Music Teachers National Association, Inc. and Subsidiary

Consolidated Financial Statements

And Supplemental Financial Information

June 30, 2018 and 2017

With Independent Auditors' Report

CLARK SCHAEFER HACKETT
CPAs & Advisors

TABLE OF CONTENTS

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Music Teachers National Association, Inc. and Subsidiary:

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Music Teachers National Association, Inc. and Subsidiary (a not-for-profit association) which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Music Teachers National Association, Inc. and Subsidiary as of June 30, 2018 and 2017, and the changes in their net assets and their 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 consolidated financial statements as a whole. The consolidating schedules on pages 13-16 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated 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 consolidated financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
September 6, 2018

		2018	2017
Assets:			
Cash and cash equivalents	$	1,923,680	1,928,821
Investments, at fair value		3,166,130	2,991,890
Accounts receivable		7,953	13,085
Prepaid expenses		49,483	60,925
Property and equipment, net		29,188	46,912
Deposits		8,358	8,358
Total assets	$	5,184,792	5,049,991
Liabilities and net assets:			
Liabilities:			
Accounts payable	$	33,219	22,026
Due to state and local affiliates		168,477	193,349
Accrued expenses		152,827	152,092
Deferred revenue		865,502	912,716
Total liabilities		1,220,025	1,280,183
Net assets:			
Unrestricted		1,724,306	1,647,355
Unrestricted - board designated		1,487,880	1,405,698
Temporarily restricted		752,581	716,755
Total net assets		3,964,767	3,769,808
Total liabilities and net assets	$	5,184,792	5,049,991

See accompanying notes to the consolidated financial statements.

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues:						
Membership dues	$ 1,370,776	-	1,370,776	1,378,660	-	1,378,660
Subscription and advertising	147,059	-	147,059	174,939	-	174,939
Less direct costs	(139,664)	-	(139,664)	(158,485)	-	(158,485)
Conferences	489,073	-	489,073	498,575	-	498,575
Less direct costs	(358,387)	-	(358,387)	(303,453)	-	(303,453)
Competitions	157,430	-	157,430	140,220	-	140,220
Less direct costs	(189,131)	-	(189,131)	(167,208)	-	(167,208)
Contributions	285,341	30,455	315,796	415,479	54,804	470,283
Other	156,324	-	156,324	176,034	-	176,034
Interest and dividends	90,893	27,543	118,436	60,137	16,625	76,762
Realized and unrealized gain on investments	72,541	22,043	94,584	150,165	42,464	192,629
Net assets released from restrictions	44,215	(44,215)	-	21,160	(21,160)	-
	2,126,470	35,826	2,162,296	2,386,223	92,733	2,478,956
Expenses:						
Salaries and wages	733,142	-	733,142	695,211	-	695,211
Payroll taxes	49,661	-	49,661	49,434	-	49,434
Employee benefits	102,226	-	102,226	90,860	-	90,860
Rent and utilities	118,592	-	118,592	118,435	-	118,435
Travel and entertainment	76,329	-	76,329	94,384	-	94,384
Newsletters and mailings	48,404	-	48,404	48,881	-	48,881
Membership retention	25,322	-	25,322	19,855	-	19,855
Insurance	25,971	-	25,971	25,880	-	25,880
Office supplies and postage	9,457	-	9,457	17,683	-	17,683
Information services	98,159	-	98,159	155,263	-	155,263
Professional fees	51,324	-	51,324	43,389	-	43,389
Bank charges	108,913	-	108,913	111,987	-	111,987
Depreciation	25,684	-	25,684	33,717	-	33,717
Grants and awards	239,634	-	239,634	183,932	-	183,932
Licenses and fees	9,445	-	9,445	9,415	-	9,415
Technology	41,300	-	41,300	44,162	-	44,162
Leadership summit	65,584	-	65,584	59,969	-	59,969
Partnership development	45,209	-	45,209	40,818	-	40,818
Other	92,981	-	92,981	66,700	-	66,700
	1,967,337	-	1,967,337	1,909,975	-	1,909,975
Change in net assets	159,133	35,826	194,959	476,248	92,733	568,981
Net assets:						
Beginning of year	3,053,053	716,755	3,769,808	2,576,805	624,022	3,200,827
End of year	$ 3,212,186	752,581	3,964,767	3,053,053	716,755	3,769,808

