

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

June 30, 2002

Audits of Financial Statements

June 30, 2002

and

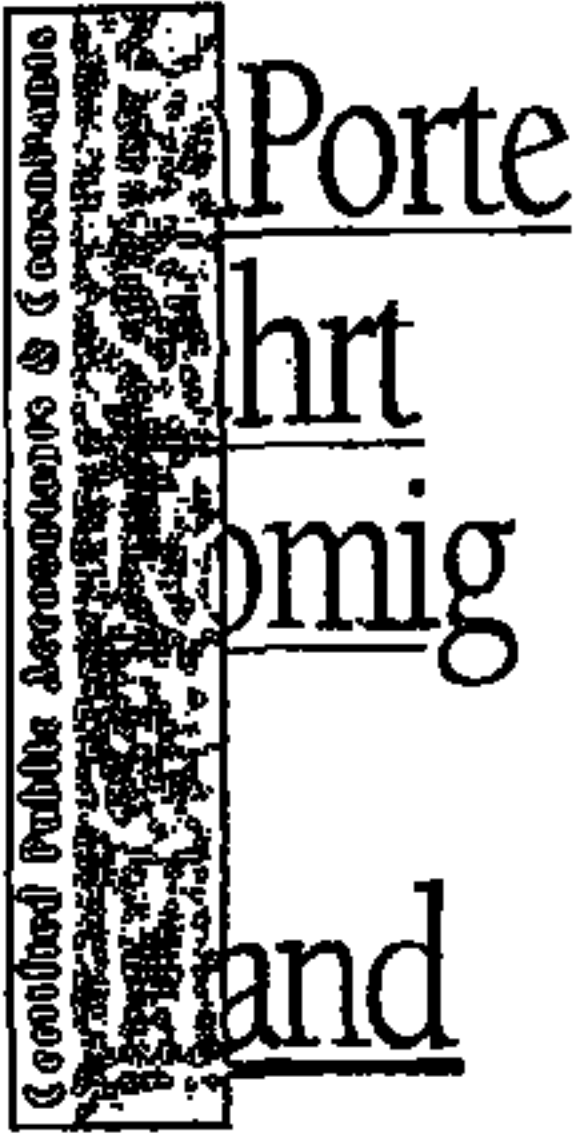
June 30, 2001

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 6-9-04

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

Independent Auditor's Report

We have audited the accompanying statements of financial position of **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** (a nonprofit organization) as of June 30, 2002 and 2001, and the related statements of activities, and cash flows for the years 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 the **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** as of June 30, 2002 and 2001, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A Professional Accounting Corporation

October 17, 2002

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF FINANCIAL POSITION**

ASSETS

	June 30,	
	2002	2001
CURRENT ASSETS		
Cash	\$ 106,845	\$ 88,919
Restricted Cash	685,125	661,199
Interest Receivable	1,205	2,221
	<u>793,175</u>	<u>752,339</u>
 NON-CURRENT ASSETS		
Faculty and Staff Unconditional Promises to Give	3,000	3,000
Investments	6,764	6,923
	<u>9,764</u>	<u>9,923</u>
 Total Non-Current Assets		
	<u>9,764</u>	<u>9,923</u>
 Total Assets	<u>\$ 802,939</u>	<u>\$ 762,262</u>

NET ASSETS

NET ASSETS		
Unrestricted	\$ 99,076	\$ 84,321
Temporarily Restricted	155,829	129,907
Permanently Restricted	548,034	548,034
	<u>802,939</u>	<u>762,262</u>
 Total Net Assets	<u>\$ 802,939</u>	<u>\$ 762,262</u>

See independent auditor's report.
The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2002

