminations</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 2,948,724	\$ 437,251	\$ -	\$ 3,385,975
Cash held for future library consortium	1,189,061	-	-	1,189,061
Cash held on behalf of others	216,048	-	-	216,048
Investments held for future library consortium	1,879,703	-	-	1,879,703
Accounts receivable	294,192	9,027	(59,232)	243,987
Prepaid expenses and deposits	191,651	-	-	191,651
Total Current Assets	<u>6,719,379</u>	<u>446,278</u>	<u>(59,232)</u>	<u>7,106,425</u>
Noncurrent Assets				
Property & equipment, net	297,943	4,385	-	302,328
Gift annuity investments	5,015,958	-	-	5,015,958
Total Noncurrent Assets	<u>5,313,901</u>	<u>4,385</u>	<u>-</u>	<u>5,318,286</u>
<b>Total Assets</b>	<u>\$ 12,033,280</u>	<u>\$ 450,663</u>	<u>\$ (59,232)</u>	<u>\$ 12,424,711</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current Liabilities				
Accounts payable	\$ 97,426	\$ 89,388	\$ (59,232)	\$ 127,582
Accrued liabilities	61,322	27,442	-	88,764
Deferred revenue	153,066	500	-	153,566
Amounts held for future library consortium	3,068,764	-	-	3,068,764
Cash held on behalf of others	216,048	-	-	216,048
Current portion of gift annuity liabilities	461,178	-	-	461,178
Total Current Liabilities	<u>4,057,804</u>	<u>117,330</u>	<u>(59,232)</u>	<u>4,115,902</u>
Noncurrent Liabilities				
Gift annuity liabilities, net	4,554,780	-	-	4,554,780
Total Noncurrent Liabilities	<u>4,554,780</u>	<u>-</u>	<u>-</u>	<u>4,554,780</u>
<b>Total Liabilities</b>	<u>8,612,584</u>	<u>117,330</u>	<u>(59,232)</u>	<u>8,670,682</u>
Net Assets				
Unrestricted				
Invested in property & equipment	297,943	4,385	-	302,328
Undesignated	3,122,753	328,948	-	3,451,701
Total Net Assets	<u>3,420,696</u>	<u>333,333</u>	<u>-</u>	<u>3,754,029</u>
<b>Total Liabilities And Net Assets</b>	<u>\$ 12,033,280</u>	<u>\$ 450,663</u>	<u>\$ (59,232)</u>	<u>\$ 12,424,711</u>

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**SCHEDULE II  
STATEMENT OF ACTIVITIES BY PROGRAM**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>CCLC</u>	<u>CCCAA</u>	<u>Eliminations</u>	<u>TOTAL</u>
<b>Revenues</b>				
Membership dues	\$ 1,673,504	\$ 811,975	\$ -	\$ 2,485,479
District services	1,794,396	-	-	1,794,396
Championships, conventions, conferences, & workshops	948,565	312,095	-	1,260,660
Corporate partners	127,375	21,000	-	148,375
Interest and investment income	47,149	12	-	47,161
Publications	5,971	1,821	-	7,792
Miscellaneous	35,488	34,681	(14,742)	55,427
Total Revenues	<u>4,632,448</u>	<u>1,181,584</u>	<u>(14,742)</u>	<u>5,799,290</u>
<b>Expenses</b>				
<b>Program services:</b>				
Conventions, conferences, & workshops	1,292,559	-	-	1,292,559
District services	1,121,517	-	-	1,121,517
Legislative	397,428	-	-	397,428
Publications	62,181	-	-	62,181
Athletics	-	1,196,857	(14,742)	1,182,115
Total program services	<u>2,873,685</u>	<u>1,196,857</u>	<u>(14,742)</u>	<u>4,055,800</u>
General and administration	1,198,297	-	-	1,198,297
Total Expenses	<u>4,071,982</u>	<u>1,196,857</u>	<u>(14,742)</u>	<u>5,254,097</u>
Change in Unrestricted Net Assets	<u>560,466</u>	<u>(15,273)</u>	<u>-</u>	<u>545,193</u>
Net Assets, Beginning of Period	<u>2,860,230</u>	<u>348,606</u>	<u>-</u>	<u>3,208,836</u>
Net Assets, End of Period	<u>\$ 3,420,696</u>	<u>\$ 333,333</u>	<u>\$ -</u>	<u>\$ 3,754,029</u>



