

SAN JOAQUIN DELTA COLLEGE
TEACHERS ASSOCIATION

FINANCIAL STATEMENT
and
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED AUGUST 31, 2002

SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7
Independent Auditor's Report on Supplemental Schedule	8
Supplemental Schedule of Chargeable and Non-Chargeable Disbursements	9



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
San Joaquin Delta College Teachers Association
5151 Pacific Avenue
Stockton, California 95207

We have audited the accompanying statement of financial position of San Joaquin Delta College Teachers Association (a non-profit organization) as of August 31, 2002, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted 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.

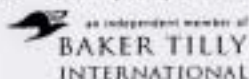
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Joaquin Delta College Teachers Association as of August 31, 2002, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Kemper CPA Group

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Stockton, California
July 15, 2003

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SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION

Statement of Financial Position

August 31, 2002

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents - Unrestricted \$ 28,910

Total Current Assets 28,910

FURNITURE AND EQUIPMENT

Furniture and Equipment 2,410

Accumulated Depreciation (763)

Total Furniture and Equipment 1,647

TOTAL ASSETS \$ 30,557

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable \$ 6,000

Total Liabilities 6,000

NET ASSETS

Unrestricted Assets 24,557

Total Net Assets 24,557

TOTAL LIABILITIES AND NET ASSETS \$ 30,557

See accompanying notes to financial statements

SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION

Statement of Activities

For the Year Ended August 31, 2002

UNRESTRICTED NET ASSETS

Unrestricted Support and Revenues

Chapter Dues \$ 63,150

Dividends 1,513

Total Unrestricted Support and Revenues 64,663

EXPENSES

Program Services

Membership Service 74,888

Supporting Services

Management and General 13,546

Total Expenses 88,434

DECREASE IN UNRESTRICTED NET ASSETS (23,771)

NET ASSETS AT BEGINNING OF YEAR 48,328

NET ASSETS AT END OF YEAR \$ 24,557

See accompanying notes to financial statements

SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION

Statement of Functional Expenses
For the Year Ended August 31, 2002

	<u>Total</u>	<u>Membership Services</u>	<u>Management & General</u>
<u>FUNCTIONAL EXPENSES</u>			
Meetings and Conferences	\$ 2,979	\$ 2,979	\$ -
Grievance Processing	31,074	31,074	-
Release Time	25,759	25,759	-
Negotiations Expense	8,000	8,000	-
Office Administration	757	-	757
Professional Fees	6,000	-	6,000
Computer Expense	5,709	-	5,709
Public Relations	300	300	-
Membership Expense	1,019	1,019	-
Bank Service Charges	514	514	-
Penalties	375	375	-
Telephone Expense	4,868	4,868	-
Depreciation	482	-	482
Miscellaneous Expense	598	-	598
TOTAL EXPENSES	<u>\$ 88,434</u>	<u>\$ 74,888</u>	<u>\$ 13,546</u>

See accompanying notes to financial statements

SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION

Statement of Cash Flows

For the Year Ended August 31, 2002

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (23,771)
Adjustment to reconcile change in net assets to cash provided by operating activities:	
Depreciation	<u>482</u>
Net Cash Used By Operating Activities	<u>(23,289)</u>
Net Decrease in Cash	(23,289)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>46,199</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 22,910</u></u>

See accompanying notes to financial statements

SAN JOAQUIN DELTA COLLEGE TEACHERS ASSOCIATION
Notes to Financial Statements
August 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

San Joaquin Delta College Teachers Association (TTA) is the exclusive bargaining agent for all San Joaquin Delta College Unified School District teachers as created by agreement between San Joaquin Delta College Teachers Association, California Teachers Association (CTA), National Education Association (NEA) and San Joaquin Delta College District. The purpose of the association is to promote and improve the welfare and working conditions of its members. All certified employees of the San Joaquin Delta Community College District are eligible for membership in the association except management, confidential and supervisory employees. Members of San Joaquin Delta College Teachers Association are also members of California Teachers Association and pay dues to both associations. Revenues consist mainly of membership dues.

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared using the accrual basis of accounting.

Financial statements presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. For the current year ended there are no permanently restricted net assets.

PROPERTY & EQUIPMENT

Furniture and equipment are recorded at cost and are being depreciated using the straight-line method over estimated useful lives of five, seven, and ten years. The organization capitalizes all expenditures for property and equipment in excess of \$100. Donated property and equipment are carried at the approximate fair value at the date of donation.

TAXES

The Association is exempt from Federal income tax as an organization described in section 501 (c)(5) of the Internal Revenue Code and by the California Franchise Tax Board.

FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Company to estimate the fair values of financial instruments as disclosed herein:

Cash and equivalents: The carrying amount approximates fair value because of the short period to maturity of the instruments.

Independent Auditor's Report
on Supplemental Schedule

To the Board of Directors
San Joaquin Delta College Teachers Association
5151 Pacific Avenue
Stockton, California 95207

Our report on our audit of the basic financial statements of San Joaquin Delta College Teachers Association as of August 31, 2002 appears on page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of chargeable and non-chargeable disbursement is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of San Joaquin Delta College Teachers Association's management. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Kemper CPA Group

Kemper CPA Group LLP
Certified Public Accountants and Consultants

Stockton, California
July 15, 2003

San Joaquin Delta College Teachers Association
Supplemental Schedule of Chargeable and
Non-Chargeable Disbursements
For Year Ended August 31, 2002

This calculation is based on chapter expenditures
for the fiscal year ended August 31, 2002

CHARGEABLE EXPENSES

Office Expense	\$	20,322
Negotiations		64,833
Conferences/ Workshops		2,979
Social Activities		300
		<hr/>
Total Chargeable Expenses		88,434 <hr/>

NONCHARGEABLE EXPENSES

Charitable Contributions/Scholarships		-
		<hr/>
Total Nonchargeable Expenses		- <hr/>
		<hr/>
TOTAL EXPENSES		88,434
Plus Fundraising Expenses		- <hr/>
		<hr/>
TOTAL FINANCIAL STATEMENT EXPENSES	\$	88,434 <hr/>

PERCENTAGE CHARGEABLE EXPENSES	100%
PERCENTAGE NONCHARGEABLE EXPENSES	0%