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A N N U A L

R E P O R T

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C A L I F O R N I A T A X E D U C A T I O N C O U N C I L

# Statement of Mission

*In order to provide for the public benefit, the mission of the California Tax Education Council is to establish professional tax education standards, approve tax education providers who comply with these standards, and facilitate tax preparer compliance.*

—CALIFORNIA TAX EDUCATION COUNCIL

## Contents

INTRODUCTION .....	2	SUNSET REVIEW .....	7
FULFILLING OUR MISSION .....	3	SERVING ALL OF CALIFORNIA .....	8
COUNCIL MEMBERS .....	4	PROVIDER LISTS .....	9
NON-VOTING DIRECTORS AND STAFF .....	5	INDEPENDENT AUDITOR'S REPORT .....	15
NEW AND IMPROVED WEB SITE .....	6	FINANCIAL STATEMENTS .....	16

## INTRODUCTION

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*The California Tax Education Council (CTEC) is the organization that registers Tax Preparers, the second largest segment of tax preparation professionals serving California.*

*Anyone who, for a fee, assists with or prepares a State or Federal income tax return, excluding CPAs, Attorneys and Enrolled Agents or their employees, must be registered with CTEC.*

*The responsibility for approving tax schools was transferred by the California State Legislature and the Governor from the State Tax Preparer Program to CTEC effective July 1, 1997. The Council is a nonprofit industry association made up of appointees from nonprofit and for-profit organizations which represent tax professionals. Representatives to the Council are appointed as described in Section 22251 of the Tax Preparers Act.*

*The Council is charged with providing a list of approved curriculum providers, approving providers of tax education, verifying and registering tax preparers who must obtain a bond.*

CALIFORNIA TAX EDUCATION COUNCIL

P.O. Box 2890 SACRAMENTO, CA 95812-2890 1-877-850-CTEC (2832)

## FULFILLING OUR MISSION

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We are proud to announce that we have successfully passed our legislative review. The Governor and the California legislature have agreed that because of its excellent performance during four years of registering Tax Preparers and performing the functions previously under the purview of the California Department of Consumer Affairs, the California Tax Education Council (CTEC) is granted another seven years of existence. We intend to continue improving services to Tax Preparers and California consumers during the next seven years and look forward to being extended again. While providing information to the California legislature for the legislative sunset review was the most pressing task undertaken this year, CTEC continued to make progress in a number of other fronts including:

- Improving the quality of distance learning by creating clearly defined standards, consistent with other regulatory authorities in the industry, for all non-classroom education.
- Upgrading the CTEC web site to make it possible to register online as a first time Tax Preparer and to make it easier to get more information about CTEC.
- Assessing a portion of the cost of curriculum review to the providers of tax education, while allowing CTEC to maintain the current fee for Tax Preparer registration.
- Assuring fairness and quality of CTEC actions by continuing to upgrade the CTEC Administration and Policy Manual, so that actions taken by CTEC are governed by fully reviewed and written policies.
- Spreading the word about the need to hire lawful Tax Preparers by purchasing radio advertising in Southern California, providing spokespeople for radio talk shows in English and Spanish and through articles in newspapers.

While we are proud of the achievements that led to the seven-year extension of CTEC, we realize we must continue to improve. We look forward to the opportunity to meet the challenges ahead while continuing to fulfill our mission.

RUTH H. GODFREY, *Chairman*

2000 - 2001 COUNCIL MEMBERS

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**RUTH H. GODFREY**  
*Chairman*  
Appointed by: Inland Society  
of Tax Consultants, Inc.



**KHORSHED ALAM**  
*Treasurer*  
Appointed by: Mission Society  
of Enrolled Agents



**S. ELAINE LYTTLETON**  
*Secretary*  
Appointed by: CA Society of  
Accounting & Tax Professionals



**WILLIAM GEIDEMAN**  
Appointed by: National  
Association of Enrolled Agents



**MICHAEL J. KIRBY**  
Appointed by: Jackson  
Hewitt Tax Services



**JACQUELINE MARAZZI**  
Appointed by: National Society  
of Tax Practitioners



**LEE T. REAMS**  
Appointed by: CA Society  
of Enrolled Agents



**FRANK CABRERA**  
Appointed by: H & R Block  
Tax Services, Inc.



**WALTER C. THOMAS**  
Appointed by: East Bay  
Association of Enrolled  
Agents, Inc.



2000 - 2001 NON-VOTING DIRECTORS AND STAFF

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C. LESTER CRAWFORD  
CTEC Registered Tax Preparer  
Los Angeles  
Public Awareness  
Committee



GILLIAN P. HERBERT  
CTEC Registered Tax Preparer  
El Cerrito  
Curriculum Provider  
Standards Committee



GLORIA PEARSON  
CTEC Registered Tax Preparer  
Petaluma  
Public Awareness Committee



DAVID PUGH  
CTEC Registered Tax Preparer  
Ventura  
Curriculum Provider  
Standards Committee



STELLA CLAYTER  
Representative of the  
Internal Revenue Service



DAVID HILL  
Representative of the  
Franchise Tax Board

2000 - 2001 Staff Members

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CHARLES L. COLE



CELESTE H. HERITAGE



SARAH E. WEST

## NEW AND IMPROVED WEB SITE

Improving the CTEC web site was another of this year's major projects. The new site, at the same address, [www.ctec.org](http://www.ctec.org), is more user-friendly, with color photos and links to help Tax Preparers, the public and tax education providers find the information they need. People may also use the site to communicate with us by selecting "contact us," on the first page.

### HOME PAGE



One of the most important purposes of the web site is to allow Tax Preparers to register instantly. New this year, first time Tax Preparers may register online if they use a provider that sends its student information to us electronically. This huge step forward into the age of instant electronic service is much appreciated by CTEC Registered Tax Preparers, in fact, 9,526 registrations have been processed this way.

The site provides for public perusal of all CTEC information, including its policies, the law governing Tax Preparers, information about future meetings and the Tax Preparer Code of Conduct. Each CTEC Committee is described, from its mission to its membership, and policies over which the committee has jurisdiction.

