

FINANCIAL REPORT

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

JACKSON, MISSISSIPPI

JUNE 30, 2023

Presented by: Harper, Rains, Knight & Company, P.A.
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The Board of Directors
Mississippi Council on Economic Education
Jackson, Mississippi

Independent Auditors' Report

Opinion

We have audited the financial statements of Mississippi Council on Economic Education (the "Council"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of historical data is presented for purposes of additional analysis and is 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 information has been subjected to the auditing procedures

The Board of Directors
Mississippi Council on Economic Education (continued)

Supplementary Information (continued)

applied in the audits 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.

Harper, Raines, Knight & Company, P.A.

November 2, 2023
Ridgeland, Mississippi

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

ASSETS		
	<u>2023</u>	<u>2022</u>
Current assets		
Cash and cash equivalents	\$ 91,125	\$ 241,092
Pledges receivable, net	202,839	147,787
Prepaid expenses	4,725	4,725
Total current assets	<u>298,689</u>	<u>393,604</u>
Long-term certificates of deposit	435,363	434,762
Investments	399,477	374,454
Property and equipment, net	11,264	13,817
Total long-term assets	<u>846,104</u>	<u>823,033</u>
Total assets	<u>\$ 1,144,793</u>	<u>\$ 1,216,637</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 11,892	\$ 19,239
Payroll liabilities	<u>13,453</u>	<u>12,491</u>
Total current liabilities	<u>25,345</u>	<u>31,730</u>
Net assets		
Without donor restrictions	1,050,823	1,043,322
With donor restrictions	<u>68,625</u>	<u>141,585</u>
Total net assets	<u>1,119,448</u>	<u>1,184,907</u>
Total liabilities and net assets	<u>\$ 1,144,793</u>	<u>\$ 1,216,637</u>

The Notes to Financial Statements are an integral part of these statements.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

(With Summarized Financial Information for 2022)

	Without Donor Restrictions	With Donor Restrictions	2023	2022
Support and revenues				
Contributions	\$ 101,595	\$ 81,139	\$ 182,734	\$ 386,656
Grants	-	382,962	382,962	591,657
Program fees	-	3,771	3,771	2,596
Interest and dividend income	9,085	-	9,085	10,716
Miscellaneous income	-	75,135	75,135	338
In-kind contributions	23,950	75,500	99,450	57,600
Realized and unrealized gains (losses) on investments	13,375	-	13,375	(54,728)
Net assets released from restrictions				
Satisfaction of restrictions	<u>691,467</u>	<u>(691,467)</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>839,472</u>	<u>(72,960)</u>	<u>766,512</u>	<u>994,835</u>
Expenses				
Program	725,530	-	725,530	798,318
Administrative	71,393	-	71,393	47,236
Fundraising	35,048	-	35,048	34,094
Total expenses	<u>831,971</u>	<u>-</u>	<u>831,971</u>	<u>879,648</u>
Change in net assets	7,501	(72,960)	(65,459)	115,187
Net assets, beginning of the year	<u>1,043,322</u>	<u>141,585</u>	<u>1,184,907</u>	<u>1,069,720</u>
Net assets, end of the year	<u>\$ 1,050,823</u>	<u>\$ 68,625</u>	<u>\$ 1,119,448</u>	<u>\$ 1,184,907</u>

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	2022
Support and revenues			
Contributions	\$ 160,760	\$ 225,896	\$ 386,656
Grants	-	591,657	591,657
Program fees	-	2,596	2,596
Interest and dividend income	10,716	-	10,716
Miscellaneous income	338	-	338
In-kind contributions	22,700	34,900	57,600
Realized and unrealized losses on investments	(54,728)	-	(54,728)
Net assets released from restrictions			
Satisfaction of restrictions	<u>802,197</u>	<u>(802,197)</u>	<u>-</u>
Total revenues and other support	<u>941,983</u>	<u>52,852</u>	<u>994,835</u>
Expenses			
Program	798,318	-	798,318
Administrative	47,236	-	47,236
Fundraising	<u>34,094</u>	<u>-</u>	<u>34,094</u>
Total expenses	<u>879,648</u>	<u>-</u>	<u>879,648</u>
Change in net assets	62,335	52,852	115,187
Net assets, beginning of the year	<u>980,987</u>	<u>88,733</u>	<u>1,069,720</u>
Net assets, end of the year	<u>\$ 1,043,322</u>	<u>\$ 141,585</u>	<u>\$ 1,184,907</u>

