

**GREAT EDUCATION COLORADO AND  
GREAT EDUCATION COLORADO ACTION FUND  
CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

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# JOHN CUTLER & ASSOCIATES

Board of Directors  
Great Education Colorado  
and Great Education Colorado Action Fund  
Denver, Colorado

## Independent Auditors' Report

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Great Education Colorado and Great Education Colorado Action Fund (the "Organizations") which comprise the statement of financial position as of and for the year ended December 31, 2023, and the related statement of activities, cash flows, functional expenses and notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective statement of financial position, and related statements of activity, functional expenses and cash flows of the Great Education Colorado and Great Education Colorado Action Fund as of December 31, 2023, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 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 Organizations' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinions. 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of the effectiveness of the Organizations' 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' 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.

*John Luthr & Associates, LLC*

November 14, 2024

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2023

**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$ 785,888
Restricted Deposits	10,588
Prepaid Expenses	1,911
Accounts Receivable	54,000
Deposits	<u>2,420</u>

Total Current Assets	<u>854,807</u>
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**Noncurrent Assets**

Property and Equipment, Net of Accumulated Depreciation	<u>2,530</u>
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<b>TOTAL ASSETS</b>	<b><u><u>\$ 857,337</u></u></b>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable	\$ 9,087
Accrued Expenses	<u>13,990</u>

Total Current Liabilities	<u>23,077</u>
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<b>TOTAL LIABILITIES</b>	<b><u>23,077</u></b>
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**NET ASSETS**

With Donor Restrictions	10,588
Without Donor Restrictions	<u>823,672</u>

Total Net Assets	<u>834,260</u>
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$ 857,337</u></u></b>
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The accompanying notes are an integral part of the financial statements.

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

CONSOLIDATED STATEMENT OF ACTIVITIES  
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Contributions	\$ 1,020,341	\$ -	\$ 1,020,341
Events (Net of Cost)	116,634	-	116,634
Grants	395,582	10,588	406,170
Other Income	6,165	-	6,165
Interest Income	2,981	-	2,981
Net Assets Released from Restrictions	-	-	-
	<b>1,541,703</b>	<b>10,588</b>	<b>1,552,291</b>
<b>EXPENSES</b>			
<b>Program Services</b>			
Program	728,243	-	728,243
	728,243	-	728,243
<b>Supporting Services</b>			
General and Administrative	123,129	-	123,129
Fundraising	27,870	-	27,870
	150,999	-	150,999
	<b>879,242</b>	<b>-</b>	<b>879,242</b>
<b>CHANGE IN NET ASSETS</b>	662,461	10,588	673,049
<b>NET ASSETS, Beginning</b>	161,211	-	161,211
<b>NET ASSETS, Ending</b>	\$ 823,672	\$ 10,588	\$ 834,260

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

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

CONSOLIDATED STATEMENT OF CASH FLOWS  
Year Ended December 31, 2023

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ 673,049
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities	
(Increase) in Accounts Receivable	5,088
(Increase) in Prepaid Expenses	1,910
(Increase) Decrease in Deposits	(2,420)
Increase (Decrease) in Accounts Payable	(7,125)
Increase (Decrease) in Accrued Expenses	2,701
	<hr/>
<b>Net Cash Provided by Operating Activities</b>	<b>673,203</b>
	<hr/>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>673,203</b>
<b>CASH, Beginning</b>	<hr/> <b>123,273</b>
<b>CASH, Ending</b>	<hr/> <b>\$ 796,476</b>

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

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended December 31, 2023

	Program Services	Supporting Services		Total Expenses
	Program	Management and General	Fundraising	
Wages, Taxes and Benefits	\$ 468,676	\$ 63,001	\$ 21,277	\$ 552,954
Occupancy	-	25,939	-	25,939
Fees for Services-Accounting/Audit	-	12,489	-	12,489
Fees for Services-Consulting	22,000	-	-	22,000
Fees for Services-Legal	3,066	130	-	3,196
Grant Expense	130,000	-	-	130,000
Postage & Printing	395	4,118	320	4,833
Information Technology	13,690	10,610	15	24,315
Conferences/Conventions/Meetings	882	1,586	-	2,468
Dues & Subscriptions/Publications	881	-	-	881
Membership Dues	6,500	830	-	7,330
Supplies	230	390	66	686
Travel	1,903	771	51	2,725
Non-Special Events Expense	29,379	-	1,200	30,579
Telecommunications	1,794	3,662	-	5,456
Fees for Services-Other	46,575	687	375	47,637
Insurance	-	3,127	-	3,127
Bank Fees	-	-	4,563	4,563
Advertising & Promotion	49	-	-	49
Administrative Miscellaneous	2,223	(4,211)	3	(1,985)
<b>TOTALS</b>	<b>\$ 728,243</b>	<b>\$ 123,129</b>	<b>\$ 27,870</b>	<b>\$ 879,242</b>

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



GREAT EDUCATION COLORADO  
AND GREAT EDUCATION COLORADO ACTION FUND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization – The accompanying consolidated financial statements include the accounts of the Great Education Colorado and Great Education Colorado Action Fund (the “Organizations”). Intercompany transactions and balances have been eliminated in consolidation.