We have arranged the web site to allow visitors to click on topics such as "Questions and Answers,"

### QUESTION & ANSWERS PAGE



"Bonding Requirements," and "Approved Education Providers." The CTEC newsletter, *News & Views*, including all back issues, appears on the site. And from this edition onward, the Annual Report will also be available on our site.

The site is not static. In fact we are now in the process of installing a search mechanism to allow the public to locate a Tax Preparer. We will continue to improve the web site to incorporate the latest improvements in web site technology and to also meet the changing needs of the public and Tax Preparers.

### APPROVED EDUCATION PROVIDERS PAGE



## SUNSET REVIEW

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This was the year CTEC proved to the California legislature and the Governor that Tax Preparers should be registered, and that CTEC was the right organization to do it. In June, the California legislature passed SB 136 (Figueroa), reauthorizing and extending CTEC's existence for another seven years. A separate bill, SB 724, gave CTEC the sole authority to approve providers of tax education. Both bills were signed by Governor Davis and will become effective January 1, 2002.

When the California legislature created CTEC in 1997 it promised that it would in four years review the need for, and progress of, the organization. Called a sunset review because CTEC would go out of business or "sunset" if the legislature did not vote for reauthorization, the review was completed in June. Beginning in December, the CTEC Board of Directors and staff met with legislators and their staff many times, prepared a several hundred-page document answering the legislature's questions and testified at legislative hearings in Sacramento.

At risk was CTEC itself. The Legislature had the authority to return Tax Preparer registration to the California Department of Consumers Affairs, which had that responsibility before July 1, 1997. Most Tax Preparers were opposed to that option because the Department had charged a higher registration fee and provided fewer services than CTEC. Another option was to release preparers from the requirement of registration, leaving consumers at risk from uneducated preparers.

Ruth Godfrey, CTEC Chairman; Walt Thomas, Chair of the CTEC Governmental Relations Committee and Chuck Cole of the CTEC staff took the lead on shepherding this process along through the Legislative Sunset Review Committee and the Governor's office.

The Legislative Sunset Review Committee was impressed with CTEC and its thorough preparation

for the Committee's questions. The legislature had taken a big step when it created CTEC in 1997, and legislators and the Governor were very pleased to see that the CTEC Board of Directors had not only met but exceeded their expectations in building the organization. They also recognized the level of responsibility that CTEC Registered Tax Preparers have in our society and consequently continued the requirements of CTEC registration, education and bonding. The Committee reported, "CTEC has been more efficient, effective and has provided better value than the prior state program."

The legislature also made some changes. CTEC will now always have on the Board at least two CTEC Registered Tax Preparers (CRTPs) who are not also attorneys, Certified Public Accountants or Enrolled Agents. When CTEC was created, the law gave tax preparer organizations (if they met certain requirements) the authority to appoint a member of their organization to the Board. The legislature wants to make sure that two additional members are CRTPs. They do not, however, want to make major changes to what they see as a highly successful organization. They know one reason CTEC has worked so well is that the people on the Board are very qualified tax professionals. It just happens that many have gone on to earn their Enrolled Agent or CPA status. The new CRTP Board members will be chosen this year. The legislature also required CTEC to have registrant status available online for the public by the 2002 tax season, a deadline CTEC will meet.

Preparing for the Sunset Review was primarily a matter of carefully and clearly explaining how CTEC operates while carrying out its statutory duties. No amount of preparation would have been enough had CTEC not been fundamentally "... more efficient, effective and ... provided better value than the prior state program."



**CALIFORNIA TAX EDUCATION COUNCIL  
REGISTERED TAX PREPARERS**

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*On June 30, 2000, there were 28,444 CRTPs*



*By Three-Digit Zip Code Area*

Eureka—78	San Jose—1324	Los Angeles—1911
Redding—182	Salinas—209	Alhambra—1905
Modoc—45	Fresno—659	Inglewood—1690
North Bay—189	Mojave—407	Long Beach—1913
Marysville—248	Bakersfield—657	Santa Ana—2277
Sacramento—1526	Santa Barbara—341	San Bernardino—2254
Oakland—2242	Oxnard—652	San Diego—2563
San Francisco—1310	Van Nuys—1962	
Stockton—976	Pasadena—774	Out of State—150

**SCHOOLS APPROVED FOR CONTINUING EDUCATION  
(20 HOURS)**

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Active Professional Inc  
9663-B Folsom Blvd  
Sacramento, CA 95827  
(916) 361-0931  
CTEC # 1059

American Schools\* \*\*  
P. O. Box 5161  
Torrance, CA 90510  
(310) 544-2090  
(310) 377-0511 (Fax)  
<http://morelight.net/american-schools>  
CTEC # 1012

Beauchamp Tax Service  
3772-P Mission Ave  
Oceanside, CA 92054  
(760) 722-4858  
(760) 722-4424 (Fax)  
CTEC # 2076

Brass Tax Presentations\*  
P. O. Box 28147  
San Diego, CA 92198  
(858) 487-2553  
(858) 487-8245 (Fax)  
[www.brasstax.com](http://www.brasstax.com)  
CTEC # 1008

Brown & Ledbetter Seminars  
P. O. Box 6536  
Laguna Niguel, CA 92607  
(949) 487-1040  
(949) 487-7744 (Fax)  
[www.taxzone.com](http://www.taxzone.com)  
CTEC # 2024

CA Chapter-Nat'l Assn of  
Tax Practitioners  
1121 E. Ohio Avenue  
Escondido, CA 92025  
(760) 480-0155  
(760) 480-0279 (Fax)  
CTEC # 2014

CA Society of Accounting &  
Tax Professionals  
38012 Martha Ave, Ste B  
Fremont, CA 94536  
(510) 791-0455  
(510) 791-0620 (Fax)  
[beejaytax@email.msm.com](mailto:beejaytax@email.msm.com)  
CTEC # 1093

CA Society of Enrolled Agents  
3200 Ramos Circle  
Sacramento, CA 95827  
(916) 366-6646  
(916) 366-6674 (Fax)  
[www.csea.org](http://www.csea.org)  
CTEC # 1001