Music Teachers National Association, Inc. and Subsidiary
Consolidated Statements of Cash Flows
Years Ended June 30, 2018 and 2017

		2018	2017
Cash flows from operating activities:			
Change in net assets	$	194,959	568,981
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation		25,684	33,717
Realized and unrealized gain on investments		(94,584)	(192,629)
Effect of change in operating assets and liabilities:			
Accounts receivable		5,132	5,845
Prepaid expenses and deposits		11,442	(20,194)
Accounts payable		11,193	1,128
Due to state and local affiliates		(24,872)	(230)
Accrued expenses		735	20,990
Deferred revenue		(47,214)	(13,541)
Net cash provided by operating activities		82,475	404,067
Cash flows from investing activities:			
Purchases of property and equipment		(7,960)	(34,132)
Proceeds received from sale of investments		1,329,474	1,136,699
Purchases of investments		(1,409,130)	(1,342,070)
Net cash used in investing activities		(87,616)	(239,503)
Change in cash and cash equivalents		(5,141)	164,564
Cash and cash equivalents - beginning of year		1,928,821	1,764,257
Cash and cash equivalents - end of year	$	1,923,680	1,928,821

See accompanying notes to the consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of Music Teachers National Association, Inc. and Subsidiary (the "Association"), are set forth to facilitate the understanding of data presented in the consolidated financial statements.

Nature of operations
The Association advances the value of music study and music making to society and supports the professionalism of music teachers.

Principles of consolidation
The accompanying consolidated financial statements present the consolidated financial position and changes in net assets of the Association, its former corporate entity, which has been renamed, MTNA Certification Program and its wholly owned subsidiary, the American Classical Music Hall of Fame and Museum (ACMHOFM). All inter-organizational accounts and transactions have been eliminated.

Use of estimates
The presentation of consolidated 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 disclosure of reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Financial statement presentation
The Association is required to report information regarding its consolidated financial position and activities in three classes of net assets: unrestricted net assets which have no donor-imposed restrictions, temporarily restricted net assets which have donor-imposed restrictions that will likely expire in the future, and permanently restricted net assets which have donor-imposed restrictions which do not expire. The Association had no permanently restricted net assets at June 30, 2018 and 2017. Temporarily restricted contributions and investment income are reported as unrestricted if the restriction is met during the same period.

Income taxes
For federal tax purposes, the Association is an exempt organization under Section 501(c)(3) of the Internal Revenue Code but is subject to tax on its unrelated business income.

In addition, the Association was formerly organized under Section 501(c)(6) of the Internal Revenue Code. All of the assets except $50,000 were transferred from the 501(c)(6) organization, now named MTNA Certification Program, into the 501(c)(3) organization. MTNA Certification Program is used strictly for certification and its financial position and results of operations have been consolidated with the Association in these financial statements.

ACMHOFM is a tax exempt organization under the Internal Revenue Code Section 501(c)(3). ACMHOFM does not have net income from activities subject to the unrelated business income tax.

The Association's policy with regards to interest and penalties is to recognize interest through interest expense and penalties through other expense. In evaluating the Association's tax provision and tax exempt status, interpretations and tax planning strategies were considered. The Association believes their estimates are appropriate based on the current facts and circumstances.

Cash and cash equivalents
For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, except for money markets held within its investment accounts.

Concentration of credit risk
The Association maintains its cash in deposit accounts, which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Allowance for doubtful accounts
The Association extends credit to various customers for use of mailing lists and advertising. On a periodic basis, the Association evaluates its accounts receivable and establishes an allowance, based on a history of past write-offs and collections and current credit conditions. All accounts receivable are deemed fully collectible by management. Therefore, no allowance for doubtful accounts is necessary.

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the consolidated statements of activities.

