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ELAINE F. SUNEZ
COMMUNITY COLLEGE FOUNDATION

June 30, 1996

Audit of Financial Statements

June 30, 1996

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Release Date 10/17/08

CONTENTS

Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5-9
Independent Auditor's Report on Supplementary Information	10
Schedule of Functional Expenses	11



To The Board of Trustees
Elaine F. Nunez Community College Foundation

Independent Auditor's Report

We have audited the accompanying statement of financial position of ELAINE F. NUNEZ COMMUNITY COLLEGE FOUNDATION (a nonprofit organization) as of June 30, 1996, and the related statement of activities, and statement of cash flows for the year ended June 30, 1996. These financial statements are the responsibility of the Foundation'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. 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.

As discussed in Note B, in 1996 the Foundation adopted Statement of Financial Accounting Standards (SFAS) No. 116 "Accounting for Contributions Received and Contributions Made," and SFAS No. 117 "Financial Statements of Not-for-Profit Organizations."

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ELAINE F. NUNEZ COMMUNITY COLLEGE FOUNDATION as of June 30, 1996 and the changes in its net assets and the changes in its cash flows for the year ended June 30, 1996 in conformity with generally accepted accounting principles.

John A. Miller, Charles A. Long, & Sons

A Professional Accounting Corporation

November 12, 1996

A Professional Accounting Corporation

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ELAINE F. SENEZ
 COMMUNITY COLLEGE FOUNDATION
 STATEMENT OF FINANCIAL POSITION
 June 30, 1996

ASSETS

Cash	\$ 805
Restricted Cash	1,911
Faculty and Staff Unconditional Promises to Give (Less: Allowance for Uncollectible Pledges of \$1,963)	35,683
Friends of the College Unconditional Promises to Give (Less: Allowance for Uncollectible Pledges of \$3,299)	<u>116,268</u>
Total Assets	<u>\$ 143,867</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$ 34,836
Total Liabilities	<u>34,836</u>

NET ASSETS

Unrestricted	(668)
Temporarily Restricted	22,674
Permanently Restricted	<u>89,829</u>
Total Net Assets	<u>111,785</u>
Total Liabilities and Net Assets	<u>\$ 143,861</u>

See independent auditor's report.

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

**ELAINE P. NUNCE
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 1996**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES, SUPPORT, AND RECLASSIFICATIONS				
Fledge Campaign	\$ 93,177	\$ 23,174	\$ 89,998	\$ 166,349
Interest Income	1,453	-	-	1,453
Other	48	-	-	48
Net Assets Released from Restrictions	302	(202)	-	-
Total Revenues	<u>94,880</u>	<u>22,972</u>	<u>89,998</u>	<u>167,850</u>
EXPENSES				
Program Services				
Donation to College	1,538	-	-	1,538
Events	2,821	-	-	2,821
Total Program Services	<u>4,359</u>	<u>-</u>	<u>-</u>	<u>4,359</u>
Supporting Services				
Fundraising				
Fledge Campaign	188,418	-	-	188,418
Management and General	2,561	-	-	2,561
Total Supporting Services	<u>190,979</u>	<u>-</u>	<u>-</u>	<u>190,979</u>
Total Expenses	<u>195,338</u>	<u>-</u>	<u>-</u>	<u>195,338</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(12,338)</u>	<u>22,974</u>	<u>89,999</u>	<u>60,635</u>
NET ASSETS - BEGINNING OF YEAR	<u>41,260</u>	<u>-</u>	<u>-</u>	<u>41,260</u>
NET ASSETS - END OF YEAR	<u>\$ 28,922</u>	<u>\$ 22,974</u>	<u>\$ 89,999</u>	<u>\$ 141,895</u>

See independent auditor's report.