CA State University - Hayward  
25800 Carlos Bee Blvd  
Hayward, CA 94542  
(510) 881-2312  
(510) 885-4817 (Fax)  
CTEC # 1054

Cabrillo College  
6500 Soquel Drive Bus. Comp. Sc. Div.  
Aptos, CA 95003  
(831) 479-6400  
(831) 479-5758 (Fax)  
[www.cabrillo.cc.ca.us](http://www.cabrillo.cc.ca.us)  
CTEC # 2070

California Educational Studies  
1805 New Ave  
Alhambra, CA 91801  
(626) 570-0101  
[www.educationalstudies.com](http://www.educationalstudies.com)  
CTEC # 2089

California Tax Institute\*  
5281 Laurel View Circle  
Yorba Linda, CA 92886  
(800) 995-1747  
(714) 777-4267 (Fax)  
[www.caltaxinstitute.com](http://www.caltaxinstitute.com)  
CTEC # 1022

Cano Educational Services  
12809 Philadelphia St  
Whittier, CA 90601  
(562) 693-0210  
CTEC # 2069

Center for Management Services  
(SAC STATE)  
6000 J Street  
Sacramento, CA 95819  
(916) 278-4433  
(916) 278-7690 (Fax)  
CTEC # 1005

Chaffey Adult School  
211 West Fifth Street  
Ontario, CA 91762  
(909) 983-2010  
(909) 983-9916 (Fax)  
CTEC # 1089

Chaffey College  
223 W Emporia St.  
Ontario, CA 91762  
(909) 477-2954  
(909) 477-2966 (Fax)  
[jnix@chaffey.cc.ca.us](mailto:jnix@chaffey.cc.ca.us)  
CTEC # 2046

CND Time  
P. O. Box 488  
Roseville, CA 95678  
(916) 974-5352  
CTEC # 1061

Computax Bookkeeping &  
Business Services  
P. O. Box 7943  
Riverside, CA 92503  
(909) 637-0536  
(909) 637-0543 (Fax)  
[computax@solution4u.com](mailto:computax@solution4u.com)  
CTEC # 2084

Computerized Systems Company  
2729 N. Broadway  
Los Angeles, CA 90031  
(213) 227-8555  
CTEC # 1024

Curtis Publications, Inc.\*  
P. O. Box 899  
Santa Barbara, CA 93102  
(805) 966-1560  
(805) 966-4477 (Fax)  
[www.main@curtispub.com](http://www.main@curtispub.com)  
CTEC # 1043

D & G Financial Services  
11889 Del Amo Blvd.  
Cerritos, CA 90703  
(562) 468-1923  
(562) 468-1912 (Fax)  
CTEC # 1091

Eagle Business Center  
P. O. Box 1460  
Wildomar, CA 92595  
(909) 678-9753  
(909) 678-6566 (Fax)  
[www.eaglevip.com](http://www.eaglevip.com)  
CTEC # 2009

Fiducial Triple Check, Inc.  
2441 Honolulu Avenue  
Montrose, CA 91020  
(800) 283-1040  
(818) 249-5344 (Fax)  
[kae.cooke@fiducial.com](mailto:kae.cooke@fiducial.com)  
CTEC # 2026

\* Correspondence School

\*\* Internet courses offered

• List is valid as of June 26, 2001

• Please contact Providers to see if they are currently registered with CTEC

• Listed Providers are approved for all their California locations

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Financial Tax Planning  
2140 Professional Drive Suite 105  
Roseville, CA 95661  
(916) 791-1447  
(916) 791-3444 (Fax)  
[evvercfp@ix.netcom.com](mailto:evvercfp@ix.netcom.com)  
CTEC # 2073

Five Star Services  
1001 W. Carson, Suite T  
Torrance, CA 90502  
(310) 783-0318  
CTEC # 1010

G & E Tax Institute  
36649 Little Sycamore Street  
Palmdale, CA 93552  
(805) 285-6611  
(805) 285-5734 (Fax)  
CTEC # 1006

Gear Up Tax Seminars\*  
P. O. Box 23698  
Portland, OR 97281  
(800) 231-1860  
(503) 620-4736 (Fax)  
[www.gearup.com](http://www.gearup.com)  
CTEC # 1013

Gleim Publications, Inc.\*  
P. O. Box 12848  
Gainesville, FL 32604  
(352) 375-0772  
(352) 375-6940 (Fax)  
CTEC # 1055

Glendale Community College  
1500 N. Verdugo Road  
Glendale, CA 91208  
(818) 240-1000  
(818) 549-9436 (Fax)  
[ckloezem@glendale.cc.ca.us](mailto:ckloezem@glendale.cc.ca.us)  
CTEC # 2072

Golden City Professional Studies\*  
P. O. Box 7125  
Alhambra, CA 91801  
(626) 457-8836  
(626) 457-8852 (Fax)  
[www.goldtax.com](http://www.goldtax.com)  
CTEC # 1023

Golden State Tax Training  
Institute, Inc.\*  
113 McHenry Road, Suite 190  
Buffalo Grove, IL 60089  
(847) 459-3300  
(847) 459-3904 (Fax)  
CTEC # 2040

Grossmont-Cuyamaca Community  
College  
8800 Grossmont College Drive  
El Cajon, CA 92020  
(619) 644-7653  
[www.gcccd.cc.ca.us](http://www.gcccd.cc.ca.us)  
CTEC # 2013

H & R Block Tax Services, Inc.  
6622 Florin Road  
Sacramento, CA 95828  
(916) 399-0351  
(916) 429-2497 (Fax)  
[fcabrera@hrblock.com](mailto:fcabrera@hrblock.com)  
CTEC # 1040

Hacienda La Puente Adult  
Education  
1600 Pontenova  
Hacienda Heights, CA 91745  
(626) 855-3510  
[www.hlpusd.kiz.ca.us](http://www.hlpusd.kiz.ca.us)  
CTEC # 1081