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2023

(With Comparative Totals for Year Ended June 30, 2022)

	Program	Administrative	Fundraising	2023 Totals	2022 Totals
Salaries and wages	\$ 255,615	\$ 25,015	\$ 18,530	\$ 299,160	\$ 254,711
Employee benefits	25,059	3,470	2,210	30,739	29,445
Payroll taxes	20,368	1,538	980	22,886	19,486
 Total employee compensation	 <u>301,042</u>	 <u>30,023</u>	 <u>21,720</u>	 <u>352,785</u>	 <u>303,642</u>
Awards	27,606	-	-	27,606	13,333
Contract labor	45,378	14,272	-	59,650	142,448
Depreciation	2,723	261	166	3,150	1,693
Dues and subscriptions	19,506	2,717	-	22,223	27,241
Forum	9,539	-	9,539	19,078	21,370
Insurance	3,238	306	195	3,739	4,105
Miscellaneous	31,941	6,912	344	39,197	56,112
Postage and delivery	3,159	82	-	3,241	5,199
Printing and reproduction	2,702	193	-	2,895	6,138
Professional development	176,263	-	-	176,263	203,290
Professional fees	-	14,675	-	14,675	13,516
Publications	14,736	-	-	14,736	22,659
Rent	15,830	1,536	3,084	20,450	20,450
Supplies	918	56	-	974	848
Telephone	1,920	-	-	1,920	1,920
Travel and entertainment	12,529	360	-	12,889	7,784
Workshops and simulation	56,500	-	-	56,500	27,900
	<u>\$ 725,530</u>	<u>\$ 71,393</u>	<u>\$ 35,048</u>	<u>\$ 831,971</u>	<u>\$ 879,648</u>
 Percentage of total	 <u>87%</u>	 <u>9%</u>	 <u>4%</u>	 <u>100%</u>	

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2022

	<u>Program</u>	<u>Administrative</u>	<u>Fundraising</u>	2022 <u>Totals</u>
Salaries and wages	\$ 216,139	\$ 22,158	\$ 16,414	\$ 254,711
Employee benefits	24,087	3,268	2,090	29,445
Payroll taxes	<u>17,012</u>	<u>1,509</u>	<u>965</u>	<u>19,486</u>
 Total employee compensation	 <u>257,238</u>	 <u>26,935</u>	 <u>19,469</u>	 <u>303,642</u>
 Awards	 13,333	 -	 -	 13,333
Contract labor	142,448	-	-	142,448
Depreciation	1,462	141	90	1,693
Dues and subscriptions	22,827	3,866	548	27,241
Forum	10,685	-	10,685	21,370
Insurance	3,546	341	218	4,105
Miscellaneous	56,112	-	-	56,112
Postage and delivery	5,095	104	-	5,199
Printing and reproduction	5,959	179	-	6,138
Professional development	203,290	-	-	203,290
Professional fees	-	13,516	-	13,516
Publications	22,659	-	-	22,659
Rent	15,830	1,536	3,084	20,450
Supplies	848	-	-	848
Telephone	1,920	-	-	1,920
Travel and entertainment	7,166	618	-	7,784
Workshops and simulation	<u>27,900</u>	<u>-</u>	<u>-</u>	<u>27,900</u>
	 <u>\$ 798,318</u>	 <u>\$ 47,236</u>	 <u>\$ 34,094</u>	 <u>\$ 879,648</u>
 Percentage of total	 <u>91%</u>	 <u>5%</u>	 <u>4%</u>	 <u>100%</u>

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (65,459)	\$ 115,187
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	3,150	1,693
Realized and unrealized (gains) losses on investments, net	(13,148)	52,099
Change in:		
Pledges receivable	(55,052)	(98,991)
Prepaid expenses	-	(2,049)
Accounts payable	(7,347)	(6,211)
Payroll liabilities	962	1,325
Net change in cash from operating activities	(136,894)	63,053
Cash flows from investing activities:		
Proceeds from maturity of certificates of deposit	(100,000)	-
Purchase of certificates of deposit	100,000	-
Proceeds from sale of investments	7,090	14,571
Purchase of investments	(19,566)	(52,085)
Purchase of equipment	(597)	(12,698)
Net change in cash from investing activities	(13,073)	(50,212)
Net change in cash and cash equivalents	(149,967)	12,841
Cash and cash equivalents, beginning of year	241,092	228,251
Cash and cash equivalents, end of year	\$ 91,125	\$ 241,092

