

***Nebraska School Activities Association
Lincoln, Nebraska***

July 31, 2018 and 2017

***Financial Statements
and
Report of Independent Certified Public Accountants***



CPAs & Consultants | Wealth Management

Nebraska School Activities Association
For the years ended July 31, 2018 and 2017

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Nebraska School Activities Association
Lincoln, Nebraska

We have audited the accompanying financial statements of Nebraska School Activities Association, which comprise the statements of financial position as of July 31, 2018 and 2017, and 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 audits to obtain reasonable assurance about whether the financial statements are free of 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 the 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 Nebraska School Activities Association as of July 31, 2018 and 2017, 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 Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Cash and Cash Equivalents, Schedule of Certificates of Deposit, Schedule of Functional Expenses, and Schedules of Activities, Revenues and Expenses are presented for the purposes of additional analysis and are 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 supplemental 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.

HBE LLP

October 4, 2018

HBE

Nebraska School Activities Association

STATEMENTS OF FINANCIAL POSITION

July 31,

ASSETS

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents (note A)	\$ 3,541,340	\$ 3,713,178
Certificates of deposit	412,975	407,927
Investments (notes A, B and M)	1,010,143	507,364
Receivables (note A)	-	36,742
Inventories (note A)	64,134	61,881
Prepaid expenses	375,278	306,331
Property and equipment, net (notes A and C)	3,552,973	3,612,826
Loan origination fee, net (note D)	<u>10,325</u>	<u>12,981</u>
Total assets	<u>\$ 8,967,168</u>	<u>\$ 8,659,230</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$ 16,979	\$ 23,606
Deferred revenue (note A)	428,094	425,828
Accrued absences (note I)	89,891	88,320
Accrued interest payable	1,892	1,790
Capital leases payable (notes A and E)	<u>2,227,336</u>	<u>2,397,730</u>
Total liabilities	2,764,192	2,937,274
Net assets, unrestricted (note A)		
Undesignated	<u>6,202,976</u>	<u>5,721,956</u>
Total liabilities and net assets	<u>\$ 8,967,168</u>	<u>\$ 8,659,230</u>

See accompanying notes to financial statements.

Nebraska School Activities Association

STATEMENTS OF ACTIVITIES

For the years ended July 31,

	<u>2018</u>	<u>2017</u>
CHANGES IN UNRESTRICTED NET ASSETS		
Revenue and support		
Activities	\$ 3,483,075	\$ 3,634,767
Corporate sponsorships	555,499	624,250
Membership, schools	12,200	12,160
Membership, officials/judges	180,482	183,116
Interest	9,763	6,866
Gain (loss) on investments	13,936	(960)
Catastrophic insurance reimbursement	230,881	245,656
Publication, sales	10,358	7,431
Publication, advertising	27,825	47,016
Coaches education	18,810	18,795
Rental income	32,100	36,750
Licensing	923	1,147
Television rights	120,000	120,000
Photos and video income	14,190	21,244
Special awards income	18,193	23,180
Royalties	30,840	27,560
Income from broadcasters	21,093	27,198
Gain on disposal of assets	636	-
Other revenue	<u>7,574</u>	<u>3,065</u>
Total revenue and support	<u>4,788,378</u>	<u>5,039,241</u>
Expenses (note H)		
Program services		
Activities	1,531,925	1,497,339
Member services	2,267,397	2,168,778
Publications	64,092	71,132
Supporting services		
General and administrative	<u>443,944</u>	<u>428,977</u>
Total expenses	<u>4,307,358</u>	<u>4,166,226</u>
Increase in unrestricted net assets	481,020	873,015
Net assets, beginning of year	<u>5,721,956</u>	<u>4,848,941</u>
Net assets, end of year	<u>\$ 6,202,976</u>	<u>\$ 5,721,956</u>

See accompanying notes to financial statements.