Hayden Wisdom  
220 Hammond Drive  
Auburn, CA 95603  
(530) 888-1040  
(530) 887-1065 (Fax)  
[taxfax2@aol.com](mailto:taxfax2@aol.com)  
CTEC # 2053

Heras Income Tax School  
1824 West 7th Street  
Los Angeles, CA 90057  
(213) 483-1032  
CTEC # 2086

Inglewood Adult School  
115 W. Kelso Street  
Inglewood, CA 90301  
(310) 419-2682  
CTEC # 1085

Inland Society of Tax  
Consultants, Inc.  
2140 W. Chapman, #103  
Orange, CA 92686  
(714) 634-0484  
(714) 634-4975 (Fax)  
[www.istsociety.org](http://www.istsociety.org)  
CTEC # 1000

Internal Revenue Service  
300 N. Los Angeles St, Stop 1053  
Los Angeles, CA 90012  
(213) 576-4196  
(213) 894-6541 (Fax)  
CTEC # 1052

International Career Development  
Center  
6363 Wilshire Blvd, Suite 600  
Los Angeles, CA 90048  
(323) 655-9100  
(323) 655-9191 (Fax)  
[icdc@earthlink.com](mailto:icdc@earthlink.com)  
CTEC # 1035

IRS Symposium  
P. O. Box 9941  
Ogden, UT 84409  
(801) 629-1051  
(801) 929-1237 (Fax)  
CTEC # 1060

Jackson Hewitt Tax Services  
3639 Midway Drive #B349  
San Diego, CA 92210  
(619) 248-0520  
(619) 272-9916 (Fax)  
[www.jacksonhewitt.com](http://www.jacksonhewitt.com)  
CTEC # 1009

Jeff Ward, EA PhD  
3941 Mason Street, Suite 4  
San Diego, CA 92110  
(619) 725-0935  
(619) 725-0937 (Fax)  
[jwjwjw@concentric.net](mailto:jwjwjw@concentric.net)  
CTEC # 1090

Jordan & Jordan Financial\*\*  
32611 North The Old Road  
Castaic, CA 91384  
(661) 257-9620  
[www.afinancialconquest.com](http://www.afinancialconquest.com)  
CTEC # 1068

Krusemark's Tax Service\*  
1132 18th Avenue  
Redwood City, CA 94063  
(888) 810-4482  
(888) 810-4485 (Fax)  
[www.taxcpe.com](http://www.taxcpe.com)  
CTEC # 1021

Lacerte Educational Services,  
Inc.\*\*  
13155 Noel Road, 22nd Floor  
Dallas, TX 75240  
(800) 765-4040  
[www.lacerteeducation.com](http://www.lacerteeducation.com)  
CTEC # 2034

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\* Correspondence School

\*\* Internet courses offered

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Latin American College of Business  
P. O. Box 227279  
Los Angeles, CA 90022  
(323) 269-7261  
(323) 269-7263 (Fax)  
CTEC # 1039

Lopez Tax Service, Inc.  
1024 N. Davis Road  
Salinas, CA 93907  
(831) 758-2512  
(831) 758-2545 (Fax)  
[www.taxpro2000.com](http://www.taxpro2000.com)  
CTEC # 2080

MicroMash\*  
6402 South Troy Circle  
Englewood, CO 80111  
(800) 272-7277  
(303) 649-0344 (Fax)  
CTEC # 1042

Mt. Diablo Adult Education  
1266 San Carlos Ave  
Concord, CA 94518  
(925) 685-7340  
(925) 363-9757 (Fax)  
CTEC # 2008

National Association of Tax  
Practitioner  
720 Association Drive  
Appleton, WI 54914  
(414) 749-1040  
(414) 749-1049 (Fax)  
[natp@natptax.com](mailto:natp@natptax.com)  
CTEC # 1067

National Business Institute  
P. O. Box 3067  
Eau Claire, WI 54702  
(715) 835-8525  
(715) 835-1405 (Fax)  
CTEC # 2074

National Center for Professional  
Education  
P. O. Box 560  
Zachary, LA 70791  
(504) 654-7191  
CTEC # 1087

National Society of Tax  
Professionals  
P. O. Box 2575  
Vancouver, WA 98668  
(800) 367-8130  
(360) 695-7115 (Fax)  
[cocket@gunet.georgetown.edu](mailto:cocket@gunet.georgetown.edu)  
CTEC # 2001

National Tax Training School\*  
P. O. Box 382  
Monsey, NY 10952  
(800) 914-8138  
(888) 814-8140 (Fax)  
[info@nattax.com](mailto:info@nattax.com)  
CTEC # 1025

Network Electronic Tax Service  
P. O. Box 1473  
Upland, CA 91785  
(909) 942-4549  
(909) 944-9590 (Fax)  
CTEC # 1088

Noelle Allen CPA\*  
12679 Parsenn Road  
Truckee, CA 96161  
(530) 587-1173  
(530) 587-0403 (Fax)  
[noellecpa@aol.com](mailto:noellecpa@aol.com)  
CTEC # 2078

Ohlone  
P. O. Box 3909  
Fremont, CA 94539  
(510) 659-6252  
(510) 659-6235 (Fax)  
CTEC # 2030

Olympia Institute  
833 Market Street Ste 301  
San Francisco, CA 94103  
(415) 543-1333  
(415) 882-7998 (Fax)  
[www.olympiaint@aol.com](mailto:www.olympiaint@aol.com)  
CTEC # 2035

Orange Coast College Community  
Education  
P. O. Box 5005  
Costa Mesa, CA 92628  
(714) 432-5805  
(714) 432-5902 (Fax)  
[comed@lib.occ.cccd.edu](mailto:comed@lib.occ.cccd.edu)  
CTEC # 2005

Palomar Community College  
1140 West Mission  
San Marcos, CA 92069  
(760) 744-1150  
(760) 744-8123 (Fax)  
[shergord@mailhost2.csusm.edu](mailto:shergord@mailhost2.csusm.edu)  
CTEC # 2045