The Notes to Financial Statements are an integral part of these statements.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of Mississippi Council on Economic Education (the "Council") follows:

Organization and Operation

The Council, a non-profit organization, was created to ensure that the K-12 schools and teachers in Mississippi provide quality instruction in economics and personal finance that is academically sound and non-partisan. The Council is affiliated with the National Council on Economic Education. The Council receives its funding primarily from donations, grants and fees charged for participation in program activities.

Basis of Presentation

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASC 958-05, the Council is required to report information regarding its financial position and activities according to two (2) classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

- *Without donor restrictions* - Net assets that are not subject to restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
- *With donor restrictions* - Net assets whose use by the Council is subject to donor-imposed restrictions that can be fulfilled by actions of the Council pursuant to those restrictions or that expire by the passage of time or required to be maintained permanently by the Council due to donor-imposed restrictions, the corpus of which will be invested.

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

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates. Significant estimates used in preparing these financial statements include those assumed in determining the methods and useful lives of property and equipment, allowance for uncollectible accounts, fair value measurement of investments and functional expense allocation. It is at least reasonably possible that the significant estimates used will change within the next year.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of Credit Risk

The Council's credit risk consists of its checking accounts, money market accounts and certificates of deposits with local financial institutions in excess of the federally insured amount. Management considers credit risk to be minimal due to the high quality of the financial institutions.

Cash and Cash Equivalents

For the purposes of the statements of financial position and the statements of cash flows, the Council considers cash and cash equivalents to include all cash on deposit and money market accounts at various local banks.

Certificates of Deposit

The Council invests in certificates of deposit which accrue interest between 0.01 percent and 4.70 percent and mature between the fiscal years 2023 and 2025. The certificates of deposit include instruments with maturities greater than one year and are carried at cost which approximates market value.

Pledges Receivable

Unconditional promises to give are recognized as revenues and gains in the period received as assets, decreases in liabilities or expenses depending on the form of benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Management determines the allowance for doubtful accounts by regularly evaluating individual receivables. Receivables are written off when management believes they are uncollectible.

Property and Equipment

All property and equipment are recorded at cost less accumulated depreciation, or if acquired by gift, at the fair market value on the date of gift. Depreciation is provided over five or seven years using the straight-line method. Expenditures for maintenance, repairs and rentals are charged against income as incurred.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

The Council reports investments in equity securities with readily determinable fair values and debt securities in the statements of financial position at fair value. 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. See Note 5 for a discussion of fair value measurements. Unrealized gains and losses are included in the change in net assets in the statements of activities.

Contract Assets and Liabilities

Contract assets represent amounts related to services provided that have not been billed and that do not meet the conditions of unconditional right to payment. Contract liabilities represent revenue collected in advance of the contract period or amounts billed in excess of revenue recognized. The Council does not report any contract assets or contract liabilities as of June 30, 2023 and 2022.

Restricted Revenue and Support

Contributions received are recorded as with donor restriction or without donor restriction, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities.

Donated Services and Facilities

Donated services are recognized as contributions in accordance with FASB ASC 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Council. The Council's donated services received consist of professional fees, office space and use of equipment for workshops and simulations at no cost.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Council is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes. Accordingly, a provision for income taxes has not been recorded in the accompanying financial statements. The Council is classified as a publicly supported organization.

There were no uncertain tax positions identified related to the current year and the Council has no unrecognized tax benefits at June 30, 2023 and 2022, for which liabilities have been established. The Council recognizes interest and penalties, if any, related to unrecognized tax benefits as a component of income tax expense.

Liquidity and Availability

The following represents the Council's financial assets at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 91,125	\$ 241,092
Receivables, net	202,839	147,787
Prepaid expenses	<u>4,725</u>	<u>4,725</u>
	<u>\$ 298,689</u>	<u>\$ 393,604</u>
 Financial assets available to meet general expenditures over the next twelve months	 <u>\$ 298,689</u>	 <u>\$ 393,604</u>

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Liquidity and Availability (continued)

The Council has a goal to maintain financial assets on hand to meet 90 days of normal general and administrative expenses, which are, on average, approximately \$26,000 and \$20,000 as of 2023 and 2022, respectively. The Council has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Council invests cash in long-term certificates of deposit, mutual funds and equity securities totaling approximately \$835,000 and \$809,000 as of June 30, 2023 and 2022, respectively.