Nebraska School Activities Association

STATEMENTS OF CASH FLOWS

For the years ended July 31,

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Cash received from revenue and support	\$ 4,803,051	\$ 5,012,768
Cash paid to employees and suppliers	(4,158,316)	(4,187,623)
Interest received	9,763	6,866
Interest paid	(92,791)	(100,680)
Net cash provided by operating activities	<u>561,707</u>	<u>731,331</u>
Cash flows from investing activities:		
Purchases of property and equipment	(52,358)	(9,351)
Purchase of investments	(493,891)	(3,284)
Net cash used by investing activities	<u>(546,249)</u>	<u>(12,635)</u>
Cash flows from financing activities		
Principal payments on capital leases	(187,296)	(180,324)
Net increase (decrease) in cash and cash equivalents	(171,838)	538,372
Cash and cash equivalents, beginning of year	<u>3,713,178</u>	<u>3,174,806</u>
Cash and cash equivalents, end of year	<u>\$ 3,541,340</u>	<u>\$ 3,713,178</u>
Increase in net assets	<u>\$ 481,020</u>	<u>\$ 873,015</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	132,405	141,321
(Gain) loss on investments	(13,936)	960
Gain on disposal of assets	(636)	-
(Increase) decrease in assets		
Receivables	36,742	(22,845)
Inventories	(2,253)	9,023
Prepaid expenses	(68,947)	(282,654)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(6,627)	7,807
Deferred revenue	2,266	2,277
Accrued absences	1,571	3,104
Accrued interest payable	102	(677)
Total adjustments to increase in net assets	<u>80,687</u>	<u>(141,684)</u>
Net cash provided by operating activities	<u>\$ 561,707</u>	<u>\$ 731,331</u>
Supplemental disclosure of noncash investing and financing activities:		
Assets acquired under capital leases	<u>\$ 30,291</u>	<u>\$ -</u>

See accompanying notes to financial statements.

Nebraska School Activities Association

NOTES TO FINANCIAL STATEMENTS

The Nebraska School Activities Association (the Association) is a nonprofit Association established to select, develop and direct interscholastic events and to regulate administration of those events. The judicial and administrative authority of the Association resides with the Board of Directors and is comprised of eight members, from the Association's six districts within the State. Most of the Association's revenue is derived from activity fees.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting. The accompanying financial statements of the Association have been prepared on the accrual basis of accounting.

Net Asset Classification. The Association reports 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.

Unrestricted net assets. Net assets that are not subject to outside restrictions.

Temporarily restricted net assets. Net assets on which grantors or donors have placed restrictions regarding the use of the funds or the time period in which the funds can be used. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as "net assets released from restrictions."

Permanently restricted net assets. Net assets whose funds must be held indefinitely.

The Association has not received any revenue that would be classified as temporarily or permanently restricted net assets.

Cash and Cash Equivalents. For purposes of the statements of cash flows, the Association considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities. Donated securities are recorded as contributions equal to the fair market value of the securities at the date of gift.

Receivables. Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Inventories. Inventories are recorded at cost, on a first-in/first-out basis, and consist of publications for sale and distribution to schools, supplies and stationery for office use.

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property and Equipment and Depreciation. Property and equipment are carried at cost, if purchased and at fair market value at the date of contribution, if received by donation, less accumulated depreciation. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives computed primarily on the straight-line method. The Association capitalizes all acquisitions of property and equipment with a useful life greater than one year. Estimated useful lives by asset class follow:

Building	10-50 years
Office furniture and equipment	5-10 years
Athletic equipment	5-10 years
Vehicles	5 years

Deferred Revenue. Revenue received for future dues and fees is deferred to the applicable year.

Leases. Assets which are acquired by lease-purchase agreements and meet the criteria of a capital lease are recorded as assets and obligations at the lesser of the following:

- (1) An amount equal to the present value, at the beginning of the lease term, of minimum lease payments during the lease term, excluding that portion of the payments representing executory costs to be paid by the lessor, together with any profit thereon.
- (2) Fair value of the leased property at the inception of the lease.

Rental payments under agreements which meet the criteria of an operating lease are expensed when incurred.

Income Taxes. The Association is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. As such, income earned in the performance of its exempt purpose is not subject to income tax. Any income earned through activities not related to its exempt purpose is subject to income tax at normal corporate rates.

Fair Value Measurements. The Financial Accounting Standards Board has issued guidance defining fair value, establishing a framework for measuring fair value and expanding disclosures about fair value measurements. 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. The Association utilizes a fair value hierarchy to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**Fair Value Measurements. - Continued**

- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest priority level of any input that is significant to the fair value measurement. Transfers between levels shall occur at the actual date of the event or change in circumstances that caused the transfer. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

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.

