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**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/18/02



**Postlethwaite & Netterville**

*(A Professional Accounting Corporation)*  
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LOUISIANA

LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION

FINANCIAL STATEMENTS

DECEMBER 31, 1999



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**Pauslerhwaite & Netterville**

*a Professional Accounting Corporation*  
Registered Office in Principal Office within United States  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Louisiana State University and Agricultural  
and Mechanical College Alumni Association  
Baton Rouge, Louisiana

We have audited the statement of position (modified cash basis) of the Louisiana State University and Agricultural and Mechanical College Alumni Association as of December 31, 1999, and the related modified cash basis statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These 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.

As described in Note 1, these financial statements were prepared on the modified cash basis of accounting and are not intended to be presented in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana State University and Agricultural and Mechanical College Alumni Association as of December 31, 1999, and its activities and its cash flows for the year then ended, on the basis of accounting described in Note 1.

Our audit was made for the purpose of forming an opinion on the modified cash basis financial statements taken as a whole. The supplemental information on pages 13 - 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the modified cash basis financial statements, and, in our opinion, such information is fairly stated in all material respects in relation to the basic modified cash basis financial statements taken as a whole.

*Pauslerhwaite & Netterville*

Baton Rouge, Louisiana  
July 1, 2000

**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**STATEMENT OF FINANCIAL POSITION  
(INDEED CASH BASIS)  
DECEMBER 31, 2022**

**ASSETS**

	Unrestricted		Restricted Fund	Endowed Fund	End Cash Building Fund
	Annual Operating Fund	Unrestricted Business Income Fund			
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 291,780	\$ 46,879	\$ 314	\$ 285,491	\$ 15,629
Receivable - other	-	-	-	163,418	-
Merchandise inventory	-	92,360	-	-	-
<b>Total current assets</b>	<u>291,780</u>	<u>143,239</u>	<u>314</u>	<u>448,909</u>	<u>15,629</u>
<b>INVESTMENTS - cost</b>	<u>9,927</u>	<u>-</u>	<u>1,418,467</u>	<u>3,028,615</u>	<u>-</u>
<b>PROPERTY AND EQUIPMENT</b>					
Building	-	-	-	-	4,848,502
Automobiles	14,886	-	-	-	-
Equipment	124,128	41,261	-	-	581,484
Other	-	-	-	-	11,508
Contributed property	6,508	-	-	-	-
Construction in progress	-	-	-	-	-
	<u>155,522</u>	<u>41,261</u>	<u>-</u>	<u>-</u>	<u>5,441,494</u>
Less: accumulated depreciation	<u>(88,182)</u>	<u>(28,942)</u>	<u>-</u>	<u>-</u>	<u>(11,211,608)</u>
	<u>67,340</u>	<u>12,319</u>	<u>-</u>	<u>-</u>	<u>4,230,016</u>
<b>INTEREST RECEIVABLE</b>					
<b>(LIABILITY)</b>	<u>1,584,026</u>	<u>(211,582)</u>	<u>1,036,024</u>	<u>(1,971,089)</u>	<u>(189,442)</u>
<b>Total Assets</b>	<u>\$ 1,094,658</u>	<u>\$ (787,645)</u>	<u>\$ 2,244,795</u>	<u>\$ 5,566,535</u>	<u>\$ 1,276,100</u>

The accompanying notes are an integral part of this statement.



Led/Cook/ Conference Center	Total All Funds	
	(Macomb-Only)	
	2009	2008
\$ 38,710	\$ 680,808	\$ 1,054,010
-	152,415	151,265
-	98,350	151,819
<u>38,710</u>	<u>931,573</u>	<u>1,357,114</u>
<u>3,773,462</u>	<u>11,218,441</u>	<u>6,667,395</u>
-	4,648,202	4,648,202
-	14,896	104,239
-	697,233	966,811
-	11,209	11,209
-	5,200	5,200
<u>312,677</u>	<u>5,376,740</u>	<u>-</u>
-	1,098,209	3,910,761
-	(1,158,891)	(1,230,811)
-	4,667,117	4,667,210
-	-	-
<u>\$ 2,863,094</u>	<u>\$ 16,815,761</u>	<u>\$ 12,680,226</u>