Property and equipment and depreciation
The Association capitalizes all property and equipment in excess of $1,000. Property and equipment is recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets which range from 3-7 years.

Deferred revenue
Membership dues that have been collected for future periods have been recorded as deferred revenue.

Due to affiliates
Amounts due to affiliates represent membership dues collected by the Association on behalf of its 50 state and over 500 local affiliates.

Subsequent events
The Association evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the consolidated financial statements. The accompanying consolidated financial statements consider events through September 6, 2018, the date on which the consolidated financial statements were available to be issued.

2. PROPERTY AND EQUIPMENT:

Property and equipment at June 30 is summarized as follows:

	2018	2017
Furniture and fixtures	$ 347,132	339,172
Less accumulated depreciation	(317,944)	(292,260)
	$ 29,188	46,912

3. RETIREMENT PLAN:

The Association offers a voluntary participation 401(k) retirement plan to its employees. All employees of the Association are eligible to participate in the Plan upon meeting certain eligibility requirements. The Association matches a certain percentage of the employee contributions. Total matching retirement contributions were $17,211 and $15,761 for the years ended June 30, 2018 and 2017, respectively.

4. LEASES:

In May 2014, the Association entered into an escalating lease agreement for certain office space through August 2025. The lease included nine months at the beginning for which no payments were due. Thus, a liability has been recorded to recognize lease expense on a straight-line amortization over the life of the lease. The liability associated with this lease included in accrued expenses at June 30, 2018 and 2017 was $80,032 and $80,496, respectively. Total rent expense including common area maintenance and utilities charges for the years ended June 30, 2018 and 2017 was $118,592 and $118,435, respectively. The Association is leasing certain office equipment under operating leases that expire through July 2021. Total lease expense included in operations for the years ended June 30, 2018 and 2017 was $15,192 and $7,500, respectively.

The future minimum lease payments for the office lease and office equipment at June 30 are as follows:

2019	$ 117,887
2020	120,515
2021	119,809
2022	110,778
2023	113,206
Thereafter	254,111
	$ 836,306

5. UNRESTRICTED – BOARD DESIGNATED NET ASSETS:

As of June 30, 2018 and 2017, the Board has designated $1,487,880 and $1,405,698 of net assets to be used for competition awards for students and other purposes.

6. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets are available for the following purposes at June 30:

	2018	2017
Teacher enrichment grants	$ 318,141	422,241
Local association grants	17,066	17,407
Other	417,374	277,107
	$ 752,581	716,755

7. ENDOWMENT FUNDS:

Generally accepted accounting principles require that net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Association's endowment consists of several funds established to provide student awards, association grants, and teacher enrichment grants. Its endowment consists of board-designated funds. The board designated endowment had a balance of $1,487,880 and $1,405,698 at June 30, 2018 and 2017, respectively.

Changes in endowment net assets are as follows for the years ended June 30:

	2018 Unrestricted	2017 Unrestricted
Endowment net assets at beginning of year	$ 1,405,698	1,074,204
Interest and dividend income	55,568	34,480
Realized and unrealized gain on investments	44,886	87,826
Contributions	35,177	260,522
Appropriation of endowment assets for expenditure	(45,534)	(43,951)
Investment fees	(7,915)	(7,383)
Endowment net assets at end of year	$ 1,487,880	1,405,698

Return objectives and risk parameters
The Association has adopted investment and spending policies for endowment assets that attempt to provide for long-term growth of income and principal without undue exposure to risk. The return objective shall be accomplished using a balanced strategy of fixed income, equities, mutual funds and cash equivalents in a mix that is conducive to participation in rising markets while allowing for adequate protection in falling markets. The performance objectives will be measured against appropriate industry benchmarks such as the S&P 500 Index, Russell Mid Cap Index, Russell 2000 Index, and Morgan Stanley EAFE Index.

