

RECEIVED
EDUCATIONAL ASSISTANT

6552
OFFICIAL
FILE COPY

DO NOT SEND OUT

99 JUN 15 AM 11:29

Class members
cannot view this
copy and FILE
DATE IS FILED

L.S.U. AT ALEXANDRIA FOUNDATION, INC.

Alexandria, Louisiana

June 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the auditor, the auditor's office and other appropriate public officials. This report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: JUN 2 5 1999



PAYNE, MOORE & HERRINGTON, LLP
Certified Public Accountants
Alexandria, Louisiana

D.S.O. DE ALABAMA FOUNDATION, INC.

JUNE 30, 1993

TABLE OF CONTENTS

	EXHIBIT	PAGE
INDEPENDENT AUDITOR'S REPORT		i
FINANCIAL STATEMENTS:		
STATEMENT OF FINANCIAL POSITION	B	2
STATEMENT OF ACTIVITIES	B	3
STATEMENT OF CASH FLOWS	C	4
INDEX TO FINANCIAL STATEMENTS		S-9



RYAN, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
L.S.G. of Alexandria Foundation, Inc.
Alexandria, Louisiana

We have audited the accompanying statement of financial position of the L.S.G. of Alexandria Foundation, Inc. (a nonprofit organization) as of June 30, 1997, and the related statements of activities and cash flows for the year then ended. 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. 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the L.S.G. of Alexandria Foundation as of June 30, 1997, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 1 to the financial statements, effective July 1, 1996, the L.S.G. of Alexandria Foundation, Inc. adopted Statement of Financial Accounting Standards No. 129, Accounting for Certain Investments Held by Not-For-Profit Organizations.

Ryan, Moore & Herrington, LLP
Certified Public Accountants

September 3, 1997



L.E.U. AT ALEXANDRIA FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 1997

EXHIBIT A

ASSETS

ASSETS

cash and cash equivalents	\$ 18,751
pledges receivable (net of allowance of \$18,947)	137,313
investments in L.E.U. Foundation managed assets	2,718,214
<u>TOTAL ASSETS</u>	<u>\$2,874,278</u>

LIABILITIES AND NET ASSETS

LIABILITIES

accounts payable	\$ 723
accrued interest payable	338
notes payable	<u>16,332</u>
Total Liabilities	17,393

NET ASSETS

Unrestricted	397,828
Temporarily restricted	2,505,588
permanently restricted	<u>2,894,277</u>
Total Net Assets	<u>\$2,857,287</u>

<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$2,857,287</u>
--	---------------------------

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

L. L. O. AT ALEXANDRIA FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 1957

EXHIBIT B

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUES, GAINS AND RECLASSIFICATIONS				
Contributions	\$ 3,140	\$ 289,280	\$ 208,308	\$ 500,728
Interest	28,185	289,280	11,908	529,473
Dividends		1,623		1,623
Capital gains		31,877		31,877
Unrealized gains on Investments	28,380	413,238	7,182	648,800
Total Revenues and Gains	88,020	985,844	127,518	1,141,382
Net assets released from restrictions	188,858	(188,858)	-----	-----
Total Revenues, Gains and Reclassifications	276,878	796,986	127,518	1,141,382
EXPENSES				
Supporting services:				
Institution Salary Supplement	5,467			5,467
Equipment	26,148			26,148
Insurance expense	1,893			1,893
Miscellaneous	373			373
Official Functions	4,848			4,848
Operating services	8,424			8,424
Professional services	13,482			13,482
Professorships	13,284			13,284
Registration fees	3,728			3,728
Subscriptions and books	48,971			48,971
Service charges	28,584			28,584
Supplies	14,286			14,286
Travel	3,352			3,352
Total Expenses	178,821	-----	-----	178,821
CHANGE IN NET ASSETS BEFORE CHANGE IN ACCOUNTING PRINCIPLES	48,057	821,546	128,518	898,121
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INVESTMENTS	21,286	287,804	8,182	317,272
CHANGE IN NET ASSETS	69,343	1,109,350	136,700	1,415,393
NET ASSETS AS RECEIVED BY YEAR	121,883	2,318,748	2,823,580	5,264,211
<u>NET ASSETS AS END OF YEAR</u>	<u>421,626</u>	<u>3,148,347</u>	<u>4,647,277</u>	<u>8,217,250</u>

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

L.S.O. AT ALEXANDRIA FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30, 1997

SERIES C

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$1,404,450
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Realized gain on investments	(448,866)
Cumulative effect of change in accounting for investments	(413,725)
Change in operating assets and liabilities:	
Fiduciar receivable	117,337
Fee from L.S.O. Foundation	(447,894)
Accounts payable	717
Accrued interest payable	1188
NET CASH PROVIDED BY OPERATING ACTIVITIES	14,603
CASH FLOWS FROM INVESTING ACTIVITIES	-4-
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal paid on notes payable	(31,324)
NET CASH USED IN FINANCING ACTIVITIES	(31,324)
NET INCREASE IN CASH	3,485
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,356
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	<u>\$ 38,735</u>

SUPPLEMENTAL DATA

1. L.S.O. at Alexandria Foundation, Inc. considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. Cash paid for interest was \$1,994 in the current fiscal year.
3. No income taxes were paid during the current fiscal year.
4. Non-cash investing activities during the year ended June 30, 1997, included \$317,193 of interest income earned on the funds held in custody by L.S.O. Foundation.