**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
85109 WEDGE, LOUISIANA**

**STATEMENT OF FINANCIAL POSITION  
(MODIFIED CASH BASIS)  
DECEMBER 31, 2022**

**LIABILITIES AND NET ASSETS**

	<u>Unrestricted</u>				
	<u>Asset Operating Fund</u>	<u>Unrestricted Business Income Fund</u>	<u>Restricted Fund</u>	<u>Endowed Fund</u>	<u>Lot-Cook Building Fund</u>
<b>CURRENT LIABILITIES</b>					
Advances	\$ 49,930	\$ 2,882	\$ -	\$ -	\$ -
Notes payable	29,990	-	32,240	-	62,313
Total current liabilities	<u>79,920</u>	<u>2,882</u>	<u>32,240</u>	<u>-</u>	<u>62,313</u>
<b>NET ASSETS</b>					
Unrestricted	1,881,607	(388,720)	-	-	-
Restricted	-	-	2,711,513	3,881,533	-
Net investment - plant	-	-	-	-	3,905,670
	<u>1,881,607</u>	<u>(388,720)</u>	<u>2,711,513</u>	<u>3,881,533</u>	<u>3,905,670</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,961,527</u>	<u>\$ (385,838)</u>	<u>\$ 2,743,753</u>	<u>\$ 3,881,533</u>	<u>\$ 3,970,983</u>

The accompanying notes are an integral part of this statement.



Total All Funds

Lead Clerk Conference Center	( Membership Only )	
	1999	1998
\$ -	\$ 46,985	\$ 22,506
-	<u>121,647</u>	<u>88,340</u>
<u>-</u>	<u>178,632</u>	<u>110,846</u>

-	1,528,942	1,595,786
3,120,871	11,402,925	6,428,250
<u>-</u>	<u>3,797,628</u>	<u>4,112,746</u>
<u>3,120,871</u>	<u>16,644,493</u>	<u>12,159,786</u>

<u>\$ 3,121,871</u>	<u>\$ 16,645,161</u>	<u>\$ 12,659,236</u>
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**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ACCOUNTS ADMINISTRATION  
BATON ROUGE, LOUISIANA**

**STATEMENT OF ACTIVITIES  
(ACCREDITED CLASS BASIS)  
YEAR ENDED DECEMBER 31, 1999**

	Unrestricted		Restricted	Endowed	Laf-Cook Building
	Operating	Business Income			
	Fund	Fund	Fund	Fund	Fund
<b>REVENUES</b>					
Donations	\$ 1,640,893	\$ -	\$ 349,042	\$ 656,181	\$ 26,558
Tuition and city income	-	281,338	-	-	-
Dividend and interest income	49,803	-	281,197	-	-
Gifts (less) re sale of assets - net	1,079,442	-	1,777,939	-	-
Other income	449,781	-	-	-	26,186
	<u>4,219,929</u>	<u>281,338</u>	<u>3,408,288</u>	<u>656,181</u>	<u>52,744</u>
<b>EXPENSES</b>	<u>2,177,181</u>	<u>811,112</u>	<u>293,258</u>	<u>-</u>	<u>308,280</u>
Excess of revenues over/(under) expenses	2,042,748	(529,774)	1,215,030	656,181	(185,536)
Other Financing Sources (Uses)					
Operating transfers in	341,268	-	-	-	41,758
Operating transfers out	<u>(1,479,768)</u>	<u>-</u>	<u>(696,268)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,138,499)</u>	<u>-</u>	<u>(696,268)</u>	<u>-</u>	<u>41,758</u>
Excess of revenues over/(under) expenses and other sources/uses	(95,751)	(529,774)	518,762	656,181	(143,778)
Net assets beginning of year	<u>1,919,718</u>	<u>(771,914)</u>	<u>1,862,836</u>	<u>4,918,074</u>	<u>4,013,746</u>
Net assets end of year	<u>\$ 1,823,967</u>	<u>\$ (1,301,688)</u>	<u>\$ 2,381,598</u>	<u>\$ 5,574,255</u>	<u>\$ 3,869,968</u>

The accompanying notes are an integral part of this statement.