NOTE B - INVESTMENTS

	2018		2017	
	Cost	Fair Value	Cost	Fair Value
Investments consist of:				
Corporate bonds	\$ 171,296	\$ 166,560	\$ 264,812	\$ 266,610
U.S. government obligations	118,791	116,150	54,822	54,786
U.S. agency obligations	134,389	130,757	103,340	102,517
Listed equities	296,227	308,482	71,142	75,554
Exchange traded products	22,352	27,998	6,711	7,897
Mutual funds	232,712	260,196	-	-
	<u>\$ 975,767</u>	<u>\$ 1,010,143</u>	<u>\$ 500,827</u>	<u>\$ 507,364</u>
Unrealized gain		<u>\$ 34,376</u>		<u>\$ 6,537</u>

Nebraska School Activities Association

NOTES TO FINANCIAL STATEMENTS

NOTE C - PROPERTY AND EQUIPMENT

	<u>2018</u>	<u>2017</u>
Building	\$ 4,334,996	\$ 4,334,537
Office furniture and equipment	339,113	380,069
Athletic equipment	36,413	47,764
Vehicles	<u>39,187</u>	<u>39,187</u>
	4,749,709	4,801,557
Less accumulated depreciation	<u>(1,196,736)</u>	<u>(1,188,731)</u>
	<u>\$ 3,552,973</u>	<u>\$ 3,612,826</u>

Depreciation expense for the year ended July 31, 2018 and 2017 was \$129,749 and \$137,091, respectively.

NOTE D - LOAN ORIGINATION FEE

The Association incurred origination fees totaling \$38,164 to refinance revenue bonds issued in 2007. These costs are being amortized over eight and twelve year periods. Accumulated amortization as of July 31, 2018 and 2017 was \$27,839 and \$25,183, respectively. Amortization expense for the years ended July 31, 2018 and 2017 was \$2,656 and \$4,230, respectively.

Remaining amortization expense for each subsequent year is as follows:

<u>Year ending July 31,</u>	
2019	\$ 1,080
2020	1,080
2021	1,080
2022	1,080
2023	1,080
Thereafter	<u>4,925</u>
	<u>\$ 10,325</u>

NOTE E - CAPITAL LEASES

The Association leases its office facilities from the City of Lincoln, Nebraska (the City), under a capital lease. The economic substance of the lease is that the Association is financing the acquisition of the office facility through the lease, and accordingly, it is recorded in the Association's assets and liabilities.

The Association leases office equipment under capital leases that expire in 2023.

Amortization of building and office equipment under capital leases amounted to \$93,809 and \$97,364 for the years ended July 31, 2018 and 2017, respectively and is included in depreciation expense.

Nebraska School Activities Association

NOTES TO FINANCIAL STATEMENTS

NOTE E - CAPITAL LEASES - CONTINUED

The following is a summary of property and equipment, stated at cost, held under capital leases included in property and equipment:

	<u>2018</u>	<u>2017</u>
Building	\$ 4,324,785	\$ 4,324,785
Office equipment	<u>54,236</u>	<u>54,339</u>
	4,379,021	4,379,124
Less accumulated depreciation	<u>(922,067)</u>	<u>(843,455)</u>
	<u>\$ 3,456,953</u>	<u>\$ 3,535,669</u>

Minimum future lease payments under capital leases are as follows:

<u>Year ending July 31,</u>	<u>Building</u>	<u>Office Equipment</u>	<u>Total</u>
2019	\$ 269,253	\$ 11,889	\$ 281,142
2020	269,253	11,889	281,142
2021	269,253	11,889	281,142
2022	269,253	7,779	277,032
2023	269,253	3,479	272,732
Thereafter	<u>1,292,406</u>	<u>-</u>	<u>1,292,406</u>
	2,638,671	46,925	2,685,596
Less amount representing interest	<u>(453,326)</u>	<u>(4,934)</u>	<u>(458,260)</u>
	<u>\$ 2,185,345</u>	<u>\$ 41,991</u>	<u>\$ 2,227,336</u>

NOTE F - OPERATING LEASES

As Lessee

The Association is the lessee of automobiles under operating leases expiring in various months through 2021. Vehicle lease expense was \$24,103 and \$25,602 for the years ended July 31, 2018 and 2017, respectively.