Strategies employed for achieving objectives
To satisfy its long-term rate-of-return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets a diversified asset allocation that places a greater

emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policy and how the investment objectives relate to spending policy
The Association has a policy of appropriating for distribution each year five percent of the endowment fund's average fair value over 12 quarters. In establishing this policy, the Association considered the long-term expected return on its endowment. Accordingly, this spending policy should, over time, protect the inflation-adjusted value of the endowment and, consequently, allow inflation-adjusted spending to occur into the distant future. This is consistent with the Association's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. The Association elected to appropriate $45,534 and $43,951 during the years ended June 30, 2018 and 2017, respectively.

8. FAIR VALUE MEASUREMENTS:

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Association has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

Fair value methods and assumptions on investments consisting of money market funds, mutual funds and equities are based on the Level 1 market approach. Investments in fixed income instruments that are not quoted on an exchange, but are traded in active markets, are valued on Level 2 inputs using pricing obtained from our custodians, which use third-party data source providers. The following tables present the Association's fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2018 and 2017.

June 30, 2018	Fair Value Measurements at Reporting Date Using: Fair Value	Level 1	Level 2	Level 3
Investments:				
Money market funds	$ 75,310	75,310	-	-
Fixed income bonds	128,643	-	128,643	-
Equity funds:				
Mid-Cap blend	188,979	188,979	-	-
Mutual funds:				
Diversified emerging	182,663	182,663	-	-
Large growth	190,633	190,633	-	-
Foreign large growth	246,273	246,273	-	-
Inflation-protected bond	255,074	255,074	-	-
Intermediate-term bond	572,282	572,282	-	-
Large blend	627,965	627,965	-	-
Short term bond	254,446	254,446	-	-
Small value	191,086	191,086	-	-
World allocation	252,776	252,776	-	-
	$ 3,166,130	3,037,487	128,643	-

June 30, 2017	Fair Value Measurements at Reporting Date Using: Fair Value	Level 1	Level 2	Level 3
Investments:				
Money market funds	$ 72,417	72,417	-	-
Corporate/government bonds	654,170	-	654,170	-
Equity funds:				
Mid-Cap blend	119,526	119,526	-	-
Mutual funds:				
Diversified emerging	179,627	179,627	-	-
Large growth	238,767	238,767	-	-
Foreign large growth	237,738	237,738	-	-
Large blend	714,830	714,830	-	-
Short government	236,937	236,937	-	-
Short term bond	237,743	237,743	-	-
Small value	120,087	120,087	-	-
World allocation	180,048	180,048	-	-
	$ 2,991,890	2,337,720	654,170	-

9. AMERICAN CLASSICAL MUSIC HALL OF FAME AND MUSEUM ACQUISITION:

Effective November 17, 2017, the Association’s Board of Directors voted to acquire the ACMHOFM. The Association is the sole member of the ACMHOFM. As a result, the ACMHOFM’s cash totaling $52,114 has been consolidated with the Association effective November 17, 2017 with no consideration paid and recorded at estimated fair value.

10. RECENT ACCOUNTING PRONOUNCEMENTS:

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Presentation of Financial Statements of Not-For-Profit Entities. The standard aims to improve not-for-profit financial statements in an effort to provide more useful information to donors, grantors, creditors and other users. Major components of this standard include: net asset classifications, liquidity and availability of cash and consistency in reporting expenses. Net asset classifications will be reduced from three classes (unrestricted, temporarily restricted and permanently restricted) to two: net assets with donor restrictions and net assets without donor restrictions. Updated disclosure requirements will be presented regarding risk exposure and availability of cash for short term use. Expenses will be reported by both their natural and functional classification to aid in the usefulness of financial statements. This standard will be effective for the Association's year ending June 30, 2019.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers. The standard's core principle is that an organization will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the organization expects to be entitled in exchange for those goods or services. This standard also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. This standard will be effective for the Association's year ending June 30, 2020.

In June 2018, FASB issued ASU 2018-08, Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. The standard will assist entities in determining whether transactions should be recorded as a contribution (nonreciprocal transaction) or as an exchange (reciprocal transaction). The standard also provides expanded guidance on determining whether or not a contribution is conditional. This standard will be effective for the Association's year ending June 30, 2020.