People's Income Tax, Inc.\*  
1601 Willow Lawn Dr #309  
Richmond, VA 23230  
(804) 204-1040  
(804) 288-8072 (Fax)  
[www.peoplestax.com](http://www.peoplestax.com)  
CTEC # 1071

Platinum Professional Studies  
5791 Westminster Blvd.  
Westminster, CA 92683  
(714) 625-1040  
(714) 846-1778 (Fax)  
CTEC # 2052

Pooley Seminars  
P. O. Box 15676  
Sacramento, CA 95852  
(916) 654-8011  
(916) 927-4487 (Fax)  
[pooley\\_r@msn.com](mailto:pooley_r@msn.com)  
CTEC # 2067

Portland State University Prof.  
Dev. Center  
P. O. Box 751  
Portland, OR 97207  
(503) 725-5834  
(503) 725-5585 (Fax)  
CTEC # 2023

Practical Tax Preparers Clinic  
13575 Calais Drive  
Del Mar, CA 92014  
(619) 755-1021  
CTEC # 1026

Real Tax  
15901 Hawthorne Blvd. Suite 200  
Lawndale, CA 90260  
(310) 921-3104  
(310) 921-3204 (Fax)  
[www.realtax.com](http://www.realtax.com)  
CTEC # 2077

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\* Correspondence School

\*\* Internet courses offered

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Riverside Tax Consultants  
Association  
P. O. Box 7596  
Riverside, CA 92513  
(909) 689-0475  
CTEC # 2036

Riverside Unified School District  
6401 Lincoln Avenue  
Riverside, CA 92506  
(909) 788-1050  
(909) 276-7685 (Fax)  
CTEC # 1083

San Mateo County AARP TCE  
Program  
624 30th Avenue  
San Mateo, CA 94403  
(650) 341-3706  
[donwrvine1@juno.com](mailto:donwrvine1@juno.com)  
CTEC # 2054

Santa Ana College\* \*\*  
1530 W. 17th Street  
Santa Ana, CA 92706  
[buddyf@pacbell.net](mailto:buddyf@pacbell.net)  
CTEC # 2019

Sharpen Up Seminars\*  
(ImageOne, Inc.)  
P. O. Box 3069  
Chatsworth, CA 91311  
(800) 462-4366  
(818) 718-9002 (Fax)  
[www.sharpenupseminars.com](http://www.sharpenupseminars.com)  
CTEC # 1044

Society of California Accountants  
2131 Capitol Avenue #101  
Sacramento, CA 95816  
(916) 443-2057  
(916) 443-0486 (Fax)  
[sca@juno.com](mailto:sca@juno.com)  
CTEC # 1097

Southern State University, Inc.  
16161 Gothard Street  
Huntington, CA 92647  
(714) 841-1360  
(714) 848-7091 (Fax)  
CTEC # 2087

Spidell Publishing\*  
1110 N. Gilbert Street  
Anaheim, CA 92801  
(714) 776-7850  
(714) 776-9906 (Fax)  
[www.caltax.com](http://www.caltax.com)  
CTEC # 1019

Target Tax  
171 Gorrion Ave.  
Ventura, CA 93004  
(888) 722-5405  
(888) 311-5644 (Fax)  
[targettax@targettax.com](http://targettax@targettax.com)  
CTEC # 1028

Tax Link Seminars  
250 W. First Street, Ste. #142  
Claremont, CA 91711  
(909) 621-1982  
(909) 625-4293 (Fax)  
CTEC # 1048

Taxtor Educators  
P. O. Box 516  
Highland, CA 92346  
(909) 885-5017  
(909) 825-1125 (Fax)  
CTEC # 1065

The Phoenix Tax Group\*  
120 Montgomery St., Suite 1200  
San Francisco, CA 94104  
(800) 879-1099  
(415) 421-3775 (Fax)  
[www.phoenix@phoenixtax.com](http://www.phoenix@phoenixtax.com)  
CTEC # 1082

The Tax Company  
19401 Vermont Ave Suite C 100  
Torrance, CA 90502  
(800) 359-1004  
(310) 366-3303 (Fax)  
[sftornberg@aol.com](mailto:sftornberg@aol.com)  
CTEC # 2081

The Tax Institute\*  
424 18th Street  
Bakersfield, CA 93301  
(661) 861-0635  
(661) 633-2119 (Fax)  
[www.taxcollege.com](http://www.taxcollege.com)  
CTEC # 1007

The Tax School  
P. O. Box 525  
Neward, CA 94560  
(800) 327-1040  
(800) 426-2345 (Fax)  
CTEC # 1003

THG Enterprises, Inc.  
7171 Alvarado Road, Suite 103  
La Mesa, CA 91941  
(619) 465-7186  
(619) 465-7193 (Fax)  
[www.needtaxhelpnow.com](http://www.needtaxhelpnow.com)  
CTEC # 2079

Thomas Tax Seminars\*  
1523 Amanda Place  
Santa Rosa, CA 95403  
(800) 638-3783  
(707) 579-2122 (Fax)  
[www.thomastaxseminars.com](http://www.thomastaxseminars.com)  
CTEC # 1027

Tri-Community Adult Education  
P. O. Box 269  
Covina, CA 91723  
(626) 472-7681  
CTEC # 1004

University of Denver\*  
1900 Olive Street, F102  
Denver, CO 80220  
(303) 871-6243  
(303) 871-6358 (Fax)  
[www.aes.du.edu](http://www.aes.du.edu)  
CTEC # 1066

Wade & Associates  
P. O. Box 91537  
Los Angeles, CA 90009  
(818) 308-1746  
(818) 308-1746 (Fax)  
[harvey2@earthlink.net](mailto:harvey2@earthlink.net)  
CTEC # 2000

Western CPE\* \*\*  
20 East Main Street  
Bozeman, MT 59715  
(406) 556-0115  
(406) 556-0210 (Fax)  
[www.westerncpe.com](http://www.westerncpe.com)  
CTEC # 2071

Wiseguides, Inc.  
4833 Darrow Rd. Ste.# 106  
Stow, OH 44224  
(800) 713-2098  
(330) 342-7343 (Fax)  
[www.wiseguides.com](http://www.wiseguides.com)  
CTEC # 2012

