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**NORTHEAST LOUISIANA UNIVERSITY
ALUMNI ASSOCIATION**

**Financial Statements
For the Years Ended June 30, 1997 and 1998**

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the auditor, the board, and other persons of public concern. The report is of the public interest at the State House office of the Legislative Auditor and, when appropriate, at the office of the parish clerk of court.

Prepared by 2007-0010

NORTHERN LOUISIANA UNIVERSITY
ALUMNI ASSOCIATION

JUNE 30, 1987 AND 1988

INDEX

	Page
Independent Auditor's Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	4
Notes to Financial Statements	5-9

LITTLE & COMPANY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northeast Louisiana University Alumni Association
Monroe, Louisiana

We have audited the accompanying statements of financial position of Northeast Louisiana University Alumni Association as of June 30, 1997 and 1996, and the related statements of activities and cash flows for the years 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Louisiana University Alumni Association as of June 30, 1997 and 1996, and the changes in net assets and cash flows for the years then ended, in conformity with generally accepted accounting principles.

As discussed in Note 1 to the financial statements, during 1996 Northeast Louisiana University Alumni Association changed its method of accounting for contributions received and applied newly established financial reporting standards for not-for-profit organizations. These standards were adopted retroactively and the summarized comparative financial information presented for the year ended June 30, 1996, has been restated.

Little & Company

Monroe, Louisiana
August 12, 1997

**SOUTHWEST LOUISIANA UNIVERSITY
ATHLETIC ASSOCIATION
STATEMENTS OF FINANCIAL POSITION**

	June 30,	
	1987	1986
		(Restated)
ASSETS		
Cash and Cash Equivalents	\$ 89,382	\$ 125,698
Certificates of Deposit	58,080	80,000
Accounts Receivable	1,880	1,808
Receivable - SWU Controller's Office	-	0
Receivable - SWU Foundation and Athletics	1,805	1,807
Travel Advances	-	1,871
Prepaid Items	48,800	44,088
Property and Equipment, Net	18,186	27,389
Art and Collectibles	<u>2,420</u>	<u>2,420</u>
TOTAL ASSETS	<u>\$ 218,463</u>	<u>\$ 281,663</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 10,894	\$ 17,140
SWU Athletic Scholarship Foundation	-	1,796
Deferred Income	<u>120,800</u>	<u>140,800</u>
Total Liabilities	131,694	159,736
NET ASSETS		
Unrestricted	89,771	97,324
Temporarily Restricted	<u>-</u>	<u>4,288</u>
Total Net Assets	<u>89,771</u>	<u>101,612</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 218,463</u>	<u>\$ 281,663</u>

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

**NORTHEAST LOUISIANA UNIVERSITY
ALUMNI ASSOCIATION
STATEMENTS OF ACTIVITIES**

	Year Ended	
	June 30,	
	1991	1990
		(Revised)
Change in Unrestricted Net Assets		
Revenues and Gains:		
CONTRIBUTIONS	\$ 1,188	\$ -
Alumni Dues	78,784	109,155
Student Fees	32,029	25,000
Special Events	8,919	12,880
Vista/Replenishment	59,090	53,862
Rent	-	140
Meetings	6,052	8,087
Sales	-	30,879
SGL "31"	3,950	2,870
Interest	7,171	8,461
Miscellaneous	1,358	818
Total Unrestricted Revenues and Gains	189,551	298,392
Net Assets Released From Restrictions		
Satisfaction of Program Restrictions	(11,880)	(8,827)
Total Unrestricted Revenues, Gains, and Other Support	177,671	289,565
Expenses		
Scholarships	-	3,308
Academic Support	26,537	27,887
University and Sports Promotion	82,813	705,884
Departmental Expenses	11,888	8,077
Fund Raising and Promotion	24,909	36,169
Materials and Supplies	33,818	29,814
Management and General	2,371	2,788
Depreciation	10,887	13,388
Total Expenses	203,743	218,318
Increase (Decrease) in Unrestricted Net Assets	(26,072)	71,247
Change in Temporarily Restricted Net Assets		
Contributions	8,884	8,978
Net Assets Released From Restrictions	(11,880)	(8,827)
Increase (Decrease) in Temporarily Restricted Net Assets	(2,996)	101
Decrease (Increase) in Net Assets	(14,988)	71,348
Net Assets at Beginning of Year	78,428	78,428
NET ASSETS AT END OF YEAR	<u>\$ 63,440</u>	<u>\$ 149,776</u>