Great Education Colorado (“GEC”) is a not-for profit corporation incorporated under the laws of the State of Colorado and qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code whose stated purpose is to harness the power of grassroots activism and diverse, inclusive networks to guarantee that public schools in every Colorado community are welcoming and adequately, equitably, and sustainably funded.

The Great Education Colorado Action Fund, a 501(c)(4) organization, (“GECA”), is affiliated with Great Education Colorado. Such affiliation exists through common purpose and shared facilities. The GECA engages individuals or groups to advocate for or against specific legislation, policy initiatives, and ballot initiatives which concern public education funding.

Basis of Presentation –The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents – For the financial statement purposes, the Organizations consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments – Investments are reported at fair market value.

GREAT EDUCATION COLORADO  
AND GREAT EDUCATION COLORADO ACTION FUND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property and Equipment – Property and equipment are recorded at cost. Donated property and equipment are recorded at fair value at the date of donation. Depreciation

is recorded using the straight-line method over estimated useful lives of three to seven years. The Organizations capitalize all property and equipment with a useful life of more than one year. If donors stipulate the use of property and equipment, it is recorded as restricted.

Contributions – Contributions received as well as collectible unconditional promises to give are recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Support that is restricted by the donor is reported as net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restriction is satisfied. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Accrued Vacation and Sick Payable – Employees have a flexible personal time off policy with no accrual or expiration of hours.

Functional Allocation of Expenses – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Tax Status – Great Education Colorado and Great Education Colorado Action Fund are recognized as tax-exempt organizations under Section 501(c)(3) and 501(c)(4), of the Internal Revenue Code, respectively.

Estimates – Preparation of the Organizations' financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

GREAT EDUCATION COLORADO  
AND GREAT EDUCATION COLORADO ACTION FUND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2023

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Subsequent Events – The management of the Organizations has performed an evaluation of subsequent events through November 14, 2024, and has considered any relevant matters in the preparation of the financial statements.

**NOTE 2: AVAILABILITY AND LIQUIDITY**

As of December 31, 2023, the Organization has a working capital of \$831,730, and average days (based on normal expenditures) cash on hand of 345.

Financial assets available for general expenditure within one year of the balance sheet date, consist of the following as of December 31:

	<u>2023</u>
Cash and Cash Equivalents	\$ 796,476
Accounts Receivable, Net	54,000
Total Financial Assets	<u>850,476</u>
Less amounts not available to be used within a year:	
Net Assets with Donor Restrictions	10,588
Less Investments with a maturity date of more than one year	<u>-</u>
Financial Assets available to meet general expenditures over the next twelve months	<u><b>\$ 839,888</b></u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$216,799). As part of the Organization's liquidity management plan, cash in excess of daily requirements are invested in certificates of deposits or money market funds.

There were no board restricted funds for the year ended December 31, 2023.

GREAT EDUCATION COLORADO  
AND GREAT EDUCATION COLORADO ACTION FUND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023

**NOTE 2: AVAILABILITY AND LIQUIDITY (Continued)**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets in the statement of financial position. Unrealized and realized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**NOTE 3: CASH AND INVESTMENTS**

Fair Value

The Organization categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Organization's investments are measured with Level 1 inputs.

**Restricted Cash and Investments**

The Organization had \$10,588 deposited with ANB Bank for donor restricted grants that are unspent at year-end. This amount is labeled as restricted deposits on the financial statements.

**NOTE 4: IN-KIND DONATIONS**

A number of volunteers have donated time in connection with the Organizations' activities. No amounts have been reflected in the financial statements for these donated services as they do not meet the criteria for recognition under SFAS No. 116.

**NOTE 5: RELATED PARTY TRANSACTIONS**

GEC and GECA are related through common purposes and shared facilities. At December 31, 2023, GECA owed GEC \$12,187 for allocated overhead operating expenses.

The amounts owed are calculated at year end using allocated overhead expense percentages. The GECA makes a periodic reimbursement to GEC based on overhead percentages using a look back period.

GREAT EDUCATION COLORADO  
AND GREAT EDUCATION COLORADO ACTION FUND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2023

**NOTE 6: NET ASSETS**

GEC's net assets with donor restrictions consist of the following:

Non-Ballot Measure Support	<b><u>\$ 10,588</u></b>
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Net assets without donor restrictions for the year ended December 31, 2023, was \$823,672.