In February 2016, the FASB issued ASU No. 2016-02, Leases. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the statement of financial position at the date of the lease commencement. Leases will be classified as either financing or operating. This distinction will be relevant for the pattern of expense recognition in the statement of activities. This standard will be effective for the Association's year ending June 30, 2021.

The Association is currently in the process of evaluating the impact of adoption of these ASU's on the consolidated financial statements.

		Association	Certification	ACMHOFM	Elimination	Total
Assets:						
Cash and cash equivalents	$	1,781,429	92,441	49,810	-	1,923,680
Investments at fair value		3,120,432	45,698	-	-	3,166,130
Accounts receivable		7,953	13,675	-	(13,675)	7,953
Prepaid expenses		49,090	393	-	-	49,483
Property and equipment, net		29,188	-	-	-	29,188
Deposits		8,358	-	-	-	8,358
Total assets	$	4,996,450	152,207	49,810	(13,675)	5,184,792
Liabilities and net assets:						
Liabilities:						
Accounts payable	$	46,639	255	-	(13,675)	33,219
Due to state and local affiliates		168,477	-	-	-	168,477
Accrued expenses		152,827	-	-	-	152,827
Deferred revenue		865,502	-	-	-	865,502
Total liabilities		1,233,445	255	-	(13,675)	1,220,025
Net assets:						
Unrestricted		1,522,544	151,952	49,810	-	1,724,306
Unrestricted - board designated		1,487,880	-	-	-	1,487,880
Temporarily restricted		752,581	-	-	-	752,581
Total net assets		3,763,005	151,952	49,810	-	3,964,767
Total liabilities and net assets	$	4,996,450	152,207	49,810	(13,675)	5,184,792

		Association	Certification	Elimination	Total
Assets:					
Cash and cash equivalents	$	1,846,721	82,100	-	1,928,821
Investments at fair value		2,949,000	42,890	-	2,991,890
Accounts receivable		13,085	16,712	(16,712)	13,085
Prepaid expenses		60,545	380	-	60,925
Property and equipment, net		46,912	-	-	46,912
Deposits		8,358	-	-	8,358
Total assets	$	4,924,621	142,082	(16,712)	5,049,991
Liabilities and net assets:					
Liabilities:					
Accounts payable	$	38,713	25	(16,712)	22,026
Due to state and local affiliates		193,349	-	-	193,349
Accrued expenses		152,092	-	-	152,092
Deferred revenue		912,716	-	-	912,716
Total liabilities		1,296,870	25	(16,712)	1,280,183
Net assets:					
Unrestricted		1,505,298	142,057	-	1,647,355
Unrestricted - board designated		1,405,698	-	-	1,405,698
Temporarily restricted		716,755	-	-	716,755
Total net assets		3,627,751	142,057	-	3,769,808
Total liabilities and net assets	$	4,924,621	142,082	(16,712)	5,049,991