Minimum future lease payments under non-cancellable operating leases are as follows:

<u>Year ending July 31,</u>	
2019	\$ 9,980
2020	6,167
2021	<u>3,550</u>
	<u>\$ 19,697</u>

Nebraska School Activities Association

NOTES TO FINANCIAL STATEMENTS

NOTE F - OPERATING LEASES - CONTINUED

As Lessor

The Association is the lessor of office space under two non-cancellable operating leases. Under the first agreement annual lease payments are \$7,000 and \$2,000 for rent and utility assessment, respectively, through June 30, 2020. Under the second agreement annual payments are \$20,000 and \$2,000 for rent and utility assessment, respectively, through August 31, 2017, and contains a renewal for an additional ten years, which was exercised October 19, 2016.

The cost of the office space directly related to leasing activity amounts to \$1,016,767 as of July 31, 2018 and 2017. The accumulated depreciation of the office space directly related to the leasing activity amounted to \$215,030 and \$194,897 as of July 31, 2018 and 2017, respectively.

Future minimum rentals under existing operating leases are as follows:

Year ending July 31,

2019	\$ 31,000
2020	30,250
2021	22,000
2022	22,000
2023	22,000
Thereafter	<u>88,000</u>
	<u>\$ 215,250</u>

NOTE G - RETIREMENT BENEFITS

The Association has established a defined contribution retirement plan for its employees. The Association will provide a 101% match of the employee's contribution up to a maximum of 9.78% of their annual salary. Employer contributions are 100% vested. Contributions are charged to retirement expense in the year incurred and amounted to \$93,787 and \$86,286 for the years ended July 31, 2018 and 2017, respectively.

NOTE H - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE I - ACCRUED ABSENCES

The Association is liable for unused vacation time not used in the following year up to a maximum of twenty days for most employees. Any vacation time not used by the employee by the following May 31, is forfeited. Upon termination of employment, unused vacation time is paid. As of July 31, 2018 and 2017, unused vacation time amounted to \$59,282 and \$57,809, respectively.

Nebraska School Activities Association
NOTES TO FINANCIAL STATEMENTS

NOTE I - ACCRUED ABSENCES - CONTINUED

The Association is liable for unused sick leave for qualified full-time employees with 10 or more years of continuous service. Unused sick leave up to a maximum of twenty days is compensatory for qualified employees at retirement or voluntary leave. As of July 31, 2018 and 2017, unused compensatory sick leave amounted to \$30,609 and \$30,511, respectively.

NOTE J - DONATED MATERIALS AND SERVICES

For the years ended July 31, 2018 and 2017, contributed athletic supplies amounted to \$75,996 and \$55,492, respectively, and are included in the revenue of each activity that benefited from the supplies contributed. A significant portion of the Association's functions, including tournament oversight, is conducted by volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*.

NOTE K - INCOME TAXES

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Association has advertising income, which is subject to tax on unrelated business income. For the years ended July 31, 2018 and 2017, the Association paid no taxes on unrelated business activity. The Association believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Association's federal Return of Organization Exempt from Income Tax (Form 990) and Exempt Organization Business Income Tax Return (Form 990-T) for July 31, 2018, 2017, and 2016 are subject to examination by the IRS, generally for three years after they were filed.

NOTE L - CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Association to concentrations of credit risk consist principally of checking, money market, and certificate of deposit accounts at financial institutions. Accounts at each institution are insured by the FDIC up to \$250,000. At July 31, 2018 and 2017, the bank accounts exceeded federally insured limits by \$3,240,272 and \$3,071,070, respectively. The Organization has not experienced any losses on such accounts.

The Association also holds a short-term Federal investment trust (STFIT) account that is not FDIC insured. At July 31, 2018 and 2017, the STFIT account balance was \$31,135 and \$30,788, respectively.

The Association also holds a money market fund that is not FDIC insured, but is backed by the U.S. government. At July 31, 2018 and 2017, the money market fund account balance was \$448,000.

NOTE M - FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in methodologies used during the year ended July 31, 2018.

Nebraska School Activities Association
NOTES TO FINANCIAL STATEMENTS

NOTE M - FAIR VALUE MEASUREMENTS - CONTINUED

Listed equities: Valued at the closing price reported on the active market on which the individual securities are traded.

Exchange traded products and mutual funds: Valued at the observable net asset value (NAV) of shares held by the Association at year-end.

Corporate bonds, U.S. government and agency obligations: Valued using independent pricing models.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis as of July 31, 2018 and 2017.