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

NORTHEAST LOUISIANA UNIVERSITY
ALUMNI ASSOCIATION
STATEMENT OF CASH FLOW

	Year Ended	
	June 30,	
	<u>1997</u>	<u>1996</u>
		(Restated)
Cash Flows From Operating Activities:		
Increase (Decrease) in Net Assets	\$ 16,553	\$ 20,848
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	10,987	11,388
(Increase) Decrease in Receivables	2,015	(3,682)
Increase in Cash Surrender Value of Life Insurance	-	2,199
Decrease in Inventory Collection Inventory	-	2,807
(Increase) Decrease in Prepaid Items	16,080	(64,000)
Decrease in Accounts Payable	(8,880)	(104,170)
Increase (Decrease) in Deferred Income	(42,000)	142,000
Total Adjustments	<u>(24,888)</u>	<u>3,332</u>
Net Cash Provided (Used) by Operating Activities	(8,335)	25,180
 Cash Flows From Investing Activities	-	-
 Cash Flows From Financing Activities		
Payments on Note Payable	-	(14,660)
 Net Increase (Decrease) in Cash and Cash Equivalents	(8,335)	10,520
 Cash and Cash Equivalents at Beginning of Year	<u>115,498</u>	<u>111,668</u>
 Cash and Cash Equivalents at End of Year	<u>\$ 107,163</u>	<u>\$ 122,188</u>

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

NORTHEAST LOUISIANA UNIVERSITY ALUMNI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1967 AND 1966

Note 1 - Basis of significant accounting principles

A. Basis of Activities

Northeast Louisiana University Alumni Association is a non-profit organization located in Monroe, Louisiana. The NLU Alumni Association serves to foster a spirit of loyalty and fraternalism among graduates, former students, students and friends of Northeast Louisiana University and to achieve unity of purpose and action in promoting the best interest of the University.

The Association seeks to solicit the voluntary involvement of NLU Alumni and friends in support for the University as a means of assisting NLU in reaching its full potential as a teaching, research and service institution of higher education in Louisiana.

The Association endeavors to provide the leadership and support services, through its financial and human resources, which will enhance the University's efforts to satisfy the economic, cultural and educational needs of the region and state.

B. 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 could differ from those estimates.

C. Basis of Accounting

The financial statements of Northeast Louisiana University Alumni Association (the Association) have been prepared on the accrual basis and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its Audit Guide for Non-Profit Organizations.

D. Accounting Pronouncements

In June 1963, the Financial Accounting Standards Board (the FASB) issued Statements of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made and No. 117, Financial Statements of Non-Profit Organizations. As of July 1, 1966, the Association adopted both of these pronouncements.

**NORTHEAST LOUISIANA UNIVERSITY FUNDING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997 AND 1996**

Note 1 - Summary of Significant Accounting Policies (Continued)

SPAN No. 716 establishes accounting standards for contributions and generally requires unconditional promises to give - including multiyear promises - be recognized at fair value in the period the promise is made. Conditional promises to give are recognized when they become unconditional.

SPAN No. 817 will change the focus of the Association's financial statements from disaggregated reporting by fund groups to reporting on the organization as a whole. The statement requires the Association to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, the Association is required to present a statement of each class. The Association has continued to use fund accounting as described below.

F- Financial Statement Classification

The assets, liabilities, and net assets of the foundation are reported in two classes as follows:

1. **Unrestricted** - includes all resources to be used in support of the Association's operations at the sole discretion of the Association.
2. **Temporarily Restricted** - includes amounts that have been donated for the use of specific University departments, organizations or other beneficiaries. The donations and earnings, if any, were held by the Association until requested by the applicable department, organization or beneficiaries and may not be spent at the discretion of the Association.

During fiscal 1997, all of the remaining \$4,917 of temporarily restricted funds were transferred to the Northeast Louisiana University Foundation.

The restatement of the fiscal 1996 financial statements had no effect on the change in net assets for that year.