Subsequent Events

Subsequent events were evaluated by the Council through November 2, 2023, which is the date the financial statements were available to be issued.

NOTE 2 • PLEDGES RECEIVABLE

Unconditional promises to give at June 30, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Receivables due in less than one year	\$ 203,039	\$ 148,087
Allowance for doubtful accounts	<u>(200)</u>	<u>(300)</u>
	<u>\$ 202,839</u>	<u>\$ 147,787</u>

NOTE 3 • PROPERTY AND EQUIPMENT

Details of property and equipment at June 30, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Equipment	\$ 26,310	\$ 25,712
Furniture and fixtures	<u>3,326</u>	<u>3,327</u>
	29,636	29,039
Accumulated depreciation	<u>(18,372)</u>	<u>(15,222)</u>
	<u>\$ 11,264</u>	<u>\$ 13,817</u>

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 4 • INVESTMENTS

Investments held by the Council at June 30, 2023 and 2022, consisted of the following:

	<u>2023</u>	<u>2022</u>
Fixed maturity mutual funds	\$ 291,481	\$ 274,438
Equity security mutual funds	75,350	63,086
Equity securities	<u>32,646</u>	<u>36,930</u>
	<u>\$ 399,477</u>	<u>\$ 374,454</u>

Return on investments for the years ended June 30, 2023 and 2022, is summarized as follows:

	<u>2023</u>	<u>2022</u>
Interest and dividends	\$ 9,085	\$ 10,716
Net realized and unrealized gain (loss) in investments carried at fair value (carrying value)	<u>13,375</u>	<u>(54,728)</u>
	<u>\$ 22,460</u>	<u>\$ (44,012)</u>

Interest earned on certificates of deposit amounted to \$684 and \$2,629, for the fiscal periods ended June 30, 2023 and 2022, respectively, and is included within total interest and dividend income on the statements of activities.

NOTE 5 • FAIR VALUE MEASUREMENTS

ASC Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy are described as follows:

- Level 1 - Quoted prices in active markets that are accessible at the measure date for identical assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2 - Observable inputs other than quoted prices in active markets.
- Level 3 - Unobservable inputs for which there is little or no market data available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 5 • FAIR VALUE MEASUREMENTS (continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

Mutual funds and equity securities: Valued at fair market value of shares/units held at year end measured using published market quotations.

The preceding methods may produce a fair value calculation that may not be indicative of future fair values. Furthermore, although the Council 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 tables set forth by level, within the fair value hierarchy, the Council's assets at fair value as of June 30, 2023 and 2022.

Assets at Fair Value as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Long-term investments				
Fixed maturity mutual funds	\$ 291,481	\$ -	\$ -	\$ 291,481
Equity mutual funds	75,350	-	-	75,350
Equity securities	<u>32,646</u>	<u>-</u>	<u>-</u>	<u>32,646</u>
Total investments at value	<u>\$ 399,477</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 399,477</u>

Assets at Fair Value as of June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Long-term investments				
Fixed maturity mutual funds	\$ 274,438	\$ -	\$ -	\$ 274,438
Equity mutual funds	63,086	-	-	63,086
Equity securities	<u>36,930</u>	<u>-</u>	<u>-</u>	<u>36,930</u>
Total investments at value	<u>\$ 374,454</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,454</u>

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 6 • RETIREMENT PLAN

The Council has established a retirement plan for eligible employees to which annual contributions are made at the discretion of the Board of Directors. The Council's contributions amounted to \$9,777 and \$9,220 for 2023 and 2022, respectively.