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

L.S.U. AT ALEXANDRIA FOUNDATION, INC.
JUNE 30, 1997

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The L.S.U. at Alexandria Foundation, Inc. is a non-profit corporation exempt from Federal and state income taxes under Section 501 (c)(3) of the Internal Revenue Code. It is classified as an exempt organization other than a private foundation. The Foundation was formed to promote the educational and cultural welfare of Louisiana State University at Alexandria by accepting gifts for the purpose of providing scholarships, aiding research or such other designated projects for the benefit of the university.

Basis of Accounting

The financial statements of the L.S.U. at Alexandria Foundation, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Change in Accounting Principle

Effective July 1, 1994, the L.S.U. at Alexandria Foundation, Inc. implemented the provisions of Statement of Financial Accounting Standards (SFAS) No. 124, Accounting for Certain Investments Held by Not-for-Profit Organizations, of the Financial Accounting Standards Board. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. As of July 1, 1994, unrestricted net assets were increased by \$21,184, temporarily restricted net assets were increased by \$387,484, and permanently restricted net assets were increased by \$5,149, which represents the \$413,797 cumulative net unrealized gains on investments not previously recognized.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

L.S.U. AT ALEXANDRIA FOUNDATION, INC.

JUNE 30, 1997

NOTES TO FINANCIAL STATEMENTS

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction made or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Provision to Give

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

1. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at June 30, 1997, consist of \$10,751 in a checking account at a local financial institution. At June 30, 1997, the L.S.U. at Alexandria Foundation's bank balance totaled \$189,284. This balance is secured from risk by \$100,000 of Federal deposit insurance. The remaining balance of \$89,284 is not assured by the pledge of securities.

2. PLEDGES RECEIVABLE

Pledges receivable at June 30, 1997, consist of unconditional promises to give as follows:

Receivable in less than one year	\$ 31,185
Receivable in one to five years	88,825
Total pledges receivable	120,010
Less: allowance for uncollectible pledges receivable	18,882
Net pledges receivable	\$101,128

3. AGREEMENT IN L.S.U. FOUNDATION MANAGED ASSETS

On July 3, 1985, the L.S.U. at Alexandria Foundation entered into a management agreement with the L.S.U. Foundation whereby the L.S.U. Foundation shall hold funds on behalf of the L.S.U. at Alexandria Foundation solely for the purpose of investing the funds. The L.S.U. Foundation may assess its standard service fees annually to cover its administrative costs. This agreement shall remain in effect until 90-day written notice is given by either party to the other party.

L.S.U. AT ALEXANDRIA FOUNDATION, INC.

JUNE 30, 1987

NOTES TO FINANCIAL STATEMENTS

Investments held by the L.S.U. Foundation on behalf of the L.S.U. at Alexandria Foundation are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the statement of activities. As of June 30, 1987, investment in L.S.U. Foundation managed assets consisted of the following:

	COSE	MARKET VALUE
Unrestricted	\$ 738,333	\$ 738,419
Temporarily Restricted	4,277,143	3,076,928
Permanently Restricted	<u>83,867</u>	<u>83,827</u>
	\$5,099,343	\$5,908,274

3. NOTES PAYABLE

Notes payable at June 30, 1987, consisted of the following:

A promissory note to Bayides Bank & Trust Company in Alexandria in the amount of \$45,888 at a variable interest rate basis, payable in 15 quarterly payments of \$3,128 and one last payment of \$3,813 with maturity on July 31, 1988. Repayments by year are as follows:

fiscal year ending June 30,	1988	\$31,347
	1989	<u>1,528</u>
		<u>\$32,875</u>

4. RESTRICTIONS ON NET ASSETS

Net assets were released from donor restrictions during the year ending June 30, 1987, by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purposes restrictions accomplished:

Salaries and benefits, scholarships and other supporting services	<u>\$188,388</u>
---	------------------

Temporarily restricted net assets at the year ending June 30, 1987, are available for the following purposes:

Salaries and benefits, scholarships and other supporting services	<u>\$1,982,142</u>
---	--------------------

Permanently restricted net assets consist of the following at June 30, 1987:

Endowment funds	<u>\$1,884,177</u>
-----------------	--------------------

L.S.U. AT ALEXANDRIA FOUNDATION, INC.

JUNE 30, 1997

NOTES TO FINANCIAL STATEMENTS

7. GRANTS

During the fiscal year ended June 30, 1997, the L.S.U. at Alexandria Foundation received a \$1,000,000 Endowment Challenge Grant. The grant period is June 30, 1997 to May 31, 2017. Under the terms of the Endowment Challenge Grant Program, the L.S.U. at Alexandria Foundation must deposit the \$1,000,000 grant funds along with \$500,000 matching funds into an endowment fund. During the 20-year grant period, the L.S.U. at Alexandria Foundation may not withdraw or spend any part of the endowment fund corpus or more than fifty (50) percent of the aggregate income earned.

8. COMMITMENTS AND CONTINGENCIES

Grants, deposits, and endowments require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions, or in the case of endowments, failure to continue to fulfill them, could result in the return of the funds to grantors. Although that is a possibility, the board deems the contingency remote, since by accepting the grants and their terms, it has accommodated the objectives of the organization to the provisions of the grant.