

599

RECEIVED  
LEGISLATIVE AUDITOR  
04-06  
..... 03

**UNIVERSITY OF LOUISIANA AT MONROE**  
**ALUMNI ASSOCIATION**

*Financial Statements*  
*For the Years Ended June 30, 2004 and 2003*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to its 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: 10/6/04



UNIVERSITY OF LOUISIANA AT MONROE  
ALUMNI ASSOCIATION  
JUNE 30, 2004 AND 2003

INDEX

---

	Page
Independent Auditors' Report .....	1
Statements of Financial Position .....	2
Statements of Activities .....	3
Statements of Cash Flows .....	4
Notes to Financial Statements .....	5-8

---

# CAMERON, HINES & HARTT

A Professional Accounting Corporation  
Certified Public Accountants  
104 Baguette Place  
West Monroe, Louisiana 71291

Phone (225) 864-1111  
Fax (225) 864-2244  
E-Mail: [info@camhinc.com](mailto:info@camhinc.com)

Meeting Address  
P. O. Box 8074  
West Monroe, LA 71294-0074

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
University of Louisiana at Monroe Alumni Association  
Monroe, Louisiana

We have audited the accompanying statements of financial position of the University of Louisiana at Monroe Alumni Association as of June 30, 2004 and 2003, 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 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 University of Louisiana at Monroe Alumni Association as of June 30, 2004 and 2003, and the changes in net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Cameron, Hines & Hartt (APAC)*

West Monroe, Louisiana  
September 9, 2004

**UNIVERSITY OF LOUISIANA AT MONROE  
ALUMNI ASSOCIATION  
STATEMENTS OF FINANCIAL POSITION**

	June 30,	
	2004	2003
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 8,845	\$ 39,611
Investments	196,164	118,688
Accounts Receivable-Alumni Credit Card Royalty Receivable - ULM	7,793	7,300
Property and Equipment, Net	30,535	15,778
Art and Collections	7,450	7,450
<b>TOTAL ASSETS</b>	<b>\$ 231,360</b>	<b>\$ 189,817</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 1,184	\$ 3,811
<b>Net Assets</b>		
Unrestricted	140,883	114,811
Board Designated Endowment	89,793	71,832
<b>Total Net Assets</b>	<b>230,176</b>	<b>186,643</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 231,360</b>	<b>\$ 189,817</b>

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

**UNIVERSITY OF LOUISIANA AT MONROE  
ALUMNI ASSOCIATION  
STATEMENTS OF ACTIVITIES**

Years Ended  
June 30,

2004                      2003

**Changes in Unrestricted Net Assets**

**Revenues and Gains:**

Contributions	\$ 2,531	\$ 4,654
Alumni Dues	48,403	48,683
LIFE Memberships	8,580	4,080
Student Fees	16,883	16,879
Special Events	1,113	1,985
Alumni Credit Card Royalty	-	18,073
Chapter Development	7,097	2,556
ULM "10"	18,324	4,434
Interest	2,204	2,568
Investment Gain (Loss)	13,481	3,688
Miscellaneous	13,675	12,827
<b>Total Unrestricted Revenues and Gains</b>	<u>151,981</u>	<u>135,158</u>

**Expenses:**

Academic Support	4,921	10,604
University and Sports Promotion and Chapter Development	47,476	47,969
Fund Raising and Promotion	35,448	30,783
Materials and Supplies	8,144	20,749
Management and General	8,256	6,180
Interest	-	316
Depreciation	5,256	5,173
<b>Total Expenses</b>	<u>109,771</u>	<u>121,678</u>