**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**SCHEDULE IV  
DETAIL OF TOTAL EXPENSES – BUDGET VS. ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>		<b>Actual</b>		<b>Variance</b>
	<b>(Memorandum Only)</b>				
Staff	\$ 2,131,678	\$	1,891,237	\$	(240,441)
District services program	540,783		810,183		269,400
Conventions, conferences, & workshops	788,402		811,275		22,873
Office operations	185,300		176,268		(9,032)
Boards	112,000		95,139		(16,861)
Other	102,450		138,110		35,660
Professional services	67,000		44,703		(22,297)
Publications	28,500		19,914		(8,586)
Committees	19,500		9,303		(10,197)
Corporate partners program	30,000		25,048		(4,952)
League on call	2,000		9,079		7,079
Website & association management	3,600		5,180		1,580
Memberships	2,000		2,124		124
Athletics	1,141,250		1,196,857		55,607
	<u>5,154,463</u>		<u>5,248,050</u>		<u>93,587</u>
From Special Revenue Reserve	-		20,789		20,789
Rental expense - interfund activity	-		(14,742)		(14,742)
	<u>5,154,463</u>		<u>5,254,097</u>		<u>99,634</u>
<b>Total expenses</b>	<b>\$ 5,154,463</b>	<b>\$</b>	<b>5,254,097</b>	<b>\$</b>	<b>99,634</b>

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

SCHEDULE V  
DETAIL OF TOTAL REVENUES -  
EXCLUDING CALIFORNIA COMMUNITY COLLEGE ATHLETIC ASSOCIATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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	Budget (Memorandum Only)	Actual	Variance
Membership dues	\$ 1,674,660	\$ 1,673,504	\$ (1,156)
District services	1,441,550	1,794,396	352,846
Conventions, conferences, and workshops	792,800	948,565	155,765
Corporate partners	118,000	127,375	9,375
Rental income	14,742	14,742	-
Interest and investment income	35,000	47,149	12,149
Publications	6,400	5,971	(429)
Phi Theta Kappa	-	10,735	10,735
League on call and miscellaneous	2,500	10,011	7,511
	4,085,652	4,632,448	546,796
Rental income - interfund activity	-	(14,742)	(14,742)
Total revenues	<u>\$ 4,085,652</u>	<u>\$ 4,617,706</u>	<u>\$ 532,054</u>

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**SCHEDULE VI  
DETAIL OF TOTAL EXPENSES –  
EXCLUDING CALIFORNIA COMMUNITY COLLEGE ATHLETIC ASSOCIATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>		<b>Actual</b>		<b>Variance</b>
	<b>(Memorandum Only)</b>				
Staff	\$ 2,131,678	\$	1,891,237	\$	(240,441)
District services program	540,783		810,183		269,400
Conventions, conferences, and workshops	788,402		811,275		22,873
Office operations	185,300		176,268		(9,032)
Boards	112,000		95,139		(16,861)
Other	102,450		138,110		35,660
Professional services	67,000		44,703		(22,297)
Publications	28,500		19,914		(8,586)
Phi Theta Kappa awards	-		13,630		13,630
Committees	19,500		9,303		(10,197)
Corporate partners program	30,000		25,048		(4,952)
League on call	2,000		9,079		7,079
Website & association management	3,600		5,180		1,580
Memberships	2,000		2,124		124
	4,013,213		4,051,193		37,980
From Special Revenue Reserve			20,789		20,789
<b>Total expenses</b>	<b>\$ 4,013,213</b>	<b>\$</b>	<b>4,071,982</b>	<b>\$</b>	<b>58,769</b>

**COMMUNITY COLLEGE LEAGUE OF CALIFORNIA**

**SCHEDULE VII  
CALIFORNIA COMMUNITY COLLEGE ATHLETIC ASSOCIATION -  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>		<b>Actual</b>		<b>Variance</b>
	<b>(Memorandum Only)</b>				
<b>Revenues</b>					
Membership dues	\$ 811,975		\$ 811,975		\$ -
Annual convention, conferences and championships	325,500		312,095		(13,405)
Corporate partners	20,000		21,000		1,000
Interest and investment income	300		12		(288)
Publications	5,500		1,821		(3,679)
Commissions and rebates	18,000		34,681		16,681
<b>Total Revenues</b>	<b>1,181,275</b>		<b>1,181,584</b>		<b>309</b>
<b>Expenses</b>					
Salaries and benefits	668,926		652,981		(15,945)
Annual convention & championships	235,500		314,009		78,509
Operations and other	201,824		202,171		347
Public relations	10,000		1,254		(8,746)
Professional services	25,000		26,442		1,442
Special projects	-		-		-
	1,141,250		1,196,857		55,607
Rent expense - interfund activity	-		(14,742)		(14,742)
<b>Total Expenses</b>	<b>1,141,250</b>		<b>1,182,115</b>		<b>40,865</b>
<b>Change in Unrestricted Net Assets</b>	<b>\$ 40,025</b>		<b>\$ (531)</b>		<b>\$ (40,556)</b>

NOTE: Expenditures for California Community College Athletic Association (CCCAA) exceeded revenues for the fiscal year ended June 30, 2017. This deficit spending was authorized by the CCCAA board of directors and related expenses were paid using cash accumulated from prior years.