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

ELIJAH F. MINER
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	\$ 68,373
Adjustments to Reconcile Excess of Revenue Over	
Expenditures to Net Cash (Used in) Operating Activities	
(Increase) in Restricted Cash	(1,201)
Decrease in Interest Receivable	389
Decrease in Fund Raising Receivable	10,229
Decrease in Certificates of Deposit	38,716
(Increase) in Faculty and Staff	
Unconditional Promises to Give	(29,650)
(Increase) in Friends of the College	
Unconditional Promises to Give	(119,939)
Bad Debt Expense	6,564
Increase in Accounts Payable	<u>32,384</u>
Net Cash (Used in) Operating Activities	<u>(2,853)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,853)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>3,858</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u>\$ 1,005</u>

See independent auditor's report.

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

ELAINE F. NUÑEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1996

NOTE A

NATURE OF ACTIVITIES

The Elaine F. Nuñez Community College Foundation financially assists the students attending Elaine F. Nuñez Community College in pursuing their collegiate training. The Foundation also provides the Community College with funds with which to acquire or purchase real or personal property, to pay for services for instruction, and for the purpose of providing funds to carry on any proper activity of the College.

NOTE B

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements.

Financial Statement Presentation

The Foundation adopted provisions of Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations" during the fiscal year ended June 30, 1996. SFAS No. 117 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position and a statement of activities. These statements must reflect the three categories of net assets: unrestricted, temporarily restricted, and permanently restricted. On the statement of activities, expenses are charged directly to programs or supporting services based on specific identification. In addition, a statement of cash flows must be presented. The Foundation has discontinued its use of fund accounting and, accordingly, has reclassified its financial statements to present the three classes of net assets.

Contributions

The Foundation adopted provisions of SFAS No. 116, "Accounting for Contributions Received and Contributions Made" during the fiscal year ended June 30, 1996. SFAS No. 116 requires the Foundation to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair value. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using a discount rate commensurate with the risks involved.

The allowance for uncollectible pledges is computed by applying a percentage to the total discounted pledges receivable. This amount represents the percentage of pledges that management deems it will not collect during the campaign.

**ELAINE F. NUNCE
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1996**

NOTE B

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Foundation adopted SFAS No. 116 by restating net assets as of June 30, 1995. Unrestricted net assets were increased and restricted net assets were decreased by \$29,025. This amount was board restricted, not donor restricted. The pronouncement allows only donor-imposed restrictions to be recognized as restrictions; therefore, the net assets were reclassified as unrestricted.

Fair Value of Financial Instruments

During 1996, the Foundation adopted SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," which requires the disclosure of fair value information about financial instruments, whether or not recognized in the statement of financial position, for which it is practicable to estimate the value.

Cash Equivalents

The Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Use of Estimates

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

NOTE C

INCOME TAX

The Foundation was incorporated on August 11, 1986. It is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Its purpose is to work with and support the services and programs of Elaine F. Nunce Community College.

NOTE D

RELATED PARTY TRANSACTIONS

The Foundation made donations to **ELAINE F. NUNCE COMMUNITY COLLEGE** to support its various programs. An amount of \$1,531 was donated to the college to support its expenses incurred for student services and building supplies during the period ended June 30, 1996.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1996**

NOTE E

CONCENTRATION OF CREDIT RISK

The Foundation receives a majority of its funding from individuals and small businesses located in the Southeast Louisiana area. These donations are generally received through the pledge campaigns in two ways: first, through payroll deductions from faculty and staff and secondly, from Friends of the College.

NOTE F

RESTRICTED CASH

The restricted cash balance represents amounts collected on restricted pledges but not expended.