Zapitax Income Tax School  
P. O. Box 2523  
Paradise, CA 95967  
(530) 877-5777  
(530) 876-8700 (Fax)  
[www.zapitax.com](http://www.zapitax.com)  
CTEC # 2075

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\* Correspondence School

\*\* Internet courses offered

• List is valid as of June 26, 2001

• Please contact Providers to see if they are currently registered with CTEC

• Listed Providers are approved for all their California locations

**SCHOOLS APPROVED FOR QUALIFYING EDUCATION  
(60 HOURS)**

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American Schools\* \*\*  
P. O. Box 5161  
Torrance, CA 90510  
(310) 544-2090  
(310) 377-0511 (Fax)  
<http://morelight.net/american-schools>  
CTEC # 1012

Beauchamp Tax Service  
3772-P Mission Ave  
Oceanside, CA 92054  
(760) 722-4858  
(760) 722-4424 (Fax)  
CTEC # 2076

Cabrillo College  
6500 Soquel Drive Bus.  
Comp. Sc. Div.  
Aptos, CA 95003  
(831) 479-6400  
(831) 479-5758 (Fax)  
[www.cabrillo.cc.ca.us](http://www.cabrillo.cc.ca.us)  
CTEC # 2070

California Tax Institute\*  
5281 Laurel View Circle  
Yorba Linda, CA 92886  
(800) 995-1747  
(714) 777-4267 (Fax)  
[www.caltaxinstitute.com](http://www.caltaxinstitute.com)  
CTEC # 1022

Carson Financial Group  
PO Box 4421  
Carson, CA 90749  
(310) 604-3601  
(310) 604-3605 (Fax)  
[joycereesepfp@hotmail.com](mailto:joycereesepfp@hotmail.com)  
CTEC # 2082

Chaffey Adult School  
211 West Fifth Street  
Ontario, CA 91762  
(909) 983-2010  
(909) 983-9916 (Fax)  
CTEC # 1089

Chaffey College  
223 W Emporia St.  
Ontario, CA 91762  
(909) 477-2954  
(909) 477-2966 (Fax)  
[jnix@chaffey.cc.ca.us](mailto:jnix@chaffey.cc.ca.us)  
CTEC # 2046

Coastline Community College  
11460 Warner Avenue  
Fountain Valley, CA 92708  
(714) 241-6209  
(714) 241-6187 (Fax)  
[cplatt@ccc.edu](mailto:cplatt@ccc.edu)  
CTEC # 2010

College of the Sequoias  
915 South Mooney Blvd  
Visalia, CA 93277  
(559) 730-3933  
(559) 730-3984 (Fax)  
[www.sequoias.cc.ca.us](http://www.sequoias.cc.ca.us)  
CTEC # 2033

Computax Bookkeeping &  
Business Services  
P. O. Box 7943  
Riverside, CA 92503  
(909) 637-0536  
(909) 637-0543 (Fax)  
[computax@solution4u.com](http://computax@solution4u.com)  
CTEC # 2084

Curtis Publications, Inc.\*  
P. O. Box 899  
Santa Barbara, CA 93102  
(805) 966-1560  
(805) 966-4477 (Fax)  
[www.main@curtispub.com](mailto:www.main@curtispub.com)  
CTEC # 1043

Glendale Community College  
1500 N. Verdugo Road  
Glendale, CA 91208  
(818) 240-1000  
(818) 549-9436 (Fax)  
[ckloezem@glendale.cc.ca.us](mailto:ckloezem@glendale.cc.ca.us)  
CTEC # 2072

Golden City Professional Studies\*  
P. O. Box 7125  
Alhambra, CA 91801  
(626) 457-8836  
(626) 457-8852 (Fax)  
[www.goldtax.com](http://www.goldtax.com)  
CTEC # 1023

Golden City Professional Studies\*  
P. O. Box 7125  
Alhambra, CA 91801  
(626) 457-8836  
(626) 457-8852 (Fax)  
[www.goldtax.com](http://www.goldtax.com)  
CTEC # 1023

Granny Educational Foundation  
110 S. La Brea Ave. Suite 420B  
Inglewood, CA 90301  
(310) 673-4986  
(310) 673-7400 (Fax)  
[fanntax@aol.com](mailto:fanntax@aol.com)  
CTEC # 2083

H & R Block Tax Services, Inc.  
6622 Florin Road  
Sacramento, CA 95828  
(916) 399-0351  
(916) 429-2497 (Fax)  
[fcabrera@hrblock.com](mailto:fcabrera@hrblock.com)  
CTEC # 1040

Hacienda La Puente Adult  
Education  
1600 Pontenova  
Hacienda Heights, CA 91745  
(626) 855-3510  
[www.hlpusd.kiz.ca.us](http://www.hlpusd.kiz.ca.us)  
CTEC # 1081

Heald Colleges\*  
670 Howard Street  
San Francisco, CA 94105  
(415) 808-1469  
[www.heald.edu](http://www.heald.edu)  
CTEC # 2086

Heras Income Tax School  
1824 West 7th Street  
Los Angeles, CA 90057  
(213) 483-1032  
CTEC # 2086

HiTech Tax Systems  
P. O. Box 91255  
Los Angeles, CA 90009  
(310) 354-3937  
(310) 354-9971 (Fax)  
[cjp\\_hitbz@yahoo.com](mailto:cjp_hitbz@yahoo.com)  
CTEC # 2088

Inglewood Adult School  
115 W. Kelso Street  
Inglewood, CA 90301  
(310) 419-2682  
CTEC # 1085

Inland Society of Tax Consultants, Inc.  
2140 W. Chapman, #103  
Orange, CA 92686  
(714) 634-0484  
(714) 634-4975 (Fax)  
[www.istsociety.org](http://www.istsociety.org)  
CTEC # 1000