The following table sets forth the balances of assets and liabilities measured at fair value on a recurring basis as of July 31, 2018 and 2017.

		2018			
		Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments					
Corporate bonds	\$	166,560	\$ -	\$ 166,560	\$ -
U.S. government obligations		116,150	-	116,150	-
U.S. agency obligations		130,757	-	130,757	-
Listed equities		308,482	308,482	-	-
Exchange traded products		27,998	27,998	-	-
Mutual funds		260,196	260,196	-	-
	\$	<u>1,010,143</u>	\$ <u>596,676</u>	\$ <u>413,467</u>	\$ <u>-</u>
		2017			
		Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments					
Corporate bonds	\$	266,610	\$ -	\$ 266,610	\$ -
U.S. government obligations		54,786	-	54,786	-
U.S. agency obligations		102,517	-	102,517	-
Listed equities		75,554	75,554	-	-
Exchange traded products		7,897	7,897	-	-
	\$	<u>507,364</u>	\$ <u>83,451</u>	\$ <u>423,913</u>	\$ <u>-</u>

NOTE N - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the audit report date, the date the financial statements were available to be issued.

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SUPPLEMENTAL INFORMATION

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Nebraska School Activities Association

SCHEDULE OF CASH AND CASH EQUIVALENTS

July 31, 2018

	Interest Rate	Balance
Cash and cash equivalents:		
Cash on hand	-	\$ 6,535
Raymond James	0.02%	21,942
U.S. Bank, checking account	Variable	2,805,169
U.S. Bank, money market	Variable	228,559
U.S. Bank, government-backed money market	Variable	448,000
Union Bank and Trust Company		
Short Term Federal Investment Trust (STFIT)	Variable	<u>31,135</u>
Total cash and cash equivalents		<u>\$ 3,541,340</u>

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Nebraska School Activities Association
SCHEDULE OF CERTIFICATES OF DEPOSIT

July 31, 2018

	<u>Original Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Certificates of deposit:				
Union Bank and Trust Company	6-17-16	6-17-21	1.85%	\$ 38,422
Union Bank and Trust Company	8-11-12	8-11-18	1.15%	227,138
NebraskaLand	6-8-16	5-8-19	1.63%	81,300
Bank of the West	8-2-14	8-2-17	1%	32,458
Bank of the West	7-21-12	7-21-19	2%	<u>33,657</u>
Total certificates of deposit				<u>\$ 412,975</u>

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Nebraska School Activities Association

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended July 31, 2018

With comparative totals for the year ended July 31, 2017

	Program Services			General and Administration	Total 2018	Total 2017
	Activities	Member Services	Publications			
Activities	\$ 1,531,925	\$ -	\$ -	\$ 1,531,925	\$ -	\$ 1,497,339
Salaries	-	889,071	21,952	911,023	186,595	1,097,618
Payroll taxes	-	64,549	1,594	66,143	13,547	79,690
Medical and LTC insurance	-	161,519	3,988	165,507	33,899	199,406
Retirement	-	75,967	1,876	77,843	15,944	93,787
Lobbying fees	-	-	-	-	27,200	27,200
Postage	-	16,979	400	17,379	2,596	19,975
Officials' and Judges' expense	-	88,401	-	88,401	-	88,401
Awards	-	14,660	-	14,660	-	14,660
Vehicle expense	-	43,365	1,020	44,385	6,633	51,018
Staff travel	-	42,613	1,003	43,616	6,517	50,133
Committees	-	4,210	-	4,210	-	4,210
Meetings and promotions	-	10,251	-	10,251	-	10,251
Depreciation and amortization	-	112,544	2,648	115,192	17,213	132,405
General insurance	-	79,045	1,860	80,905	12,089	92,994
Catastrophic insurance	-	281,194	-	281,194	-	281,194
Utilities	-	23,892	562	24,454	3,654	28,108
Equipment maintenance and repair	-	18,626	438	19,064	2,849	21,913
Building maintenance and repair	-	31,663	745	32,408	4,843	37,251
Bank and credit card fees	-	17,127	-	17,127	901	18,028
Telephone	-	14,908	351	15,259	2,280	17,539
Internet expense	-	15,126	356	15,482	2,313	17,795
Stationery and supplies	-	13,057	307	13,364	1,997	15,361
Legal fees	-	18,630	438	19,068	2,850	21,918
Audit fees	-	10,730	252	10,982	1,642	12,624
Publications	-	-	21,566	21,566	-	21,566
Miscellaneous	-	21,285	501	21,786	3,255	25,041
Programming	-	40,225	2,235	42,460	2,234	44,694
Legislative commission	-	1,174	-	1,174	-	1,174
Board of directors	-	91,675	-	91,675	-	91,675
Workers, staff and board uniforms	-	4,018	-	4,018	-	4,018
Representative assembly	-	10,668	-	10,668	-	10,668
Dues and subscriptions	-	8,349	-	8,349	-	8,349
Membership publications	-	11,026	-	11,026	-	11,026
Interest expense	-	-	-	-	92,893	92,893
Corporate sponsorship	-	30,850	-	30,850	-	30,850
Total year ended July 31, 2018	<u>\$ 1,531,925</u>	<u>\$ 2,267,397</u>	<u>\$ 64,092</u>	<u>\$ 3,863,414</u>	<u>\$ 443,944</u>	<u>\$ 4,307,358</u>
Total year ended July 31, 2017	<u>\$ 1,497,339</u>	<u>\$ 2,168,778</u>	<u>\$ 71,132</u>	<u>\$ 3,737,249</u>	<u>\$ 428,977</u>	<u>\$ 4,166,226</u>

