STATE CENTER FEDERATION OF TEACHERS

FINANCIAL STATEMENTS

Year Ended
December 31, 2021

CONTENTS

	PAGE
Independent Accountant’s Review Report	1
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Notes to the Financial Statements	4

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Executive Council
State Center Federation of Teachers

We have reviewed the accompanying financial statements of State Center Federation of Teachers (a California nonprofit organization) which comprise the statements of financial position, as of December 31, 2021 and the related statements of activities and changes in net assets, for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope then an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

We are required to be independent of State Center Federation of Teachers and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, except for the issue noted in the Known Departure From Accounting Principles Generally Accepted in the United States of America paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Known Departure From Accounting Principles Generally Accepted in the United States of America

A statement of cash flows for the year ended December 31, 2020 has not be presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operations.

Thad Scott & Company

Thad Scott & Company
January 28,2022

STATE CENTER FEDERATION OF TEACHERS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

	General Fund	COPE Fund	Total
CURRENT ASSETS			
Cash	$ 114,257	$ 46,112	$ 160,369
Accounts receivable	45,000	-0-	45,000
Total Current Assets	159,257	46,112	205,369
PROPERTY, NET	195,649		195,649
Total Assets	$ 354,906	$ 46,112	$ 401,018

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Payable to Affiliates	$ 158,334		$ 158,334
Payable to Adjunct Relief Fund	6,248		6,248
Note payable	95,858		95,858
Total Current Liabilities	260,440		260,440
NET ASSETS	94,466	46,112	140,578
Total Liabilities and Net Assets	$ 354,906	$ 46,112	$ 401,018

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

STATE CENTER FEDERATION OF TEACHERS
STATEMENTS OF ACTIVITIES AND
CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2021

	General Fund	COPE Fund	Total
REVENUES			
Faculty dues	$ 688,483		$ 688,483
Voluntary contributions		14,392	14,392
Affiliate payments	110,180		110,180
Total Revenue	798,663	14,392	813,055
EXPENSES			
Affiliate per capita taxes	605,039		605,039
Legal and professional	19,707		19,707
Office	30,680		30,680
Conferences and meetings	1,267		1,267
Personnel costs	107,427		107,427
Depreciation	4,465		4,465
Interest	9,657		9,657
Donations	5,076		5,076
Political expenditures		4,000	4,000
Total expenses	783,318	4,000	787,318
Change in operating net assets	15,345	10,392	25,737
NET ASSETS BEGINNING	74,469	40,372	114,841
NET ASSETS ENDING	$ 89,814	$ 50,764	$ 140,578

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business Activity

The State Center Federation of Teachers (the "Federation") was formed to: (i) represent the full-time and part-time faculty as the executive bargaining agent for each unit member (ii) raise the standards of the education professional by securing the conditions essential to the best professional service (iii) promoting such democratization of the collages as will enable faculty to equip their students to take their places in the social and cultural life of the community and (iv) promote the welfare of the young people of the nation by providing progressively better educational opportunity for all. The Federation represents unit members in their employment relations with the State Center Community College District (the "District"). The Federation is local 1533 of the American Federation of Teachers (the "AFT"). It is affiliated with the California Federation of Teachers (the "CFT"), the California Labor Federation (AFL-CIO), and the Central Labor Council of Fresno-Madera. The Federation is the exclusive bargaining agent for all faculty members. The District has approximately 1,700 faculty members of which approximately 1,250 are members of the Federation.

Fund Accounting

To ensure the observation of limitations and restrictions placed on the use of resources available to the Federation, the accounts of the Federation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

The assets, liabilities and net assets of the Federation are reported in two self-balancing, unrestricted net asset groups. (1) The COPE Fund is a committee of political education formed for the purpose of making contributions to candidates and to proposition-ballot measures. The Fund is administered through the Executive Council comprised of members of the Foundation. (2) The General Fund records all activity of the Federation that is not related to the COPE fund.

Accrual Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Revenue is recognized when earned. Expenses are recognized when incurred.

Income Taxes

The Federation is a not-for-profit organization that is exempt from income taxes under 501(c)(5) of the Internal Revenue Code and state franchise taxes under Section 23701 (a) of the Revenue and Taxation Code of the State of California.

Property:

Property and equipment consists of the following:

Buildings	$ 174,149
Land	37,300
	211,449
Less - accumulated depreciation	(15,800)
	$ 195,649

Note Payable

The note is payable $905 monthly, including 10% interest. Balance of about $95,000 is due on the maturity date of June 1, 2022.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates, primarily related to the collectability of receivables and depreciable lives of equipment. The nature of these estimates is such that actual results could be different.

Subsequent Events

Management has evaluated subsequent events through the date of the accountants' report, the date on which the financial statements were available to be issued.