**NORTHEAST LOUISIANA UNIVERSITY ALUMNI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997 AND 1996**

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Contributions

In accordance with SFAS No. 118, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor-imposed restrictions. Contributions are recognized as support when received or when an unconditional promise to give is received.

G. Tax Status

Northeast Louisiana University Alumni Association is a nonprofit corporation exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

H. Functional Allocation of Expenses

The direct costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities. Program services expenses are those directly related to the purposes for which the Alumni Association exists. Supporting services expenses reflect other expenses incurred in operating the programs.

I. Property and Equipment

Property and equipment is recorded at cost or fair market value at date of purchase or donation, respectively. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives range from 5 to 7 years.

J. Restricted Facility

The Association occupies without charge office space in the Alumni Building, which is owned by Northeast Louisiana University. No amount has been reflected in the financial statements for the value of the use of the facility.

K. Cash Flows

For purposes of the statement of cash flows, the Alumni Association considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

NORTHEAST LOUISIANA UNIVERSITY ALUMNI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1993 AND 1992

Note 2 - Cash Surrender Value of Life Insurance

The NLU College of Business Administration was named as beneficiary and owner of a life insurance policy through Northwestern Mutual Life with a face value of \$70,000 and a cash surrender value of \$1,798 at June 30, 1993. This amount was transferred to the Northeast Louisiana University Foundation during fiscal 1990.

Note 3 - Art and Collectibles

Art and collectibles consisted of prints by Glen Gore donated to the Association by the NLU Foundation. The prints are stated at the estimated fair value at the time of donation.

Note 4 - Financial Instruments Disclosures

At June 30, 1993, the Association had various checking accounts and a certificate of deposit at local financial institutions with bank statement balances totaling \$48,895, which was federally insured. The Association had \$73,000 in a commercial repo account consisting of insured mortgage-backed securities.

Note 5 - Supplemental Disclosures of Cash Flow Information

	<u>1993</u>
Interest Paid	<u>1,481</u>

Note 6 - Varsity Collection

During fiscal year ended June 30, 1993, the Association sold its remaining inventory of the "Varsity Collection" sportswear to the University Bookstore. The following is a summary of the activity for the year ended June 30, 1993 (including the sale to the bookstore):

Sales	120,475
cost of sales	<u>118,233</u>
NET INCOME ON VARSITY COLLECTION	<u>2,242</u>

**NORWEGIAN BUSINESS UNIVERSITY ALUMNI ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1997 AND 1996**

Note 7 - Affinity Card Program

During fiscal 1996, the Association negotiated an Affinity Card contract with a local financial institution whereby the financial institution agreed to provide Visa and MasterCard services to MSU alumni and friends. The financial institution agreed to pay \$200,000 and an additional royalty fee of \$2,500 each quarter during the initial five-year term of agreement. The Association board of directors voted to pay the MSU Athletic Scholarship 40% of the initial \$200,000 royalty fee. The MSU Athletic Scholarship was paid \$80,000 during fiscal 1996, of which \$70,000 was recorded as an expense and \$10,000 was a prepaid expense included on the accompanying statements of financial position at June 30, 1996. At June 30, 1997 and 1998, deferred income of \$120,000 and \$160,000, representing the remaining fee income to be recognized over the remaining years of the contract, was included on the accompanying statements of financial position.

The Association recognized fee income and expenses during fiscal 1997 and 1996 as follows:

	Year Ended	
	<u>June 30,</u>	
	<u>1997</u>	<u>1996</u>
INCOME		
Fee Income - Classic Program	\$ -	\$ 3,942
Fee Income - Affinity Program	<u>20,000</u>	<u>20,000</u>
TOTAL PROGRAM INCOME	<u>\$ 20,000</u>	<u>\$ 23,942</u>
EXPENSES - CASH PAID TO MSU ATHLETIC SCHOLARSHIP		
Expenses - Classic Program	\$ -	\$ 3,942
Expenses - Affinity Program	<u>14,000</u>	<u>19,880</u>
TOTAL PROGRAM EXPENSES	<u>\$ 14,000</u>	<u>\$ 23,822</u>

The \$70,000 and \$21,880 is included in University and Sports Permitted on the accompanying statements of activities.