

**AMERICAN COUNCIL FOR
CONSTRUCTION EDUCATION, INC.**

Financial Statements

Year Ended June 30, 2009

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.

Table of Contents

	<u>Page</u>
Accountants' Report	1
Financial Statements:	
Statement of Financial Position	2
Statement of Activities.....	3
Statement of Cash Flow	4
Notes to Financial Statements.....	5-8

WAYNE E. COLLIE
CERTIFIED PUBLIC ACCOUNTANT

20742 STONE OAK PARKWAY, SUITE 107
SAN ANTONIO, TEXAS 78258
VOICE: (210) 828-1505
FAX: (210) 828-1796

Accountants' Report

Board of Directors
American Council for Construction Education, Inc.
San Antonio, Texas

We have reviewed the accompanying statement of financial condition of American Council for Construction Education, Inc. (a non-profit organization) as of June 30, 2009 and the related statements of activities and cash flow for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of American Council for Construction Education, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



Certified Public Accountants

July 8, 2009

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.

Statement of Financial Position

June 30, 2009

ASSETS

Current assets:

Cash and cash equivalents	\$174,742
Accounts receivable (less allowance for bad debts of \$4,400)	190,750
Interest receivable	1,548
Prepaid expenses	3,506
Investments	<u>166,000</u>
Total current assets	<u>536,546</u>

Property and equipment:

Office equipment	8,571
Less accumulated depreciation	<u>(8,571)</u>
Net property and equipment	<u>0</u>

Other assets:

Investments	<u>100,000</u>
Total other assets	<u>100,000</u>

\$636,546

LIABILITIES AND UNRESTRICTED NET ASSETS

Current liabilities:

Accounts payable	\$ 2,000
Deferred revenue	<u>221,405</u>
Total current liabilities	<u>223,405</u>

Unrestricted net assets:

Undesignated	130,145
Designated:	
Team travel	214,824
Dupree Construction Education	<u>68,172</u>
Total unrestricted net assets	<u>413,141</u>

\$636,546

See accompanying notes and accountants' report

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.

Statement of Activities
Year Ended June 30, 2009

Support and Revenue:	
Association member dues	\$ 61,600
Organization member dues	17,200
Individual member dues	10,950
Accreditation fees and program dues	150,000
Candidate fees	9,000
Meetings and conferences	81,560
Donations	27,750
Interest and dividend income	12,245
Fundraising income	131,950
Miscellaneous income	<u>10,000</u>
	<u>512,255</u>
Expenses:	
Accounting fees	2,800
Bad debts	4,700
Depreciation	1,721
Donations	88,935
Dues, memberships and fees	7,309
Equipment and furniture purchases	1,971
Equipment and furniture rental	8,014
Fundraising expenses	38,034
Grants	6,387
Insurance	9,339
Meeting and conference expenses	79,118
Miscellaneous expenses	2,808
Office supplies	11,342
Postage and delivery	8,402
Printing and reproduction	1,783
Rent	15,225
Repairs and maintenance	2,200
Salaries	119,175
Taxes	9,117
Telephone	3,120
Travel-other	12,049
Travel-visiting teams	<u>63,046</u>
	<u>496,595</u>
Change in net assets	15,660
Net assets at beginning of year	<u>397,481</u>
Net assets at end of year	<u>\$413,141</u>

See accompanying notes and accountants' report

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.

Statement of Cash Flows
Year Ended June 30, 2009

Cash flows from operating activities:	
Change in net assets	\$ 15,660
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,721
(Increase) decrease in:	
Accounts receivable	(44,600)
Interest receivable	1,223
Prepaid expenses	3,880
Increase (decrease) in:	
Accounts payable	(66,970)
Deferred revenue	<u>36,960</u>
Net cash used in operating activities	<u>(52,126)</u>
Cash flows from investing activities:	
Maturities of certificates of deposit	190,000
Purchases of certificates of deposit	<u>(206,000)</u>
Net cash used in investing activities	<u>(16,000)</u>
Net decrease in cash and cash equivalents	(68,126)
Cash and cash equivalents at beginning of year	<u>242,868</u>
Cash and cash equivalents at end of year	<u>\$ 174,742</u>
Supplemental disclosures:	
Cash paid during the year for:	
Interest	\$ <u>0</u>
Income taxes	\$ <u>0</u>

See accompanying notes and accountants' report

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.