Led Cook Conference Center	Total All Funds	
	( Millennium Only )	
	1999	2000
\$ 600,000	\$ 5,100,344	\$ 2,688,987
-	589,341	1,149,100
24,744	547,756	253,446
-	1,220,368	375,344
-	475,769	404,461
<u>624,744</u>	<u>7,933,618</u>	<u>4,861,338</u>
3,091	1,655,820	4,349,481
645,631	4,194,753	500,319
1,479,220	1,900,220	-
-	<u>11,499,233</u>	-
<u>1,479,220</u>	-	-
3,111,870	4,199,763	811,818
-	<u>11,319,760</u>	<u>11,668,262</u>
<u>\$ 3,111,870</u>	<u>\$ 18,644,523</u>	<u>\$ 11,319,760</u>

**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALIENS ASSOCIATION  
BATON ROUGE, LOUISIANA**

**STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 1999**

	1999 <u>All Funds</u>	1998 <u>All Funds</u> <i>(Interim Only)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenues over expenses and other services (uses)	\$ 4,104,710	\$ 331,708
Adjustments to reconcile excess of revenues over expenses to net cash provided by operations:		
Depreciation	266,570	253,188
(Gain) loss on sale of assets - net	(3,251,266)	(17,903)
Net change in operating assets	68,500	(57,983)
Net change in operating liabilities	24,770	(428)
Net cash provided by operating activities	<u>1,093,036</u>	<u>718,681</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, and equipment	(399,681)	(15,507)
Purchases of investments	(4,898,923)	(1,869,167)
Sales of investments	3,898,580	1,029,952
Net cash used in investing activities	<u>(1,399,984)</u>	<u>(774,121)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net issuance on line of credit	35,483	88,240
Net cash provided by financing activities	<u>35,483</u>	<u>88,240</u>
Net increase (decrease) in cash and cash equivalents	(272,215)	24,799
Cash and cash equivalents at beginning of year	1,034,023	1,009,254
Cash and cash equivalents at end of year	<u>\$ 761,808</u>	<u>\$ 1,034,023</u>

The accompanying notes are an integral part of this statement.



**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

**Organization**

The Louisiana State University and Agricultural and Mechanical College Alumni Association (the Association) is a non-profit corporation organized to foster, protect, and promote the welfare of Louisiana State University and Agricultural and Mechanical College (the University) and maintains a mutually beneficial relationship between the University and its alumni. The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code for the majority of the Association's revenues. Most of the Association's revenues are derived from contributions made by individual alumni and various organizations.

**Modified Cash Basis**

The Association's policy is to prepare its financial statements on the modified cash basis of accounting. That basis differs from generally accepted accounting principles primarily because the Association does not include prepaids receivable, accounts payable to vendors, and their related effects on changes in fund balances. Additionally, the Association does not record its investments at market value and the related unrealized gain (loss) in its statement of activity as required by generally accepted accounting principles. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Certain contributions of property and other items have previously not been recorded, and are therefore not reflected in property and equipment in the accompanying statement of position.

**Inventory**

Inventory is stated at the lower of cost (first-in, first-out method) or market.

**Investments**

Investments consist of U.S. Government and Agency issues and equity securities. The U.S. Government and Agency issues are stated at cost and the equity securities are stated at lower of cost or market. The Association intends to hold all debt investments to maturity.

**Property and Equipment**

Property and equipment is carried at cost. Additions, renewals, and betterments that extend the life of assets are capitalized. Maintenance and repair expenditures are expensed as incurred.

Depreciation is provided using predominantly the straight line method over the estimated useful lives of the property, ranging from four to forty years.