**NOTE 7: COMMITMENTS**

On December 6, 2023, Great Education Colorado entered into an operating lease for its administrative offices for a three-year term expiring at the end of December 2026.

Total occupancy expense for the year ended December 31, 2023, was \$25,939.

## **COMBINING STATEMENTS**

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

COMBINING SCHEDULE OF FINANCIAL POSITION  
Year Ended December 31, 2023

	<u>GECA</u>	<u>GEC</u>	<u>Eliminations</u>	<u>Totals</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 105,705	\$ 680,183	\$ -	\$ 785,888
Restricted Deposits	-	10,588	-	10,588
Prepaid	-	1,911	-	1,911
Accounts Receivable	-	54,000	-	54,000
Due From GECA	-	12,187	(12,187)	-
Deposits	-	2,420	-	2,420
Total Current Assets	<u>105,705</u>	<u>761,289</u>	<u>(12,187)</u>	<u>854,807</u>
<b>Noncurrent Assets</b>				
Property and Equipment, Net of Accumulated Depreciation	-	2,530	-	2,530
<b>TOTAL ASSETS</b>	<u>\$ 105,705</u>	<u>\$ 763,819</u>	<u>\$ (12,187)</u>	<u>\$ 857,337</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 82	\$ 9,005	\$ -	9,087
Due to GEC	12,187	-	(12,187)	-
Accrued Expenses	-	13,990	-	13,990
Total Current Liabilities	<u>12,269</u>	<u>22,995</u>	<u>(12,187)</u>	<u>23,077</u>
<b>TOTAL LIABILITIES</b>	<u>12,269</u>	<u>22,995</u>	<u>(12,187)</u>	<u>23,077</u>
<b>NET ASSETS</b>				
With Donor Restrictions	-	10,588	-	10,588
Without Donor Restrictions	<u>93,437</u>	<u>730,235</u>	<u>-</u>	<u>823,672</u>
Total Net Assets	<u>93,437</u>	<u>740,823</u>	<u>-</u>	<u>834,260</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 105,706</u>	<u>\$ 763,818</u>	<u>\$ (12,187)</u>	<u>\$ 857,337</u>

See the accompanying Independent Auditors' Report

GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

COMBINING STATEMENT OF ACTIVITIES  
Year Ended December 31, 2023

	GECA	GEC	Totals
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Contributions	\$ -	\$ 1,020,341	\$ 1,020,341
Events (Net of Cost)	-	116,634	116,634
Grants	130,000	276,170	406,170
Other Income	-	6,165	6,165
Interest Income	489	2,492	2,981
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>	<b>130,489</b>	<b>1,421,802</b>	<b>1,552,291</b>
<b>EXPENSES</b>			
<b>Program Services</b>			
Program	35,822	692,420	728,242
Total Program Services	35,822	692,420	728,242
<b>Supporting Services</b>			
General and Administrative	3,260	119,870	123,130
Fundraising	61	27,809	27,870
Total Supporting Services	3,321	147,679	151,000
<b>TOTAL EXPENSES</b>	<b>39,143</b>	<b>840,099</b>	<b>879,242</b>
<b>CHANGE IN NET ASSETS</b>	<b>91,346</b>	<b>581,703</b>	<b>673,049</b>
<b>NET ASSETS, Beginning</b>	<b>2,091</b>	<b>159,120</b>	<b>161,211</b>
<b>NET ASSETS, Ending</b>	<b>\$ 93,437</b>	<b>\$ 740,823</b>	<b>\$ 834,260</b>

See the accompanying Independent Auditors' Report



GREAT EDUCATION COLORADO (GEC)  
AND GREAT EDUCATION COLORADO ACTION FUND (GECA)

COMBINING STATEMENT OF CASH FLOWS  
Year Ended December 31, 2023

	GECA	GEC	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Change in Net Assets	\$ 91,346	\$ 581,703	\$ 673,049
Adjustments to Reconcile Changes in Net Assets to			
Net Cash Used by Operating Activities			
(Increase) in Accounts Receivable	-	5,088	5,088
(Increase) in Prepaid Expenses	-	1,910	1,910
(Increase) Decrease in Due To/From	12,187	(12,187)	-
(Increase) Decrease in Deposits	-	(2,420)	(2,420)
Increase (Decrease) in Accounts Payable	(7,418)	293	(7,125)
Increase (Decrease) in Accrued Expenses	-	2,701	2,701
	96,115	577,088	673,203
<b>Net Cash Provided (Used)</b>			
<b>by Operating Activities</b>			
	96,115	577,088	673,203
<b>NET INCREASE (DECREASE) IN CASH</b>	96,115	577,088	673,203
<b>CASH, Beginning</b>	9,590	113,683	123,273
<b>CASH, Ending</b>	\$ 105,705	\$ 690,771	\$ 796,476

See the accompanying Independent Auditors' Report