\* Correspondence School  
\*\* Internet courses offered

• List is valid as of June 26, 2001  
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International Career Development  
Center  
6363 Wilshire Blvd, Suite 600  
Los Angeles, CA 90048  
(323) 655-9100  
(323) 655-9191 (Fax)  
[icdc@earthlink.com](mailto:icdc@earthlink.com)  
CTEC # 1035

Jackson Hewitt Tax Services  
3639 Midway Drive #B349  
San Diego, CA 92210  
(619) 248-0520  
(619) 272-9916 (Fax)  
[www.jacksonhewitt.com](http://www.jacksonhewitt.com)  
CTEC # 1009

Jordan & Jordan Financial\*\*  
32611 North The Old Road  
Castaic, CA 91384  
(661) 257-9620  
[www.afinancialconquest.com](http://www.afinancialconquest.com)  
CTEC # 1068

Latin American College  
of Business  
P. O. Box 227279  
Los Angeles, CA 90022  
(323) 269-7261  
(323) 269-7263 (Fax)  
CTEC # 1039

Lopez Tax Service, Inc.  
1024 N. Davis Road  
Salinas, CA 93907  
(831) 758-2512  
(831) 758-2545 (Fax)  
[www.taxpro2000.com](http://www.taxpro2000.com)  
CTEC # 2080

Mira Costa College Business Dept.  
One Barnard Drive  
Oceanside, CA 92056  
(760) 757-2121  
(760) 795-6770 (Fax)  
[www.miracosta.cc.ca.us](http://www.miracosta.cc.ca.us)  
CTEC # 1074

Mt. Diablo Adult Education  
1266 San Carlos Ave  
Concord, CA 94518  
(925) 685-7340  
(925) 363-9757 (Fax)  
CTEC # 2008

National Tax Training School\*  
P. O. Box 382  
Monsey, NY 10952  
(800) 914-8138  
(888) 814-8140 (Fax)  
[info@nattax.com](mailto:info@nattax.com)  
CTEC # 1025

Network Electronic Tax Service  
P. O. Box 1473  
Upland, CA 91785  
(909) 942-4549  
(909) 944-9590 (Fax)  
CTEC # 1088

Olympia Institute  
833 Market Street Ste 301  
San Francisco, CA 94103  
(415) 543-1333  
(415) 882-7998 (Fax)  
[www.olympiainst@aol.com](http://www.olympiainst@aol.com)  
CTEC # 2035

Palomar Community College  
1140 West Mission  
San Marcos, CA 92069  
(760) 744-1150  
(760) 744-8123 (Fax)  
[shergord@mailhost2.csusm.edu](mailto:shergord@mailhost2.csusm.edu)  
CTEC # 2045

People's Income Tax, Inc.\*  
1601 Willow Lawn Dr #309  
Richmond, VA 23230  
(804) 204-1040  
(804) 288-8072 (Fax)  
[www.peoplestax.com](http://www.peoplestax.com)  
CTEC # 1071

Platinum Professional Studies  
5791 Westminster Blvd.  
Westminster, CA 92683  
(714) 625-1040  
(714) 846-1778 (Fax)  
CTEC # 2052

San Diego City College  
1313 12th Avenue  
San Diego, CA 92101  
(858) 577-6209  
CTEC # 2006

Santa Ana College\* \*\*  
1530 W. 17th Street  
Santa Ana, CA 92706  
[buddyf@pacbell.net](mailto:buddyf@pacbell.net)  
CTEC # 2019

Southern State University, Inc.  
16161 Gothard Street  
Huntington, CA 92647  
(714) 841-1360  
(714) 848-7091 (Fax)  
CTEC # 2087

The Tax Firm  
1610 Tennessee Street  
Vallejo, CA 94590  
(707) 644-9348  
(707) 643-1814 (Fax)  
[ertaxfirm@aol.com](mailto:ertaxfirm@aol.com)  
CTEC # 2085

Wade & Associates  
P. O. Box 91537  
Los Angeles, CA 90009  
(818) 308-1746  
(818) 308-1746 (Fax)  
[harvey2@earthlink.net](mailto:harvey2@earthlink.net)  
CTEC # 2000

Yuba Community College  
2088 North Beale Road  
Marysville, CA 95901  
(530) 741-6700  
[www.yuba.cc.ca.us](http://www.yuba.cc.ca.us)  
CTEC # 2003

Zapitax Income Tax School  
P. O. Box 2523  
Paradise, CA 95967  
(530) 877-5777  
(530) 876-8700 (Fax)  
[www.zapitax.com](http://www.zapitax.com)  
CTEC # 2075

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\* Correspondence School

\*\* Internet courses offered

• List is valid as of June 26, 2001

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• Listed Providers are approved for all their California locations

## INDEPENDENT AUDITOR'S REPORT

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TO THE BOARD OF DIRECTORS  
CALIFORNIA TAX EDUCATION COUNCIL  
SACRAMENTO, CALIFORNIA

We have audited the accompanying statement of financial position of California Tax Education Council (a nonprofit organization) as of June 30, 2001 and 2000, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of CTEC's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United State of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California Tax Education Council as of June 30, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United State of America.

We conducted our audit in accordance with auditing standards generally accepted in the United State of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on page 18 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Marcia Fritz & Company*

MARCIA FRITZ & COMPANY  
Citrus Heights, CA  
September 4, 2001



## STATEMENT OF FINANCIAL POSITION

*As of June 30, 2001 and 2000*

	<b>2001</b>	<b>2000</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 117,946	\$ 132,390
Returned Checks Receivable	3,778	3,740
Total Current Assets	121,724	136,130
<b>Investments</b>		
Certificates of Deposit	328,460	389,721
Total Investments	328,460	389,721
<b>Total Assets</b>	<b>\$ 450,184</b>	<b>\$ 525,851</b>
 <b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts Payable	\$ 79,704	\$ 106,646
Sales Tax Payable (Refundable)	(178)	(200)
Total Liabilities	79,526	106,446
<b>Net Assets - unrestricted</b>	370,658	\$ 419,405
<b>Total Liabilities and Net Assets</b>	<b>\$ 450,184</b>	<b>\$ 525,851</b>