Nebraska School Activities Association

SCHEDULE OF ACTIVITIES, REVENUES AND EXPENSES

For the year ended July 31, 2018

	Revenues				Expenses			Revenue Over (Under) Expenses	2018	2018	2018
	Registration Fees	Tournament and Meet Revenues	Other Revenues	Total	Travel Reimbursements To Schools	Tournament and Meet Expenses	Total		Revenue Over (Under) 2017	Expenses Over (Under) 2017	Net Over (Under) 2017
Baseball	\$ 3,645	\$ 97,918	\$ 10,000	\$ 111,563	\$ 5,625	\$ 90,121	\$ 95,746	\$ 15,817	\$ 8,309	\$ 26,513	\$ (18,204)
Basketball											
Boys	13,500	734,567	85,000	833,067	45,483	172,826	218,309	614,758	(66,317)	10,026	(76,343)
Girls	13,545	421,199	85,000	519,744	46,446	169,410	215,856	303,888	(20,012)	10,718	(30,730)
Cross country	21,645	23,949	37,485	83,079	27,738	22,804	50,542	32,537	3,620	4,703	(1,083)
Debate	1,170	-	-	1,170	-	-	-	1,170	(45)	-	(45)
Football	13,545	247,131	20,000	280,676	29,159	59,236	88,395	192,281	(36,560)	10,762	(47,322)
Golf											
Boys	11,160	7,446	6,232	24,838	-	20,403	20,403	4,435	(8,988)	(3,552)	(5,436)
Girls	6,255	10,007	11,308	27,570	-	19,847	19,847	7,723	3,553	5,040	(1,487)
Journalism	3,960	1,773	2,000	7,733	-	8,824	8,824	(1,091)	(438)	1,698	(2,136)
Music	13,500	1,406	-	14,906	-	5,043	5,043	9,863	1,351	433	918
Play production	12,060	13,162	21,401	46,623	6,703	21,003	27,706	18,917	207	1,084	(877)
Soccer	7,155	151,929	-	159,084	6,789	78,143	84,932	74,152	(1,898)	690	(2,588)
Softball	6,480	70,679	-	77,159	21,031	41,800	62,831	14,328	3,596	10,022	(6,426)
Speech	13,140	15,358	-	28,498	-	55,792	55,792	(27,294)	(931)	1,047	(1,978)
Swimming	5,400	42,506	-	47,906	-	24,954	24,954	22,952	607	4,153	(3,546)
Tennis											
Boys	2,790	5,878	-	8,668	-	8,877	8,877	(209)	303	1,194	(891)
Girls	3,015	5,684	-	8,699	-	9,164	9,164	(465)	333	1,914	(1,581)
Track	26,955	209,197	-	236,152	82,981	108,973	191,954	44,198	(29,694)	1,100	(30,794)
Unified bowling	2,565	17,101	1,000	20,666	-	3,056	3,056	17,610	(24,826)	(43,230)	18,404
Volleyball	13,545	317,972	85,000	416,517	41,276	125,234	166,510	250,007	17,868	6,097	11,771
Wrestling	11,385	495,915	-	507,300	55,687	100,291	155,978	351,322	305	(16,436)	16,741
Dual wrestling	-	21,457	-	21,457	-	17,206	17,206	4,251	(2,035)	610	(2,645)
	<u>\$ 206,415</u>	<u>\$ 2,912,234</u>	<u>\$ 364,426</u>	<u>\$ 3,483,075</u>	<u>\$ 368,918</u>	<u>\$ 1,163,007</u>	<u>\$ 1,531,925</u>	<u>\$ 1,951,150</u>	<u>\$ (151,692)</u>	<u>\$ 34,586</u>	<u>\$ (186,278)</u>

