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SOUTHERN UNIVERSITY ALUMNI FEDERATION

FINANCIAL STATEMENTS

JUNE 30, 2003

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 8/18/04

DARRYL D. THOMAS
CERTIFIED PUBLIC ACCOUNTANT

SOUTHERN UNIVERSITY ALUMNI FEDERATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southern University Alumni Federation
Baton Rouge, Louisiana

We have audited the accompanying statement of financial position of Southern University Alumni Federation, (a nonprofit corporation), as of June 30, 2003, and the related statements of activity and cash flows for the year then ended. These financial statements are the responsibility of Southern University Alumni Federation's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those 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 Southern University Alumni Federation, as of June 30, 2003, and the results of operations and its cash flows for the year then ended.


Darryl D. Thomas, CPA

Duncanville, Texas
December 19, 2003

**SOUTHERN UNIVERSITY ALUMNI FEDERATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2003**

ASSETS

Cash	\$315,901
Land	66,500
Property, Plant & Equipment (Net of Accumulated Depreciation of \$16,986)	<u>4,389</u>
TOTAL ASSETS	<u><u>\$386,790</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts Payable	\$21,704
Holding Accounts Payables	<u>181,939</u>
TOTAL LIABILITIES	203,643
Net Assets	
Unrestricted	152,516
Restricted	<u>30,631</u>
TOTAL NET ASSETS	<u>183,147</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$386,790</u></u>

The accompanying notes are an integral part of this statement

**SOUTHERN UNIVERSITY ALUMNI FEDERATION
STATEMENT OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>
REVENUES		
Contribution and Support	\$233,152	\$114,708
Interest Income	138	2,638
In Kind Services - Southern University	<u>253,078</u>	<u> </u>
Total Revenues	<u>486,369</u>	<u>117,346</u>
EXPENSES		
Program	129,229	110,637
General	51,949	
Fundraising	2,666	
In Kind Services - Southern University	<u>253,078</u>	<u> </u>
Total Expenses	<u>436,922</u>	<u>110,637</u>
CHANGE IN NET ASSETS (DEFICIT)	49,447	6,709
NET ASSETS AT BEGINNING OF YEAR	<u>103,069</u>	<u>23,922</u>
NET ASSETS AT END OF YEAR	<u><u>\$152,516</u></u>	<u><u>\$30,631</u></u>

The accompanying notes are an integral part of this statement

**SOUTHERN UNIVERSITY ALUMNI FEDERATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2003**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets	\$56,155
Adjustments to reconcile revenues in excess of expenses to net cash provided by operating activities:	
Depreciation	3,157
Increase in accounts payables	979
Increase in holding accounts payables	<u>13,502</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>73,793</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	<u>2,367</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>2,367</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Payments on lease obligations	<u>(858)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(858)</u>
NET DECREASE IN CASH	75,302
CASH, BEGINNING OF YEAR	<u>240,599</u>
CASH, ENDING OF YEAR	<u><u>\$315,901</u></u>

The accompanying notes are an integral part of this statement

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>PROGRAM</u>	<u>GENERAL</u>	<u>FUND RAISING</u>	<u>TOTAL</u>
Accounting & Audit		8,775		8,775
Bank Charges		941		941
Bayou Classic	11,565			11,565
Condolences		497		497
Conference 2002	95,101			95,101
Conference 2003	15,536			15,536
Depreciation		3,157		3,157
Director's Discretionary		3,481		
Dues & Subscriptions		1,039		1,039
Election Expense		1,284		1,284
Executive Meetings		1,713		1,713
Homecoming/Reunions	3,371			3,371
Life Pins		1,000		1,000
Office Expense	6,561	5,304	2,094	13,959
Postage	575	384		959
Professional Services		10,087		10,087
Salaries	5,800	5,800		11,600
Southernite	21,635			21,635
Telephone		164		164
Tickets	73,609			73,609
Travel	5,549	8,323		13,872
University Support	564			564
Jaguar Pins			572	572
Total Expenses	<u>239,866</u>	<u>51,949</u>	<u>2,666</u>	<u>291,000</u>

The accompanying notes are an integral part of this statement

SOUTHERN UNIVERSITY ALUMNI FEDERATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Southern University Alumni Federation, is a non-profit corporation established in 1941 with the objective to cultivate and perpetuate an organization of its members and to promote the welfare of Southern University and its graduates.

Basis of Presentation

In 1997, the organization adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, it is required to report information regarding the nature and amount of its net assets. Accordingly, it has reclassified its financial statements to present net assets.

Revenues and expenses are recognized and reported in the financial statements when they are earned and incurred.

Property Plant and Equipment

Southern University Alumni Federation follows the practice of recording all fixed assets at cost. Depreciation is calculated over the estimated useful lives of the respective assets on a straight-line basis.

Supplies and Materials

Office supplies and maintenance materials are charged to expense when purchased.

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.

SOUTHERN UNIVERSITY ALUMNI FEDERATION
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2003

NOTE 2 - RESTRICTED NET ASSETS

The organization separately discloses the donor imposed restricted cash assets. Accordingly, all net assets are properly accounted for as restricted and unrestricted net assets.

NOTE 3 - CASH AND CASH EQUIVALENTS

Cash consist of demand deposit, NOW and time deposit accounts. Some of the cash accounts are restricted by donors.

	<u>Unrestricted</u>	<u>Restricted</u>	<u>TOTAL</u>
Cash - Checking	\$ 94,590	\$	\$ 94,590
Bayou Classic		2,074	2,074
Holding Accounts		13,495	13,495
Scholarships		51,209	51,209
Life Membership		121,546	121,546
Building Fund		19,821	19,821
Emergency Fund	12,787		12,787
Alumni Federation	141		141
Legal Defense		238	238
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 107,518</u>	<u>\$ 208,383</u>	<u>\$ 315,901</u>

NOTE 4 - LAND

The organization received two parcels of land as donations which are recorded on the books at the fair market value at the time of transfer.

NOTE 5 - Holding Accounts

Southern University Alumni Federation manages the cash receipts and disbursements for various organizations, University Departments and individuals. The funds are recorded as restricted cash with a corresponding restricted liability.

SUAF Alumni Chapters	\$ 89,957
Hayes Scholarship Fund	27,528

. SOUTHERN UNIVERSITY ALUMNI FEDERATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Coors	18,413
Rushing Scholarship	16,861
Various Other Funds	<u>29,180</u>
Total	<u>\$ 181,939</u>

NOTE 6 - CAPITAL LEASE

The Organization entered into a sixty month capital lease on September 22, 1997 which meets the transfer of ownership test. An asset was recorded in the amount of \$12,575 with accumulated depreciation of \$8,533 as of June 30, 2003. This lease has monthly payments of \$293 with an imputed interest rate of 14%. The remaining balance as of June 30, 2003 was \$0.

NOTE 7 - INCOME TAXES

No provision for income tax have been included in the financial statements since Southern University Alumni Federation, is a non-profit corporation, exempt under IRC Section 501(c)(3).