NOTE 7 • IN-KIND CONTRIBUTIONS

Contributed goods and services for which the related expenses have been recorded are as follows:

For Year Ended June 30, 2023:

	Program	Administration	Fundraising	Total
Professional fees	\$ -	\$ 1,000	\$ -	\$ 1,000
Rent	15,830	1,536	3,084	20,450
Workshops and simulations	78,000	-	-	78,000
	\$ 93,830	\$ 2,536	\$ 3,084	\$ 99,450

For Year Ended June 30, 2022:

	Program	Administration	Fundraising	Total
Professional fees	\$ -	\$ 1,000	\$ -	\$ 1,000
Rent	15,830	1,536	3,084	20,450
Workshops and simulation	36,150	-	-	36,150
	\$ 51,980	\$ 2,536	\$ 3,084	\$ 57,600

NOTE 8 • NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	2023	2022
Subject to expenditure for specified purposes:		
Teacher training programs	\$ 32,671	\$ 123,794
Student programs	35,954	17,791
Net assets with donor restrictions	\$ 68,625	\$ 141,585

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 9 • ENDOWMENT FUNDS

The Council has a board designated endowment totaling \$106,296 as of June 30, 2023, and June 30, 2022, respectively, which is held within the Council long-term certificates of deposit and investment accounts. The board designated endowment is included within net assets without donor restrictions on the statements of financial position as of June 30, 2023, and June 30, 2022. The purpose of the board designated endowment fund is to help ensure the long-term financial stability of the Council and position it to respond to varying economic conditions and changes affecting the Council's financial position.

From time to time, the fair value of assets associated with donor-restricted endowment funds could fall below the level that the donor requires the Council to retain as the corpus of the endowment funds. These deficiencies could result from unfavorable market fluctuations. There were no material deficiencies as of June 30, 2023, and June 30, 2022. Funds are invested to maintain the highest possible return within the objective of long-term growth and limiting risk.

A summary of the changes in endowment net assets follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2021	\$ 106,296	\$ -	\$ 106,296
Investment return:			
Investment income	2,620	-	2,620
Net appreciation (depreciation)			
unrealized and realized	<u>(13,381)</u>	<u>-</u>	<u>(13,381)</u>
Total investment return	<u>(10,761)</u>	<u>-</u>	<u>(10,761)</u>
Additions	-	-	-
Release of restrictions	-	-	-
Amounts appropriated for expenditures	<u>10,761</u>	<u>-</u>	<u>10,761</u>
	<u>10,761</u>	<u>-</u>	<u>10,761</u>
Endowment net assets, June 30, 2022	<u>106,296</u>	<u>-</u>	<u>106,296</u>

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

NOTE 9 • ENDOWMENT FUNDS (continued)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment return:			
Investment income	\$ 2,218	\$ -	\$ 2,218
Net appreciation (depreciation)			
unrealized and realized	<u>3,266</u>	<u>-</u>	<u>3,266</u>
Total investment return	<u>5,484</u>	<u>-</u>	<u>5,484</u>
Additions	-	-	-
Release of restrictions	-	-	-
Amounts appropriated			
for expenditures	<u>(5,484)</u>	<u>-</u>	<u>(5,484)</u>
	<u>(5,484)</u>	<u>-</u>	<u>(5,484)</u>
Endowment net assets,			
June 30, 2023	<u>\$ 106,296</u>	<u>\$ -</u>	<u>\$ 106,296</u>

