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Release Date June 24, 1997

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION

Financial Statements
and
Independent Auditor's Report

June 30, 1997

TIMOTHY S. KEARNS

INDEPENDENT MEMBER FIRM
CERTIFIED PUBLIC ACCOUNTANTS

Professional Corporation
One West Independence Boulevard, Suite 200
Charlotte, North Carolina 28202

NICHOLS STATE UNIVERSITY
Financial Statements
and
Independent Auditor's Report

June 30, 1987

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TIMOTHY S. KEARNS
MEMBER OF PEPPER, ABLE, ROSEN & TAYLOR
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Nicholls State University Alumni Federation

We have audited the accompanying statement of assets, liabilities & net assets - cash basis of the Nicholls State University Alumni Federation as of June 30, 1997, and the related statement of support, revenue, expenses, and changes in net assets - cash basis for the year then ended. These financial statements are the responsibility of the organization'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 cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities & net assets of the Nicholls State University Alumni Federation as of June 30, 1997, and its support, revenue, expenses, and changes in its net assets during the year then ended, on the basis of accounting described in Note 1.



September 24, 1997

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
 STATEMENT OF ASSETS, LIABILITIES & NET ASSETS
 - CASH BASIS
 June 30, 1987

ASSETS

CURRENT ASSETS

| | |
|--------------------------------------|-------------------|
| Cash & cash equivalents | \$ 138,742.43 |
| Cash & cash equivalents - designated | <u>42,922.66</u> |
| Total current assets | 181,665.09 |

NON-CURRENT ASSETS

| | |
|---|-----------------------------|
| Furniture, equipment, & improvements, net | <u>29,801.52</u> |
| Total assets | <u>\$ 211,466.61</u> |

LIABILITIES

| | |
|-------------------|---------|
| total liabilities | \$ 0.00 |
|-------------------|---------|

NET ASSETS

| | |
|---|-----------------------------|
| Unrestricted: | |
| Undesignated | 144,546.25 |
| Designated for specific purposes | <u>42,922.66</u> |
| Total net assets | <u>187,468.91</u> |
| Total liabilities & net assets | <u>\$ 211,466.61</u> |

MICHOIGAN STATE UNIVERSITY ALUMNI FEDERATION
STATEMENT OF SUPPORT, REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - CASH BASIS
Year ended June 30, 1997

UNRESTRICTED NET ASSETS

REVENUE & OTHER SUPPORT

| | |
|--|--------------------------|
| Membership dues | \$ 28,198.00 |
| Dues - Colonel's Cabinet | 2,198.00 |
| Homecoming | 6,565.00 |
| Annual Business Meeting | 4,406.00 |
| Away games & tickets | 898.00 |
| Donations | 1,140.00 |
| Scholarship donations | 700.00 |
| Promotional revenue | 1,713.98 |
| Commissions | 4,838.94 |
| Donated services | 57,457.57 |
| Donated occupancy | 11,000.00 |
| Student assessments | 17,100.58 |
| Interest | <u>5,903.41</u> |
| Total revenue & other support | <u>148,952.88</u> |

EXPENSES

PROGRAM SERVICES

| | |
|-----------------------------------|-------------------------|
| Director - travel & entertainment | 2,251.17 |
| Salaries | 36,165.45 |
| Public relations & goodwill | 4,900.77 |
| Promotional expenditures | 1,817.89 |
| Scholarships - tutoring | 1,800.00 |
| - Cliff Gresham | 650.00 |
| - Scotty Knobloch | 700.00 |
| - Alumni | 9,500.00 |
| - Top scholar | 5,700.00 |
| Donations - campus organization | 800.00 |
| Student activities | 3,148.00 |
| Homecoming | 4,150.00 |
| Annual business meeting | 9,800.00 |
| Annual meeting awards | 2,850.77 |
| Printing - Colonel | 5,191.00 |
| Postage - Colonel | 6,874.78 |
| Coffee & refreshments | 1,128.78 |
| Paper & subscriptions | <u>257.88</u> |
| Total program services | <u>97,882.07</u> |

SUPPORTING SERVICES

GENERAL & ADMINISTRATIVE

| | |
|-------------------------------------|-----------------|
| Casual labor | 835.98 |
| Office supplies & maintenance | 4,164.16 |
| Repairs & maintenance | 219.15 |
| Alumni house supplies & maintenance | 904.94 |
| Telephone | 158.98 |
| Professional fees | <u>1,818.00</u> |

See notes to the financial statements.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
STATEMENT OF SUPPORT, REVENUE, EXPENSES AND
CHANGES IN NET ASSETS - CASH BASIS
Year ended June 30, 1987

| | |
|------------------------------------|----------------------|
| Amny games & tickets | 809.26 |
| Insurance | 3,373.28 |
| Bank & VISA fees | 188.43 |
| Depreciation | 4,748.00 |
| Salaries | 31,483.13 |
| Occupancy expenses | 11,080.00 |
| MEMBERSHIP DEVELOPMENT | |
| Printing & postage - dues | <u>5,328.32</u> |
| Total supporting services | <u>54,938.00</u> |
| Total expenses | <u>154,837.76</u> |
| Change in net assets | (9,489.10) |
| NET ASSETS AT JUNE 30, 1986 | <u>197,359.81</u> |
| NET ASSETS AT JUNE 30, 1987 | <u>\$ 187,870.71</u> |

NICHOLLS STATE UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 1999

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of organization:

The Nicholls State University Alumni Federation (the Alumni Federation) was organized as a non-profit corporation as defined by Revised Statutes of Louisiana Title 32, Section 101 and is duly inscribed in Book of Charters and Articles of Incorporation No. 4, Page 528, Entry No. 184490. Its object and purpose is to foster, protect, and promote the welfare of Nicholls State University and its alumni.