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES, SUPPORT AND RECLASSIFICATIONS				
Contributions	\$ 34,505	\$ 1,905	\$ -	\$ 36,410
Interest Income	2,490	29,885	-	32,375
Miscellaneous Income	-	13,317	-	13,317
Gains/(Loss) on Investments	(426)	268	-	(158)
Dividends	63	-	-	63
Net Assets Released from Restrictions	19,453	(19,453)	-	-
Total Revenues	56,085	25,922	-	82,007
EXPENSES				
Program Services				
Other	14,311	-	-	14,311
Endowed Professorships	4,498	-	-	4,498
Donations to College	3,000	-	-	3,000
Awards	645	-	-	645
Total Program Services	22,454	-	-	22,454
Fundraising Expenses				
GALA Expense	13,556	-	-	13,556
Total Fundraising Expenses	13,556	-	-	13,556
Supporting Services				
Management and General	5,320	-	-	5,320
Total Supporting Services	5,320	-	-	5,320
Total Expenses	41,330	-	-	41,330
INCREASE IN NET ASSETS	14,755	25,922	-	40,677
NET ASSETS - BEGINNING OF YEAR	84,321	129,907	548,034	762,262
NET ASSETS - END OF YEAR	\$ 99,076	\$ 155,829	\$ 548,034	\$ 802,939

See independent auditor's report.

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

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2001

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES, SUPPORT AND RECLASSIFICATIONS				
Contributions	\$ 9,000	\$ 8,100	\$ 10,000	\$ 27,100
Interest Income	9,162	37,818	-	46,980
Miscellaneous Income	-	-	-	-
Gain/(Loss) on Investments	1,727	924	-	2,651
Dividends	9	84	-	93
Net Assets Released from Restrictions	40,404	(40,404)	-	-
Total Revenues	<u>60,302</u>	<u>6,522</u>	<u>10,000</u>	<u>76,824</u>
EXPENSES				
Program Services				
Awards	45,000	-	-	45,000
Endowed Professorships	14,298	-	-	14,298
Other	6,106	-	-	6,106
Donations to College	2,500	-	-	2,500
Total Program Services	<u>67,904</u>	<u>-</u>	<u>-</u>	<u>67,904</u>
Supporting Services				
Management and General	4,713	-	-	4,713
Total Supporting Services	<u>4,713</u>	<u>-</u>	<u>-</u>	<u>4,713</u>
Total Expenses	<u>72,617</u>	<u>-</u>	<u>-</u>	<u>72,617</u>
INCREASE (DECREASE) IN NET ASSETS	(12,315)	6,522	10,000	4,207
NET ASSETS - BEGINNING OF YEAR	<u>96,636</u>	<u>123,385</u>	<u>538,034</u>	<u>758,055</u>
NET ASSETS - END OF YEAR	<u>\$ 84,321</u>	<u>\$ 129,907</u>	<u>\$ 548,034</u>	<u>\$ 762,262</u>

See independent auditor's report.

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

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF CASH FLOWS

	For The Years Ended	
	June 30,	
	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in Net Assets	\$ 40,677	\$ 4,207
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Increase in Restricted Cash	(23,926)	(62,491)
Decrease in Interest Receivable	1,016	2,046
Decrease in Friends of the College Unconditional Promises to Give	-	101,700
Unrealized Loss (Gain) on Investments	159	(2,651)
Permanently Restricted Contributions	-	(10,000)
Net Cash Provided by Operating Activities	17,926	32,811
CASH FLOWS FROM FINANCING ACTIVITIES		
Permanently Restricted Contributions	-	10,000
Net Cash Provided by Financing Activities	-	10,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,926	42,811
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	88,919	46,108
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 106,845	\$ 88,919

See independent auditor's report.
The accompanying notes are an integral part of these financial statements.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

NOTE A

NATURE OF ACTIVITIES

The **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** financially assists the students attending Elaine P. Nunez 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 complies with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. 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 program or supporting services based on specific identification. In addition, a statement of cash flows must be presented.

CONTRIBUTIONS

The Foundation complies with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. 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 satisfactions 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.

CASH EQUIVALENTS

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

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

NOTE B

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

RESTRICTED CASH

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

NOTE D

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 5%. The pledges are to be received through 2002. Unconditional promises to give at June 30, 2002 and 2001 are as follows:

	June 30, 2002		
	Faculty and Staff Pledges	Friends of the College Pledges	Total
Less than One Year	\$ -	\$ -	\$ -
One to Three Years	5,000	-	5,000
Total Unconditional Promises to Give	5,000	-	5,000
Less:			
Discounts to Net Present Value	2,000	-	2,000
Allowance for Uncollectible Promises	-	-	-
Net Unconditional Promises to Give	\$ 3,000	\$ -	\$ 3,000

