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UNO ATHLETIC ASSOCIATION
AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

June 30, 1998 and 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 ~~DEC 30 1998~~

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UNO ATHLETIC ASSOCIATION
TABLE OF CONTENTS
June 30, 1998 and 1997

	PAGE
INDEPENDENT AUDITORS' REPORT	1
 FINANCIAL STATEMENTS	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Cash Flows	4
 NOTES TO FINANCIAL STATEMENTS	 5-7
 SUPPLEMENTAL INFORMATION	
Program Services, Fund-Raising and Special Events, and Management and General Expenses	 9

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
UNO Athletic Association
New Orleans, Louisiana

We have audited the accompanying statements of financial position of UNO Athletic Association (a nonprofit organization) as of June 30, 1998 and 1997, and the related statements of activities and changes in net assets 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 audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits 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 audits provide 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 UNO Athletic Association as of June 30, 1998 and 1997, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule on page 9 is presented for 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 audits 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.

Kushner LaGraize, L.L.P.

Metairie, Louisiana
November 6, 1998

UNO ATHLETIC ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
June 30, 1998 and 1997

ASSETS	<u>1998</u>	<u>1997</u>
CURRENT ASSETS		
Cash	\$ 4,917	\$ 7,117
Certificate of deposit	7,737	7,299
Accounts receivable		
Affiliated organizations	14,775	22,936
Other	<u>3,418</u>	<u>3,981</u>
TOTAL CURRENT ASSETS	30,847	41,333
PROPERTY AND EQUIPMENT		
Vehicles, net of accumulated depreciation of \$41,645 and \$35,943	<u>15,929</u>	<u>18,131</u>
	<u>\$ 46,776</u>	<u>\$ 59,464</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 5,102	\$ 9,257
Deferred revenue	<u>400</u>	<u>0</u>
TOTAL CURRENT LIABILITIES	5,502	9,257
COMMITMENTS		
NET ASSETS - UNRESTRICTED	<u>41,274</u>	<u>50,207</u>
	<u>\$ 46,776</u>	<u>\$ 59,464</u>

UNO ATHLETIC ASSOCIATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
PUBLIC SUPPORT AND REVENUES		
Contributions	\$ 13,245	\$ 19,067
Memberships	50,549	30,904
Special event	0	56,700
Fund-raising	31,147	28,173
Interest income	<u>648</u>	<u>541</u>
TOTAL PUBLIC SUPPORT AND REVENUES	95,589	135,385
EXPENSES		
Program services	60,453	33,169
Management and general	30,871	34,110
Special event	0	30,077
Fund-raising	<u>13,198</u>	<u>18,244</u>
TOTAL EXPENSES	<u>104,522</u>	<u>115,600</u>
INCREASE (DECREASE) IN NET ASSETS	(8,933)	19,785
NET ASSETS AT BEGINNING OF YEAR	<u>50,207</u>	<u>30,422</u>
NET ASSETS AT END OF YEAR	<u>\$ 41,274</u>	<u>\$ 50,207</u>

UNO ATHLETIC ASSOCIATION
STATEMENTS OF CASH FLOWS
Years Ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (8,933)	\$ 19,785
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Depreciation	5,702	7,771
(Increase) decrease in operating assets		
Certificate of deposit	(438)	(410)
Accounts receivable		
Affiliated organizations	8,161	0
Other	563	3,744
Increase (decrease) in operating liabilities		
Accounts payable	(4,155)	(28,680)
Deferred revenue	<u>400</u>	<u>0</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 1,300	 2,210
 CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Purchase of vehicle	<u>(3,500)</u>	<u>0</u>
 NET CASH USED IN INVESTING ACTIVITIES	 <u>(3,500)</u>	 <u>0</u>
 NET INCREASE (DECREASE) IN CASH	 (2,200)	 2,210
 CASH, BEGINNING OF YEAR	 <u>7,117</u>	 <u>4,907</u>
 CASH, END OF YEAR	 <u>\$ 4,917</u>	 <u>\$ 7,117</u>

UNO ATHLETIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 1998 and 1997

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements of UNO Athletic Association (the Association). The financial statements and notes are representations of the Association's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles.

Organization

The Association was organized in Louisiana in 1984 as a nonprofit corporation for the purpose of supporting and promoting the University of New Orleans' Intercollegiate Athletic Department.

Public Support and Revenues

Annual contributions and memberships to the Association are generally available for unrestricted use in supporting the activities of the Association unless specifically restricted by the donors. The majority of contributions and memberships are from individuals living in the New Orleans metropolitan area. Memberships are recognized as revenue in the applicable membership period.