**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (continued)**

**Fund Accounting**

To ensure observance of limitations and restrictions placed on the use of resources available to the Association, the accounts of the Association are maintained in accordance with the principles of fund accounting. That is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund.

The assets, liabilities and fund balances of the Association are reported in six self-balancing fund groups as follows:

- The Annual Operating Fund, which includes unrestricted and restricted resources, represents the portion of expendable funds that are available for support of Alumni operations.
- The Unrelated Business Income fund represents funds from the gift shop and other special events.
- Restricted funds represent funds restricted by outside sources and may only be utilized in accordance with the purpose established by the sources of such funds.
- Endowed funds represent funds that are subject to restrictions of gift instruments requiring that the principal be maintained in perpetuity and invested and only the income be used.
- The Lod Cook Building fund represents resources restricted for property and equipment acquisitions and funds expended for property and equipment and building operations.
- The Lod Cook Conference Center Fund represents funds used to construct and maintain the Lod Cook Conference Center and the Jack and Prilla Andrieu Museum.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Association considers all demand deposits and money market accounts to be cash and cash equivalents.

**Functional Expenses**

The Annual Operating Fund expends funds on scholarships, other program services and management and general expenses. The restricted funds expend funds on scholarships, professorships, and trust management fees. The Lod Cook Building Fund expends funds on fund raising and operating costs of the building.

**Unrelated Business Income**

The Association's operations include activities which are considered taxable under the Internal Revenue Code, because they are unrelated to the exempt purpose of the organization. These activities include merchandise sales, sports trips, phone directory sales and building rental income.



**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

1. *Summary of Significant Accounting Policies* (continued)

**Estimates**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

**Concentration of Credit Risk**

The Association maintains its cash in bank deposit accounts at various financial institutions. The balances, at times, may exceed federally insured limits. At December 31, 1998, the Association exceeded the insured limit by approximately \$184,000.

2. *Related Parties*

The Association is covered by insurance under the State of Louisiana Office of Risk Management.

During the year ended December 31, 1998, the Association paid approximately \$117,080 to agencies of the university for various services and supplies. In addition, the Association reimbursed the university approximately \$361,080 for salaries and other related expenses.

The Association has funds invested with the LSU Foundation totaling \$163,635 at December 31, 1998.

3. *Investments*

Investments are recorded at cost. Fair values were determined using quoted market prices. Investments consist of the following:

	<u>Cost</u>	<u>Fair Value</u>
Equity Securities	\$ 5,883,973	\$ 8,165,601
Fixed Income Funds	3,000,786	2,888,901
Liquid Assets	<u>2,338,782</u>	<u>2,330,750</u>
	<u>\$ 11,223,541</u>	<u>\$ 13,385,252</u>

**LOUISIANA STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

**4. Notes Payable**

Note payable to a bank, interest is payable monthly at 7.75% with the remaining balance due in February of 2003, unsecured. \$ 28,880

Note payable to a bank with a maximum balance of \$178,694, interest is payable quarterly based on the Chase Manhattan Prime rate which was 8.5% at December 31, 1999, with the remaining balance being due on June 30, 2001, unsecured. 27,248

Note payable to a bank with a maximum balance of \$170,000, interest is payable monthly based on the Chase Manhattan Prime rate which was 8.5% at December 31, 1999 with the remaining balance being due on September 18, 2000, unsecured. 62,510

**\$ 121,640**

The Alumni has also been approved for a \$6,800,000 unsecured line of credit as of December 31, 1999. As of year-end no draws have been made on this line.

**5. Unrelated Business Income Taxes**

At December 31, 1999, the Association had a net operating loss carry forward of approximately \$1,684,000 expiring in the years 2008 - 2009 from the unrelated business income tax operations. For the year ended December 31, 1999, no deferred tax asset related to the net operating loss carryforward has been recorded due to the uncertainty of realizing this benefit.

**6. Rent Expense**

Total rent and lease expense incurred for the year ended December 31, 1999 was \$ 23,276. These rents and leases are short term and cancellable by either party.