Notes to Financial Statements

NOTE 1 – Summary of Significant Accounting Policies

Organization and Nature of Activities

The primary purpose of American Council for Construction Education, Inc. (ACCE) is to promote construction education and to accredit and support college and university construction education programs. ACCE is recognized by the Council for Higher Education Accreditation as the accrediting agency for four year baccalaureate degree programs in construction, construction science, construction management and construction technology. ACCE serves as the accrediting agency of two year associate degree programs as well.

ACCE is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code.

Public Support and Revenue

The major sources of revenue for ACCE are the accreditation fees paid by colleges and universities and dues paid by member trade associations and organizations.

Dues and fees are recognized in the period in which they are due. ACCE uses the allowance method to determine uncollectible accounts. The allowance is based on management's analysis of the candidates and accredited programs.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

It is the policy of ACCE to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Depreciation is calculated using the straight-line method. Depreciation expense for the year ended June 30, 2009 was \$1,721.

Financial Statement Presentation

ACCE 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. At June 30, 2009 ACCE did not have any temporarily restricted net assets or permanently restricted net assets.

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.
Notes to Financial Statements

NOTE 1 – (Continued)

Income Taxes

ACCE is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Cash and Cash Equivalents

ACCE considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

NOTE 2 – Investments

Investments as of June 30, 2009 consisted of certificates of deposit as follows:

Undesignated	\$ 96,000
Designated – Team travel	<u>170,000</u>
	<u>\$266,000</u>
Certificates of deposit maturing within one year	\$166,000
Certificates of deposit maturing after one year	<u>100,000</u>
	<u>\$266,000</u>

NOTE 3 – Accounts Receivable

Accounts receivable at June 30, 2009 consists of the following:

Association member dues	\$ 35,200
Organization member dues	1,500
Individual member dues	900
Accreditation fees and dues	145,000
Candidate fees	2,550
Miscellaneous income	<u>10,000</u>
	195,150
Less: allowance for bad debts	<u>(4,400)</u>
	<u>\$190,750</u>

All accounts receivable are due in less than one year.

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.
Notes to Financial Statements

NOTE 4 – Deferred Revenue

Deferred revenue at June 30, 2009 consists of dues and fees billed prior to the end of the fiscal year but not due until the subsequent year. At year end deferred revenue consisted of the following:

Dinner/tour revenue	\$ 1,605
Meeting fees	12,400
Association dues	17,600
Organization dues	3,000
Individual dues	2,250
Accreditation fees	182,500
Candidate fees	<u>2,050</u>
	<u>\$221,405</u>

NOTE 5 – Net Assets

The Board of Trustees designates that a portion of accreditation fees are set aside to cover the expected cost of future accreditation team visits. At June 30, 2009 \$214,824 has been designated for team travel.

ACCE has received donations to the Dan and Jehnell Dupree Construction Education Fund. This fund is to be used for specific projects as determined by the Board. At June 30, 2009 the designated fund balance was \$68,172.

During the year ended June 30, 2009, ACCE received \$25,000 to fund the Victor Regnier Traveling Fellowship. The grant was not fully utilized, \$23,000 was returned to the contributing foundation.

AMERICAN COUNCIL FOR CONSTRUCTION EDUCATION, INC.
Notes to Financial Statements

NOTE 6 – Operating Lease Commitment

ACCE leases office space accounted for as an operating lease. The lease expires April, 2012. Rent expense during the year ended June 30, 2009 was \$15,225.

ACCE also leases certain equipment under monthly operating leases. Rent expense during the year ended June 30, 2009 was \$8,014.

The following is a schedule of future minimum lease payments with initial or remaining non-concealable terms in excess of one year for the years ended June 30:

2010	\$16,715
2011	15,225
2012	<u>12,688</u>
	<u>\$44,628</u>

NOTE 7 – Employee Benefit Plan

ACCE provides a salary deferral plan for all of its employees. Plan contributions by ACCE are discretionary. There were no contributions to the plan by ACCE during the year ended June 30, 2009.

NOTE 8 – Compensated Absences

ACCE provides for each employee to accrue one day of sick leave and one day of annual leave each month. The maximum they can accrue is thirty-six days of both sick and annual leave. When an employee terminates, they are not eligible to receive any compensation for unused sick or annual leave.

NOTE 9 – Fundraising Activities

ACCE conducted a fundraising golf tournament during the year ended June 30, 2009. Revenue generated was \$131,950 and expenses were \$38,034. Donations totaling \$88,935 were made to individual universities and mentoring programs with the proceeds.