Revenues are also generated by the Association through the sponsoring of events promoting the University of New Orleans' Intercollegiate Athletic Department, such as golf tournaments and basketball camps.

Use of Estimates

The presentation 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 public support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at June 30, 1998 and 1997.

UNO ATHLETIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
Years Ended June 30, 1998 and 1997

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account. No allowances were established at June 30, 1998 and 1997, because all accounts receivable were considered to be collectible.

Property and Equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Vehicles are stated at cost, less applicable depreciation. Depreciation is computed using the 150 percent declining balance method over the estimated useful lives of the vehicles, which is 5 years.

Donated Materials and Services

The Association records the value of donated goods and services in the financial statements when received when there is an objective basis available to measure their value. No donated materials are reflected as contributions in the accompanying statements for the years ended June 30, 1998 and 1997. The Association has recorded at fair market value donated professional services which are included in the Statements of Activities and Changes in Net Assets as contributions and management and general expenses. The value of contributed services meeting the requirements for recognition in the financial statements for the years ended June 30, 1998 and 1997 was \$3,500 and \$3,718, respectively.

Income Taxes

The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements. In addition, the Association has been determined by the Internal Revenue Service to be a private foundation within the meaning of Section 509(a)(3) of the code.

Fair Value of Financial Instruments

Fair value estimates, methods and assumptions for the Association's financial instruments of cash and certificate of deposit are that the carrying amounts reported in the statements of financial position are a reasonable estimate of fair value.

UNO ATHLETIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS - CONTINUED
Years Ended June 30, 1998 and 1997

NOTE 2 - DESIGNATION OF NET ASSETS

At June 30, 1998 and 1997, \$7,737 and \$7,299, respectively, of unrestricted net assets has been designated by the Association's Board of Directors for athletic scholarships.

NOTE 3 - OPERATING LEASE

The Association entered into a vehicle lease for the period December 1995 to November 1997. Lease payments made during the years ended June 30, 1998 and 1997, were \$1,295 and \$3,854, respectively. The Association did not exercise their option to purchase the vehicle at the end of the lease term.

NOTE 4 - FUND RAISING ACTIVITIES

The total revenues and expenses of the Association's fund raising activities were \$31,147 and \$13,198 for the year ended June 30, 1998; and \$84,873 and \$48,321 for the year ended June 30, 1997, respectively.

NOTE 5 - ACCOUNTS RECEIVABLE - AFFILIATED ORGANIZATIONS

Accounts receivable from affiliated organizations represents amounts due from UNO Foundation and UNO Financial Services - agency account for the Association for various programs and fund-raising activities sponsored by these organizations and the Association. The accounts receivable balances at June 30, 1998 and 1997, respectively, were \$14,775 and \$22,936.

NOTE 6 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and fund-raising activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

SUPPLEMENTAL INFORMATION

UNO ATHLETIC ASSOCIATION
PROGRAM SERVICES, FUND-RAISING AND SPECIAL EVENTS,
AND MANAGEMENT AND GENERAL EXPENSES
Years Ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
PROGRAM SERVICES, FUND-RAISING AND SPECIAL EVENTS		
Advertising	\$ 801	\$ 0
Auto expense	1,295	3,854
Casual labor	8,180	0
Depreciation	5,702	7,771
Entertainment	2,220	2,501
Gifts	3,527	4,107
Golf tournament	12,450	555
Insurance	0	2,500
Memberships	2,178	1,500
Miscellaneous	1,817	4,244
Postage	2,838	0
Printing	1,434	120
Salaries	8,030	2,500
Scholarships	5,272	6,671
Student wages	1,202	202
Supplies	8,365	5,903
Telephone	437	63
Travel	7,903	8,922
Tribute dinner	<u>0</u>	<u>30,077</u>
 TOTAL PROGRAM SERVICES, FUND-RAISING AND SPECIAL EVENTS	 <u>\$ 73,651</u>	 <u>\$ 81,490</u>
 MANAGEMENT AND GENERAL		
Audit fees	\$ 3,700	\$ 3,975
Awards	827	2,771
Club food	6,809	6,358
Contract labor	0	2,040
Donated services	3,500	3,718
Insurance	147	252
Miscellaneous	673	2,470
Printing	3,359	0
Professional services	11,239	0
Supplies	617	3,465
Travel	<u>0</u>	<u>9,061</u>
 TOTAL MANAGEMENT AND GENERAL	 <u>\$ 30,871</u>	 <u>\$ 34,110</u>