The Association has entered into a 99-year lease with the Louisiana State University for the Lud Cook Alumni Center land. The annual rent expense associated with this lease is nominal.

**7. Lud Cook Conference Center**

The Alumni Association has recently contracted an architectural firm and a construction contractor to design and build a museum and a hotel behind the Lud Cook Alumni Center. Management estimates that the Conference Center will cost approximately ten million dollars. As of December 31, 1999, the Association had pledges for the hotel totaling approximately \$2.1 million, which are not recorded under the modified cash basis of accounting, and has been approved for a line of credit for up to six million dollars at a local bank. Preliminary construction costs incurred as of December 31, 1999 have been capitalized as construction in progress.



Supplemental  
Information





**LOUISIANA STATE UNIVERSITY AGRICULTURAL  
AND MECHANICAL COLLEGE ALUMNI ASSOCIATION  
BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES (MODIFIED CASH BASIS)  
YEAR ENDING DECEMBER 31, 2022**

	<u>Expended</u>				
	Annual Operating Fund	Unrelated Business Income Fund	Restricted Fund	Endowed Fund	Leif Cook Building Fund
<b>EXPENSES</b>					
Ad sales commissions	\$ -	\$ -	\$ -	\$ -	\$ -
Catering expenses	11,440	-	-	-	-
Chancellor's residence	-	-	-	-	83,108
Cost of merchandise sold	-	164,100	-	-	-
Depreciation	48,634	2,204	-	-	100,700
Dues and subscriptions	6,640	181	-	-	-
Fund raising expense	-	-	-	-	3,625
Gifts of appreciation	10,640	-	-	-	-
Insurance	24,511	-	-	-	-
Interest expense	2,709	340	-	-	30
Investment management and trustee fees	-	-	100,785	-	-
Miscellaneous operating services	203	9,510	-	-	15,568
Official functions and entertainment	8,101	-	-	-	-
Office support	20,081	-	-	-	-
Repairs and maintenance	28,287	8,770	-	-	18,348
Postage	126,296	8,118	-	-	160
Printing	231,481	3,903	-	-	-
Professorships and academic awards	31,845	-	-	-	-
Professional and contracted services	34,813	1,281	-	-	-
Promotional supplies	48,486	-	-	-	1,906
Rent	48,664	11,803	-	-	-
Scholarship	782,790	221,571	-	-	69,825
Scholarships	60,177	-	298,844	-	-
Special events ticket purchases	193,214	13,640	-	-	-
Staff benefits	126,180	37,117	-	-	10,889
Supplies	31,876	9,808	-	-	1,391
Telephone	33,763	7,087	-	-	373
Travel and sports trips	94,683	117,248	-	-	78
Chapter expenses	17,582	-	-	-	-
Utilities	-	-	-	-	85,610
War Material	-	-	6,029	-	-
	<b>\$ 2,137,081</b>	<b>\$ 612,132</b>	<b>\$ 383,658</b>	<b>\$ -</b>	<b>\$ 183,761</b>



Total All Funds

Leaf Cook Conference Center	(Monorachon-Only)	
	1999	2000
\$ -	\$ -	\$ 10,798
-	71,448	70,871
-	80,358	-
-	868,798	217,058
-	246,570	215,088
-	6,215	3,879
-	8,638	7,876
-	19,840	34,315
-	34,911	21,517
-	3,898	1,210
-	109,785	60,119
8,000	34,437	34,796
-	8,512	30,130
-	20,881	20,896
-	76,407	60,483
-	134,790	161,790
-	217,412	240,538
-	31,945	39,445
-	33,276	41,467
-	30,462	46,766
-	21,495	41,826
-	1,873,821	924,447
-	399,421	413,812
-	266,831	184,387
-	173,865	153,280
-	41,091	70,868
-	41,223	50,833
-	211,167	543,409
-	17,682	-
-	81,633	80,697
-	6,820	471,590
<u>\$ 8,000</u>	<u>\$ 3,621,825</u>	<u>\$ 4,249,481</u>