Nebraska School Activities Association

SCHEDULE OF ACTIVITIES, REVENUES AND EXPENSES

For the year ended July 31, 2017

	Revenues				Expenses			Revenue	2017	2017	2017
	Registration	Tournament	Other	Total	Travel	Tournament	Total	Over	Revenue	Expenses	Net
	Fees	and Meet	Revenues		Reimbursements	and Meet		(Under)	Over	Over	Over
		Revenues			To Schools	Expenses		Expenses	(Under)	(Under)	(Under)
									2016	2016	2016
Baseball	\$ 3,555	\$ 89,699	\$ 10,000	\$ 103,254	\$ 4,061	\$ 65,172	\$ 69,233	\$ 34,021	\$ 13,907	\$ 5,255	\$ 8,652
Basketball											
Boys	13,545	800,839	85,000	899,384	45,755	162,528	208,283	691,101	9,504	(748)	10,252
Girls	13,590	441,166	85,000	539,756	44,697	160,441	205,138	334,618	(6,005)	1,273	(7,278)
Cross country	21,510	22,915	35,034	79,459	25,028	20,811	45,839	33,620	(806)	(4,041)	3,235
Debate	1,215	-	-	1,215	-	-	-	1,215	(765)	-	(765)
Football	13,410	283,826	20,000	317,236	24,974	52,659	77,633	239,603	7,995	(4,270)	12,265
Golf											
Boys	11,025	8,611	14,190	33,826	-	23,955	23,955	9,871	7,333	4,727	2,606
Girls	6,570	10,855	6,592	24,017	-	14,807	14,807	9,210	3,104	1,570	1,534
Journalism	3,870	1,801	2,500	8,171	-	7,126	7,126	1,045	127	(312)	439
Music	13,455	-	100	13,555	-	4,610	4,610	8,945	55	(2,604)	2,659
Play production	12,195	12,213	22,008	46,416	6,623	19,999	26,622	19,794	3,803	701	3,102
Soccer	7,200	153,782	-	160,982	6,426	77,816	84,242	76,740	(11,796)	1,392	(13,188)
Softball	6,525	67,038	-	73,563	15,360	37,449	52,809	20,754	2,713	1,490	1,223
Speech	13,230	14,999	1,200	29,429	-	54,745	54,745	(25,316)	2,189	2,547	(358)
Swimming	5,490	41,809	-	47,299	-	20,801	20,801	26,498	(346)	(450)	104
Tennis											
Boys	2,790	5,575	-	8,365	-	7,683	7,683	682	1,548	(240)	1,788
Girls	3,105	5,261	-	8,366	-	7,250	7,250	1,116	1,808	(657)	2,465
Track	26,955	235,891	3,000	265,846	89,217	101,637	190,854	74,992	516	(28,351)	28,867
Unified bowling	2,115	42,377	1,000	45,492	-	46,286	46,286	(794)	45,492	46,286	(794)
Volleyball	13,545	300,104	85,000	398,649	45,128	115,285	160,413	238,236	(2,394)	(9,467)	7,073
Wrestling	11,250	495,745	-	506,995	73,120	99,294	172,414	334,581	(871)	7,287	(8,158)
Dual wrestling	-	23,492	-	23,492	2,250	14,346	16,596	6,896	(2,530)	1,435	(3,965)
	<u>\$ 206,145</u>	<u>\$ 3,057,998</u>	<u>\$ 370,624</u>	<u>\$ 3,634,767</u>	<u>\$ 382,639</u>	<u>\$ 1,114,700</u>	<u>\$ 1,497,339</u>	<u>\$ 2,137,428</u>	<u>\$ 74,581</u>	<u>\$ 22,823</u>	<u>\$ 51,758</u>