*See accompanying notes.*

## STATEMENT OF ACTIVITIES

*For the Years Ended June 30, 2001 and 2000*

	<b>2001</b>	<b>2000</b>
<b>Revenues:</b>		
Registration Fees	\$ 718,425	\$ 744,325
Late Registration Fees	57,900	56,924
Mailing List	6,750	4,750
Brochure Income	791	1,052
Other Income	3,323	5,417
Interest	24,788	20,260
	<hr/>	<hr/>
Total Revenues	811,977	832,728
<b>Expenses:</b>		
Curriculum Review	121,391	204,110
Board Activities		
Tax Preparer Services	12,825	12,448
Education and Curriculum	25,648	24,890
General and Administrative	89,771	87,123
Total Board Activities	128,244	124,461
General and Administrative	140,178	138,858
Public Awareness	354,993	382,206
Registration	115,918	146,979
	<hr/>	<hr/>
Total Expenses	860,724	996,614
<b>Increase (Decrease) in net assets</b>	(48,747)	(163,886)
Net assets beginning	419,405	583,291
	<hr/>	<hr/>
<b>Net assets ending</b>	<b>\$ 370,658</b>	<b>\$ 419,405</b>
	<hr/> <hr/>	<hr/> <hr/>

*See accompanying notes.*

## STATEMENT OF FUNCTIONAL EXPENSES

*For the Years Ended June 30, 2001 and 2000*

	CTEC TAX PREPARER SERVICES			EDUCATION AND CURRICULUM		GENERAL AND ADMINISTRATIVE		(MEMORANDUM ONLY)	
	Board Activities	Registration	Public Awareness	Board Activities	Curriculum Review	Board Activities	General & Administrative	Total Expenses	Total 2000
Accounting							\$ 5,241	\$5,214	\$ 5,458
Bank Service Charges							327	327	306
Credit Card Discounts							9,332	9,332	2,224
Returned Items								0	0
Education, Training								0	0
Fees & Licenses							570	570	10
Insurance							2,990	2,990	2,690
Legal							908	908	0
Management Fee	9,240	92,400	92,400	18,480	92,400	\$64,680	92,400	462,000	462,000
Meetings, Conferences	1,125			2,449		8,573	6,244	18,491	12,547
Media Promotion			195,717					195,717	172,680
Miscellaneous			634					634	0
Outside Consultants			9,000		27,985			36,985	187,447
Postage		6,080	9,888				47	16,015	24,085
Printing		17,438	35,576		476		10,911	64,401	80,828
Telephone/Fax	10		4,222	19	530	68	13	4,862	3,576
Travel									
Mileage	230		7	459		1,106	409	2,711	3,205
Airfare	350			701		2,452	585	4,088	4,561
Hotel	1,137			2,275		7,963	10,152	21,527	11,597
Per Diem	470			940		3,290		4,700	4,976
Cab	63			127		443	32	665	2,006
Parking	66			131		460	3	660	984
Meals	27			53		187	41	308	0
Car Rental	7			14		49		70	227
Web Page			7,549					7,549	15,207
	\$ 12,825	\$ 115,918	\$ 354,993	\$ 25,648	\$ 121,391	\$ 89,771	\$ 140,178	\$ 860,724	\$ 996,614

*See accompanying notes.*

## STATEMENT OF CASH FLOWS

*For the Years Ended June 30, 2001 and 2000*

	<b>2001</b>	<b>2000</b>
<b>Cash Flows from Operating Activities</b>		
Increase (decrease) in net assets	\$ (48,747)	\$ (163,886)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Decrease (increase) in receivable	(38)	(1,726)
Increase (decrease) in accounts payable	(26,942)	96,972
Increase (decrease) in sales tax payable	22	(303)
Net cash from operating activities	<u>(75,705)</u>	<u>(68,943)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase (redemption) of certificates of deposit	<u>61,261</u>	<u>66,332</u>
Net cash provided by (used in) investing activities	<u>61,261</u>	<u>66,332</u>
Net increase (decrease) in cash	(14,444)	(2,611)
<b>Cash and cash equivalents:</b>		
Beginning	<u>132,390</u>	<u>135,001</u>
<b>Ending</b>	<u><b>\$ 117,946</b></u>	<u><b>\$ 132,390</b></u>

*See accompanying notes.*

## NOTES TO FINANCIAL STATEMENTS

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For the Years Ended June 30, 2001 and 2000

### 1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES:

#### ***Principles of Accounting and Nature of Operations***

The accompanying financial statements reflect the operations for the California Tax Education Council (CTEC), which was incorporated on January 14, 1997, and commenced active operations on July 1, 1997. CTEC is a public benefit corporation and use or distribution of its assets is subject to certain restrictions.

The State of California requires that all persons in California who prepare taxes for a fee meet certain education requirements and register annually, with exception to IRS Circular 230 tax preparers. CTEC collects registration fees, verifies that Tax Preparers have met the education requirements, issues certificates, and approves educational programs. CTEC registered 28,770 tax preparers in 2001 and 29,459 in 2000.

CTEC's operations are managed by an independent contractor (Advocation, Inc. of Sacramento, California), who charges a management fee.

#### ***Basis of Accounting***

The financial statements have been prepared in accordance with generally accepted accounting principles.

#### ***Use of Estimates***

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Investments***

Investments, composed of certificates of deposit, are valued at fair value. Interest earned is reported as revenue.

#### ***Revenue Recognition***

Revenue is recognized when required fee is received by CTEC.

#### ***Functional Expenses***

The Statement of Functional Expenses, although not required for CTEC, is being presented for information purposes. The management fee is allocated to functional expenses based on estimates of time incurred by employees of the management firm, Advocation, Inc.

#### ***Income Taxes***

CTEC is a nonprofit corporation exempt under Internal Revenue Code Sections 501(c)(3) and related California code sections.

#### ***Cash and Cash Equivalents***

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents. The carrying amount of cash and cash equivalents approximates fair value due to the short-term nature of these financial instruments.

### 2. CONCENTRATION OF RISK

CTEC's funds are deposited in financial institutions insured by the federal depository insurance.