MISSISSIPPI COUNCIL ON ECONOMIC EDUCATION

SCHEDULE OF HISTORICAL DATA

	As of and for the Fiscal Years Ended																	
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Statement of Financial Position																		
Cash	\$ 91,125	\$ 241,092	\$ 228,251	\$ 203,927	\$ 146,527	\$ 306,972	\$ 163,788	\$ 253,450	\$ 529,654	\$ 421,181	\$ 545,068	\$ 460,700	\$ 594,137	\$ 528,575	\$ 356,065	\$ 285,492	\$ 351,773	\$ 352,041
Certificates of deposit	435,363	434,762	432,133	428,177	576,330	559,762	710,871	701,931	356,625	718,237	717,850	824,272	820,866	814,495	776,183	495,999	175,000	-
Pledges receivable	202,839	147,787	48,796	81,100	131,459	151,831	158,175	158,842	125,292	68,661	38,266	159,330	235,753	204,710	302,974	267,040	148,428	181,991
Long-term investments	399,477	374,454	391,668	286,228	296,441	287,589	290,585	272,856	268,730	-	-	-	-	-	-	-	-	-
Other	15,989	18,542	5,488	3,940	3,154	4,353	9,376	10,817	11,514	10,223	13,755	19,009	10,722	10,620	10,513	11,760	13,928	3,037
Total assets	\$ 1,144,793	\$ 1,216,637	\$ 1,106,336	\$ 1,003,372	\$ 1,153,911	\$ 1,310,507	\$ 1,332,795	\$1,397,896	\$1,291,815	\$ 1,218,302	\$1,314,939	\$1,463,311	\$1,661,478	\$1,558,400	\$1,445,735	\$1,060,291	\$ 689,129	\$ 537,069
Liabilities	\$ 25,345	\$ 31,730	\$ 36,616	\$ 18,814	\$ 28,916	\$ 15,236	\$ 150,053	\$ 168,391	\$ 86,525	\$ 88,627	\$ 82,506	\$ 12,852	\$ 10,568	\$ 9,000	\$ 82,005	\$ 10,267	\$ 12,808	\$ 4,013
Net assets																		
Without donor restrictions	1,050,823	1,043,322	980,987	835,487	531,351	470,975	378,983	290,108	230,416	173,072	258,340	367,136	440,214	356,759	378,244	369,127	233,470	217,643
With donor restrictions	68,625	141,585	88,733	149,071	593,644	824,296	803,759	939,397	974,874	956,603	974,093	1,083,323	1,210,696	1,192,641	985,486	680,897	442,851	315,413
Total liabilities and net assets	\$ 1,144,793	\$ 1,216,637	\$ 1,106,336	\$ 1,003,372	\$ 1,153,911	\$ 1,310,507	\$ 1,332,795	\$1,397,896	\$1,291,815	\$ 1,218,302	\$1,314,939	\$1,463,311	\$1,661,478	\$1,558,400	\$1,445,735	\$1,060,291	\$ 689,129	\$ 537,069
Statement of Activities																		
Support and revenue																		
Without donor restriction																		
Contributions	\$ 101,595	\$ 160,760	\$ 116,142	\$ 162,830	\$ 48,550	\$ 98,795	\$ 91,643	\$ 85,168	\$ 87,075	\$ 87,250	\$ 94,667	\$ 36,881	\$ 80,866	\$ 103,655	\$ 187,972	\$ 225,899	\$ 111,147	\$ 226,496
Program fees	-	-	-	48	289	6,135	14,956	19,783	15,666	11,006	26,033	25,695	23,039	23,272	24,819	27,781	20,475	20,888
Interest and dividend income	9,085	10,716	13,697	19,962	26,033	11,174	24,435	13,030	5,963	3,868	4,636	8,593	15,297	21,859	27,278	17,624	10,821	3,452
Other	37,325	(31,690)	88,559	2,580	19,669	7,763	26,260	16,915	3,198	9,962	-	-	2,471	4,745	-	5	1,695	2,068
With donor restrictions	618,507	855,049	458,417	265,315	323,494	591,249	568,471	676,870	721,358	470,190	470,533	380,510	783,903	930,243	921,768	755,439	636,220	471,980
Total support and revenue	766,512	994,835	676,815	450,735	418,035	715,116	725,765	811,766	833,260	582,276	595,869	451,679	905,576	1,083,774	1,161,837	1,026,748	780,358	724,884
Expenses																		
Program	725,530	798,318	534,020	506,437	512,420	531,746	687,364	681,700	651,474	597,217	690,480	576,204	722,666	817,654	756,635	568,462	541,153	307,467
General and administrative	71,393	47,236	39,358	43,137	38,241	37,158	33,942	34,516	49,966	38,742	49,256	31,363	31,727	30,367	39,887	30,878	52,817	13,826
Fundraising	35,048	34,094	18,275	41,598	37,650	33,683	51,222	71,335	56,205	49,075	74,159	44,563	49,673	50,086	51,609	53,705	43,123	35,446
Total expenses	831,971	879,648	591,653	591,172	588,311	602,587	772,528	787,551	757,645	685,034	813,895	652,130	804,066	898,107	848,131	653,045	637,093	356,739
Change in net assets	\$ (65,459)	\$ 115,187	\$ 85,162	\$ (140,437)	\$ (170,276)	\$ 112,529	\$ (46,763)	\$ 24,215	\$ 75,615	\$ (102,758)	\$ (218,026)	\$ (200,451)	\$ 101,510	\$ 185,667	\$ 313,706	\$ 373,703	\$ 143,265	\$ 368,145

Note: The above information for 2006 through 2021 was obtained from previously issued audited Financial Statements. See accompanying Independent Auditors' Report.