NOTE G

PROMISES TO GIVE

The Foundation began a pledge campaign in 1996 to raise funds to support the general activities of the Foundation as well as to fund various scholarships, developments, and programs. Funds were raised through the solicitation of pledges for contributions from faculty and staff members, and friends of the college. The pledges have been recorded at their present value using a discount rate of 8%. As of June 30, 1996, the Foundation had received pledges from faculty and staff in the amount of \$42,864, of which \$6,756 was collected. Pledges from friends of the college were received in the amount of \$348,000, of which \$18,000 was collected. The pledges can be paid over three years. Unconditional promises to give at June 30, 1996 are as follows:

	Faculty and Staff Pledges	Friends of the College Pledges	Total
Receivable in Less than One Year	\$ 11,191	\$ 30,000	\$ 41,191
Receivable in One to Five Years	25,072	80,000	105,072
Total Unconditional Promises to Give	36,263	110,000	146,263
Less Discounts to Net Present Value	6,918	18,041	24,959
Less Allowance for Uncollectible Promises	2,062	3,592	6,654
Net Unconditional Promises to Give	\$ 29,283	\$ 116,367	\$ 145,650

ELAINE F. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1996

NOTE H

TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>Faculty and Staff Pledges</u>	<u>Total</u>
Library Enhancements	\$ 486	\$ 486
Professorships	571	571
Faculty and Staff Development	646	646
Student Assistance	960	960
Day Care	4,234	4,234
Business and Technology Equipment	713	713
General Scholarships	12,871	12,871
Technical Scholarships	788	788
Culinary Scholarships	<u>1,471</u>	<u>1,471</u>
Total Temporarily Restricted Net Assets	<u>\$ 22,634</u>	<u>\$ 22,634</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by the donor. The donor had given \$200 with the restriction that it be used for the Teaching in Excellence Award. The expenditure for this award was made during 1996.

NOTE I

PERMANENTLY RESTRICTED NET ASSETS

Net assets were permanently restricted for an endowed professorship in June 30, 1996. The endowment requires a permanent trust of at least \$100,000. The original principal, which consists of \$68,000 from private contributions matched with \$40,000 from the Board of Regents, cannot be expended. The interest earnings from the fund are to be used to help offset the expenditures necessary to employ and support the professor who holds the endowed professorship. In 1996, the Foundation recognized \$89,819 in permanently restricted support relating to this endowment.

NOTE J

DONATED SERVICES

The Foundation recognized \$2,410 in support during the year ended June 30, 1996 as a result of donated services. An individual gave 100 hours of labor to make awards plaques for the College. The amount recognized was the fair value of those services.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1996

NOTE K

FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate the value:

Cash and Current Unconditional Promises to Give

The carrying amount approximates fair value because of the short maturity of these instruments.

Non-Current Unconditional Promises to Give

The carrying amount of non-current unconditional promises to give also approximates fair value because the carrying amount represents the discounted present value of those instruments based on an incremental borrowing rate. The fair value of the \$5,000 life insurance policy, included in non-current unconditional promises to give, was discounted using the life expectancy from the American Experience Mortality Table (Revised Statute 47:24B2).

The following are the carrying amounts and fair values of each class of financial instruments for which it is practicable to estimate the value:

	<u>June 30, 1996</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 2,796	\$ 2,796
Current Unconditional Promises to Give	58,570	58,570
Non-Current Unconditional Promises to Give	84,673	84,673



To The Board of Trustees
Kankakee Community College Foundation

**Independent Auditor's Report
on Supplementary Information**

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional Schedule of Functional Expenses is presented for the 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.

Ho, Pitts, Adams, Long & Kane

A Professional Accounting Corporation

November 12, 1998

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ELAINE F. SUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 1996

PROGRAM SERVICES

Awards	\$ 2,901
Donations to College	<u>1,338</u>
Total Program Services	<u>4,239</u>

SUPPORTING SERVICES

Fundraising

Pledge Campaign	
Consulting	71,895
Printing	14,853
Bad Debts	4,164
Lunches	2,828
Fees	1,000
Other	<u>1,261</u>
Total Pledge Campaign	<u>100,451</u>

Management and General

Accounting	1,909
Other	<u>802</u>
Total Management and General	<u>2,711</u>

Total Supporting Services 103,162

TOTAL EXPENSES \$ 107,401

See independent auditor's report on supplementary information.