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

**NOTE D
PROMISES TO GIVE (Continued)**

	June 30, 2001		
	Faculty and Staff Pledges	Friends of the College Pledges	Total
Less than One Year	\$ -	\$ -	\$ -
One to Three Years	5,000	-	5,000
Total Unconditional Promises to Give	5,000	-	5,000
Less:			
Discounts to Net Present Value	2,000	-	2,000
Allowance for Uncollectible Promises	-	-	-
Net Unconditional Promises to Give	\$ 3,000	\$ -	\$ 3,000

**NOTE E
TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	June 30,	
	2002	2001
School Program Development	\$ 65,070	\$ 38,733
Scholarships and Professorships	47,962	39,788
Day Care	7,308	7,308
Dinner Banquets	5,336	5,336
Gain on Investments	268	924
Interest	29,885	37,818
Total Temporarily Restricted Net Assets	\$ 155,829	\$ 129,907

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

NOTE F

PERMANENTLY RESTRICTED NET ASSETS

Net assets were permanently restricted for an endowed professorship at June 30, 1999. The endowment requires a permanent trust of at least \$100,000. The original principal along with subsequent contributions 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. During the years ended June 30, 2002 and 2001, the Foundation's permanently restricted net assets were increased by \$-0- and \$10,000, respectively, as a result of new contributions.

NOTE G

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 P. Nunez Community College.

NOTE H

RELATED PARTY TRANSACTIONS

The Foundation made donations to Elaine P. Nunez Community College to support its various programs. Donations to the college for expenses incurred for student services and building supplies during the period ended June 30, 2002 and 2001 amounted to \$3,000 and \$2,500, respectively.

NOTE I

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 campaign in two ways: first, through payroll deductions from faculty and staff, and secondly, from Friends of the College.

The Foundation has deposits at one financial institution in excess of the federally insured amount of \$100,000.

NOTE J

DONATED SERVICES

The Foundation did not recognize any revenue as a result of donated services for the years ended June 30, 2002 and 2001, as there were none that met the recognition criteria under generally accepted accounting principles.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

NOTE K

INVESTMENTS

The Foundation owns two separate gifts of corporate stocks. The stocks are reported according to Statement of Financial Accounting (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under SFAS No. 124, the Foundation reports investments in equity securities with readily determinable fair values at fair value. The Securities are valued as follows:

Market Value as of June 30, 2000	\$ 4,272
Market Value as of June 30, 2001	<u>6,923</u>
Unrealized Gain on Investments for Year Ended June 30, 2001	<u>\$ 2,651</u>
Market Value as of June 30, 2001	\$ 6,923
Market Value as of June 30, 2002	<u>6,764</u>
Unrealized Loss on Investments for Year Ended June 30, 2002	<u>\$ 159</u>

Investment revenues during the years ended June 30, 2002 and 2001 consisted of the following:

	<u>2002</u>	<u>2001</u>
Dividends	\$ 63	\$ 93
(Loss) Gain on Investment Portfolio	<u>(158)</u>	<u>2,651</u>
Total	<u>\$ (95)</u>	<u>\$ 2,744</u>

NOTE L

RECLASSIFICATION

Certain items in the June 30, 2001 financial statements have been reclassified to reflect the June 30, 2002 classifications.



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

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

Our report on our audits of the basic financial statements of **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** for June 30, 2002 and 2001 appears on page 1. These audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement 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 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.

A Professional Accounting Corporation

October 17, 2002

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES**

	For The Years Ended June 30,	
	2002	2001
PROGRAM SERVICES		
Other	\$ 14,311	\$ 6,106
Endowed Professorships	4,498	14,298
Donations to College	3,000	2,500
Awards	645	45,000
Total Program Services	22,454	67,904
FUNDRAISING PLEDGE EXPENSES		
GALA Expense	13,556	-
Total Fundraising Expenses	13,556	-
SUPPORTING SERVICES		
Management and General		
Accounting	3,000	3,800
Other	2,320	913
Total Management and General	5,320	4,713
Total Supporting Services	5,320	4,713
TOTAL EXPENSES	\$ 41,330	\$ 72,617

See independent auditor's report on supplementary information.