The significant accounting policies are as follows:

Method of accounting:

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations", the Alumni Federation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Because the financial statements are presented on the cash basis of accounting, the Alumni Federation is not required to present a statement of cash flows.

Basis of accounting:

The Alumni Federation's policy is to prepare its financial statements on the cash basis. Using this basis, revenues and other support are recognized when collected rather than when earned or receivable, and expenses are recognized when paid rather than when incurred. Consequently, the financial statements do not include revenue receivable, amounts due vendors, prepaid expenses, nor liabilities for accrued expenses.

Contributions:

In accordance with SFAS No. 114, "Accounting for Contributions Received and Contributions Made", contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Use of estimates:

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

Furniture, equipment, & improvements:

Furniture, equipment, & improvements are carried at historical cost except for \$3,500 of furniture and equipment which was valued at estimated historical cost. Depreciation is calculated on the

SHREVEPORT STATE UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 1987

straight-line method over the estimated useful lives of the assets. Assets costing more than \$100 are capitalized.

INCOME TAX STATUS:

The Alumni Federation is exempt from income tax under section 501(c)(3) of the Internal Revenue Code.

NOTE 2. CASH AND CASH EQUIVALENTS

In addition to bank accounts, this classification includes all short term investments such as savings accounts, certificates of deposit maturing in one year or less, and money market accounts. These investments are stated at cost which approximate market.

A schedule of cash and cash equivalents follows:

| | |
|--|----------------------|
| <u>Argent Bank</u> | |
| Checking - general (interest bearing) | \$ 9,883.91 |
| Checking - Student Assessment (interest bearing) | 22,804.14 |
| Checking - travel (interest bearing) | 5,528.08 |
| Checking - home (interest bearing) | 19,857.82 |
| Savings - Astin (interest bearing) | 150.16 |
| Certificate of Deposit | 2,587.69 |
| <u>Merchants Federal F. & I.</u> | |
| Checking - S. Froelich (interest bearing) | 8,104.27 |
| <u>Acadian Bank</u> | |
| Savings - Colonel's Cabinet (interest bearing) | 651.66 |
| Certificate of Deposit - Student Assessment | 12,321.28 |
| <u>Bank One</u> | |
| Certificate of Deposit | 31,166.42 |
| <u>Shreveville Bank</u> | |
| Certificate of Deposit | 41,519.92 |
| <u>Morgan City Bank & Trust Co.</u> | |
| Certificate of Deposit | 10,088.00 |
| | ----- |
| | \$ 183,672.09 |
| | ----- |

NICHOLLS STATE UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 1997

NOTE 3. FURNITURE, EQUIPMENT, & IMPROVEMENTS

Furniture, equipment and improvements consist of the following:

| | June 30, 1996 | Additions | Deletions | June 30, 1997 |
|--------------------------|---------------------|-----------|-----------|------------------|
| Furniture & fixtures | \$ 18,088.30 | -0- | -0- | \$ 18,088.30 |
| Equipment | 8,128.49 | 7,897.08 | -0- | 16,025.49 |
| Leasehold improvements | 33,818.83 | -0- | -0- | 33,818.83 |
| | | ----- | ----- | ----- |
| | 41,035.62 | 7,897.08 | -0- | 68,929.82 |
| Less: | | | | |
| Accumulated depreciation | (24,360.84) | | | (45,118.84) |
| | | | | ----- |
| Total | \$ 26,674.82 | | | 23,811.02 |
| | ----- | | | ----- |

NOTE 4. UNRESTRICTED NET ASSETS DESIGNATED FOR A SPECIFIC PURPOSE

The Board voluntarily designated all assets obtained through student self assessment to be used exclusively for scholarships and student activities. The Board also voluntarily designated all assets obtained through donations to the Gentry Knobloch account to be used exclusively for scholarships. Unrestricted net assets designated for a specific purpose are available for the following purposes as June 30, 1997:

| | |
|---|---------------------|
| Student Self Assessment accounts - Scholarships and student activities | \$ 34,828.38 |
| Gentry Knobloch account - Scholarships | 6,104.27 |
| | ----- |
| Total | \$ 40,932.65 |
| | ----- |

NOTE 5. FUNCTIONAL EXPENSES

Expenses are charged directly to program services, general and administrative, or membership development categories based on specific identification. There are no indirect expenses to be allocated.

NOTE 6. DONATED SERVICES AND FACILITIES

The Alumni Federation receives donated services from Nicholls State University in the form of a full-time executive director and a full-time secretary. Nicholls State University has estimated the approximate cost of providing the donated services to be \$57,487.60 and it is included in contributions and expenses in the statement of activities.

The Alumni Federation also occupies office space on the campus of Nicholls State University. No rent is paid by the Alumni Federation. Nicholls State University has estimated the approximate fair value of the annual rental to be \$11,880 and it is included in contributions and expenses in the statement of activities.