	Association Unrestricted	Association Temporarily Restricted	Association Total	Unrestricted Certification	Unrestricted ACMHOFM	Total
Revenues:						
Membership dues	$ 1,370,776	-	1,370,776	-	-	1,370,776
Subscription and advertising	147,059	-	147,059	-	-	147,059
Less direct costs	(139,664)	-	(139,664)	-	-	(139,664)
Conferences	489,073	-	489,073	-	-	489,073
Less direct costs	(358,387)	-	(358,387)	-	-	(358,387)
Competitions	157,430	-	157,430	-	-	157,430
Less direct costs	(189,131)	-	(189,131)	-	-	(189,131)
Contributions	216,091	30,455	246,546	-	69,250	315,796
Other	62,883	-	62,883	92,391	1,050	156,324
Management fee	10,000	-	10,000	(10,000)	-	-
Interest and dividends	89,223	27,543	116,766	1,670	-	118,436
Realized and unrealized gain on investments	71,164	22,043	93,207	1,377	-	94,584
Net assets released from restrictions	44,215	(44,215)	-	-	-	-
	1,970,732	35,826	2,006,558	85,438	70,300	2,162,296
Expenses:						
Salaries and wages	700,142	-	700,142	33,000	-	733,142
Payroll taxes	49,661	-	49,661	-	-	49,661
Employee benefits	102,226	-	102,226	-	-	102,226
Rent and utilities	118,592	-	118,592	-	-	118,592
Travel and entertainment	76,329	-	76,329	-	-	76,329
Newsletters and mailings	48,404	-	48,404	-	-	48,404
Membership retention	25,322	-	25,322	-	-	25,322
Insurance	25,971	-	25,971	-	-	25,971
Office supplies and postage	9,457	-	9,457	-	-	9,457
Information services	98,159	-	98,159	-	-	98,159
Professional fees	51,324	-	51,324	-	-	51,324
Bank charges	108,913	-	108,913	-	-	108,913
Depreciation	25,684	-	25,684	-	-	25,684
Grants and awards	239,634	-	239,634	-	-	239,634
Licenses and fees	9,445	-	9,445	-	-	9,445
Technology	41,300	-	41,300	-	-	41,300
Leadership summit	65,584	-	65,584	-	-	65,584
Partnership development	45,209	-	45,209	-	-	45,209
Other	29,948	-	29,948	42,543	20,490	92,981
	1,871,304	-	1,871,304	75,543	20,490	1,967,337
Change in net assets	99,428	35,826	135,254	9,895	49,810	194,959
Net assets:						
Beginning of year	2,910,996	716,755	3,627,751	142,057	-	3,769,808
End of year	$ 3,010,424	752,581	3,763,005	151,952	49,810	3,964,767

	Association				
	Unrestricted	Temporarily Restricted	Total	Unrestricted Certification	Total
Revenues:					
Membership dues	$ 1,378,660	-	1,378,660	-	1,378,660
Subscription and advertising	174,939	-	174,939	-	174,939
Less direct costs	(158,485)	-	(158,485)	-	(158,485)
Conferences	498,575	-	498,575	-	498,575
Less direct costs	(303,453)	-	(303,453)	-	(303,453)
Competitions	140,220	-	140,220	-	140,220
Less direct costs	(167,208)	-	(167,208)	-	(167,208)
Contributions	415,479	54,804	470,283	-	470,283
Other	99,848	-	99,848	76,186	176,034
Management fee	10,000	-	10,000	(10,000)	-
Interest and dividends	59,064	16,625	75,689	1,073	76,762
Realized and unrealized gain on investments	147,439	42,464	189,903	2,726	192,629
Net assets released from restrictions	21,160	(21,160)	-	-	-
	2,316,238	92,733	2,408,971	69,985	2,478,956
Expenses:					
Salaries and wages	663,211	-	663,211	32,000	695,211
Payroll taxes	49,434	-	49,434	-	49,434
Employee benefits	90,860	-	90,860	-	90,860
Rent and utilities	118,435	-	118,435	-	118,435
Travel and entertainment	94,384	-	94,384	-	94,384
Newsletters and mailings	48,881	-	48,881	-	48,881
Membership retention	19,855	-	19,855	-	19,855
Insurance	25,880	-	25,880	-	25,880
Office supplies and postage	17,683	-	17,683	-	17,683
Information services	155,263	-	155,263	-	155,263
Professional fees	43,389	-	43,389	-	43,389
Bank charges	111,987	-	111,987	-	111,987
Depreciation	33,717	-	33,717	-	33,717
Grants and awards	183,932	-	183,932	-	183,932
Licenses and fees	9,415	-	9,415	-	9,415
Technology	44,162	-	44,162	-	44,162
Leadership summit	59,969	-	59,969	-	59,969
Partnership development	40,818	-	40,818	-	40,818
Other	36,859	-	36,859	29,841	66,700
	1,848,134	-	1,848,134	61,841	1,909,975
Change in net assets	468,104	92,733	560,837	8,144	568,981
Net assets:					
Beginning of year	2,442,892	624,022	3,066,914	133,913	3,200,827
End of year	$ 2,910,996	716,755	3,627,751	142,057	3,769,808