**Increase in Unrestricted Net Assets**

44,190                      11,480

**Net Assets at Beginning of Year**

125,896                      154,056

**NET ASSETS AT END OF YEAR**

\$ 170,076                      \$ 185,536

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

**UNIVERSITY OF LOUISIANA AT MONROE  
ALUMNI ASSOCIATION  
STATEMENTS OF CASH FLOWS**

	Years Ended	
	June 30,	
	<u>2004</u>	<u>2003</u>
<b><u>Cash Flows from Operating Activities</u></b>		
Increase (Decrease) in Net Assets	\$ 41,199	\$ 11,489
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	3,216	3,179
(Increase) Decrease in Receivables	(967)	3,323
Increase (Decrease) in Accounts Payable	<u>(1,842)</u>	<u>(36,622)</u>
Total Adjustments	<u>3,712</u>	<u>(7,854)</u>
Net Cash Provided (Used) by Operating Activities	<u>46,912</u>	<u>3,548</u>
<b><u>Cash Flows from Investing Activities</u></b>		
Purchase of Equipment	-	(3,619)
Investments	<u>(77,618)</u>	<u>(6,832)</u>
Net Cash Provided (Used) by Investing Activities	<u>(77,618)</u>	<u>(10,549)</u>
<b><u>Cash Flows from Financing Activities</u></b>		
Increase (Decrease) in Notes Payable	-	(12,434)
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>(12,434)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(30,706)</b>	<b>(19,437)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b><u>39,611</u></b>	<b><u>59,048</u></b>
<b><u>CASH AND CASH EQUIVALENTS - END OF YEAR</u></b>	<b><u>\$ 8,905</u></b>	<b><u>\$ 39,611</u></b>

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

**UNIVERSITY OF LOUISIANA AT MONROE ALUMNI ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

**Note 1 - Summary of Significant Accounting Policies**

**A. Nature of Activities**

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

The Association seeks to elicit the volunteer involvement of ULM alumni and friends in support for the University as a means of assisting ULM in reaching its full potential as a teaching, research and service institute 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, state, and nation.

**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 the University of Louisiana at Monroe Alumni 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 Not-for-Profit Organizations*.

**D. Accounting Pronouncement**

In June 1993, 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 Not-for-Profit Organizations*. As of July 1, 1998, the Association adopted both of these pronouncements.

SFAS No. 116 establishes accounting standards for contributions and generally requires unconditional promises to give – including multi-year promises – be recognized at fair value in the period the promise is made. Conditional promises to give are recognized when they become unconditional.

UNIVERSITY OF LOUISIANA AT MONROE ALUMNI ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

**Note 1 - Summary of Significant Accounting Policies (continued)**

SPAS No. 117 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 has continued to use fund accounting as described below.

**E. Financial Statement Classification**

The assets, liabilities, and net assets of the Foundation are reported in one class as follows:

**Unrestricted** – includes all resources to be used in support of the Association's operations as the sole director of the Association.

**Board Designated Endowment** – includes amounts for the Life Members transferred to be invested with the ULM Foundation's assets for higher returns than normally earned with certificates of deposits. The earnings from these funds are transferred from (a) the ULM Alumni Association for current operations. The original amount of the Life Member will not be invaded except through Board of Director approval.

**F. Contributions**

In accordance with SPAS 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**

The University of Louisiana at Monroe Alumni Association is a nonprofit corporation exempted 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.



**UNIVERSITY OF LOUISIANA AT MONROE ALUMNI ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**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. Facility and Staff**

The Association occupies without charge office space in the Anna Gray Moe Alumni Building, which is owned by the University of Louisiana at Monroe. No amount has been reflected in the financial statements for the value of the use of the facility. The University also provides staff for the Association's activities and operations, the cost and value of which is not reflected in these financial statements.

**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.

**Note 2 - Art and Collectibles**

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

**Note 3 - Alumni Credit Card Program**

During fiscal 2003, the Association negotiated a credit card program whereby the financial institution agreed to provide VISA and MasterCard services to ULM alumni and friends. The program provides various royalties for new accounts and for purchases made with qualifying cards. Net Retail purchase range in royalties from .30% up to 1.0% of the purchase amount. The Alumni Association also receives \$1.00 in royalties for each of the accounts that are opened under the program.

The Association recognized the income during fiscal 2004 and 2003 as follows:

	2004	Year Ended June 30, 2003
Income		
Alumni Credit Card Royalty	<u>\$ 36,000</u>	<u>\$ 30,000</u>

UNIVERSITY OF LOUISIANA AT MONROE ALUMNI ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

Note 4 - Board Designated Life Member Endowment

During fiscal 2000, the Association through its Board of Directors, established a Life Membership Program. A gift of \$500 per individual qualifies as a life member. Such a member is exempt from future annual dues. At June 30, 2004 and 2003 there were 136 and 139 lifetime members, respectively.

Balance - July 1, 2003	\$ 71,833
Life Member Transfers	8,908
Investment Earnings	12,110
Transfers to Unrestricted	<u>13,281</u>
Balance - June 30, 2004	\$ 106,132