

LSU SHREVEPORT ALUMNI ASSOCIATION
FINANCIAL STATEMENTS
JUNE 30, 2010 and 2009

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 11/10/10

LSU Shreveport Alumni Association
Shreveport, Louisiana

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Independent Auditors' Report

To the Board of Directors
LSU Shreveport Alumni Association
Shreveport, Louisiana

We have audited the accompanying statements of financial position of the LSU Shreveport Alumni Association (a nonprofit organization) as of June 30, 2010 and 2009, 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. 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 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 LSU Shreveport Alumni Association as of June 30, 2010 and 2009, 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.



Cook & Morehart
Certified Public Accountants
October 15, 2010

LSU Shreveport Alumni Association
 Shreveport, Louisiana
 Statements of Financial Position
 June 30, 2010 and 2009

	2010	2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 41,090	\$ 43,238
Accounts receivable		4,000
Inventory	327	181
Prepaid expenses	1,770	1,719
Total current assets	43,187	49,138
Fixed assets:		
Furniture and fixtures	2,810	2,810
Less: accumulated depreciation	(2,810)	(2,810)
Total net fixed assets		
Total Assets	\$ 43,187	\$ 49,138
Liabilities and Net Assets:		
Current liabilities:		
Accounts payable	\$ 6,994	\$ 13,849
Other liabilities	15	15
Total current liabilities	7,009	13,864
Net assets:		
Unrestricted	33,680	27,640
Temporarily restricted	2,498	7,634
Total net assets	36,178	35,274
Total Liabilities and Net Assets	\$ 43,187	\$ 49,138

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

LSU Shreveport Alumni Association
Shreveport, Louisiana
Statement of Activity
For the Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support:			
Public support:			
Special events and fund raising	\$ 63,556	\$ 840	\$ 64,396
Special events - inkind donations	13,739		13,739
Total public support	<u>77,295</u>	<u>840</u>	<u>78,135</u>
Other revenue:			
Membership dues	11,815		11,815
Miscellaneous income	275		275
Total other revenue	<u>12,090</u>		<u>12,090</u>
Net assets released from restrictions:			
Restrictions satisfied by expending funds for the purpose intended	<u>5,976</u>	<u>(5,976)</u>	
Total revenues and other support	<u>95,361</u>	<u>(5,136)</u>	<u>90,225</u>
Expenses:			
Program services - scholarships	22,000		22,000
Special events and fund raising	25,187		25,187
General and administrative:			
Advertising	595		595
Printing	4,688		4,688
Software maintenance	2,073		2,073
Subscriptions and memberships	391		391
Postage and mailing	3,134		3,134
Miscellaneous	8,649		8,649
Food and beverages for receptions and board meetings	7,408		7,408
Supplies	9,016		9,016
Professional fees	5,400		5,400
Rental	780		780
Total general and administrative	<u>42,134</u>		<u>42,134</u>
Total expenses	<u>89,321</u>		<u>89,321</u>
Change to net assets	6,040	(5,136)	904
Net assets as of beginning of year	<u>27,640</u>	<u>7,634</u>	<u>35,274</u>
Net assets as of end of year	<u>\$ 33,680</u>	<u>\$ 2,498</u>	<u>\$ 36,178</u>

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

LSU Shreveport Alumni Association
Shreveport, Louisiana
Statement of Activity
For the Year Ended June 30, 2009

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support:			
Public support:			
Special events and fund raising	\$ 56,208	\$ 1,325	\$ 57,533
Special events - inkind donations	13,165		13,165
Total public support	<u>69,373</u>	<u>1,325</u>	<u>70,698</u>
Other revenue:			
Membership dues	6,715		6,715
Miscellaneous income	10		10
Total other revenue	<u>6,725</u>		<u>6,725</u>
Net assets released from restrictions:			
Restrictions satisfied by expending funds for the purpose intended	<u>4,434</u>	<u>(4,434)</u>	
Total revenues and other support	<u>80,532</u>	<u>(3,109)</u>	<u>77,423</u>
Expenses:			
Program services - scholarships	11,040		11,040
Special events and fund raising	27,476		27,476
General and administrative:			
Advertising	580		580
Printing	481		481
Software maintenance	1,997		1,997
Subscriptions and memberships	569		569
Postage and mailing	463		463
Miscellaneous	6,355		6,355
Food and beverages for receptions and board meetings	4,359		4,359
Supplies	6,104		6,104
Professional fees	5,600		5,600
Rental	780		780
Depreciation expense	562		562
Total general and administrative	<u>27,850</u>		<u>27,850</u>
Total expenses	<u>66,366</u>		<u>66,366</u>
Change to net assets	14,166	(3,109)	11,057
Net assets as of beginning of year	<u>13,474</u>	<u>10,743</u>	<u>24,217</u>
Net assets as of end of year	<u>\$ 27,640</u>	<u>\$ 7,634</u>	<u>\$ 35,274</u>

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

LSU Shreveport Alumni Association
 Shreveport, Louisiana
 Statements of Cash Flows
 For the Years Ended June 30, 2010 and 2009

	2010	2009
Operating Activities		
Change in net assets	\$ 904	\$ 11,057
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation		562
(Increase) decrease in operating assets:		
Accounts receivable	4,000	(3,803)
Inventory	(146)	(131)
Prepaid expenses	(51)	(66)
Increase (decrease) in operating liabilities:		
Accounts payable	(6,855)	13,403
Net cash provided by (used in) operating activities	(2,148)	21,022
Cash and cash equivalents as of beginning of year	43,238	22,216
Cash and cash equivalents as of end of year	\$ 41,090	\$ 43,238

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

LSU Shreveport Alumni Association
Shreveport, Louisiana
Notes to Financial Statements
June 30, 2010 and 2009

(1) Summary of Significant Accounting Policies

A. Nature of Activities

LSU Shreveport Alumni Association ("Association") is a 501(c)3 nonprofit organization incorporated under the laws of the State of Louisiana. The Association supports the mission of Louisiana State University in Shreveport ("LSUS"). The Association provides funds for scholarships, helps promote enrollment, supports the continuation and expansion of programs at LSUS, and encourages community involvement through financial contributions and cooperative events with community and civic organizations.

A description of the Association's programs are as follows:

Membership Drive – Conducted annually, to encourage those qualified to join or renew membership in the Association.

Annual Golf Classic – A golf tournament is held annually as part of the Association's fund raising efforts.

RiverBend Revue Silent Auction – Silent auction held as part of fund raising efforts. Proceeds are used for scholarships, programs, projects and services that benefit LSUS.

Scholarships – The Association provides funds to the LSU in Shreveport Foundation, Inc. to provide for scholarships for eligible students.

B. Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Basis of Presentation

Financial statement presentation follows the requirements of Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Association is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the Board for specific purposes.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Association, and/or by the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes. There were no permanently restricted net assets of the Association as of June 30, 2010 and 2009.

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LSU Shreveport Alumni Association
Shreveport, Louisiana
Notes to Financial Statements
June 30, 2010 and 2009
(Continued)

D. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

E. Cash and Cash Equivalents

Cash equivalents, as stated for cash flow purposes, consist of non-interest bearing bank accounts and short term highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

F. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The Association has established a capitalization policy of \$500 per unit. Minor additions and renewals are expensed in the year incurred. The estimated useful life of the assets being depreciated is as follows:

Furniture and fixtures – 5 years

Depreciation expense for the years ended June 30, 2010 and 2009 was \$0 and \$562, respectively.

G. Revenue and Support

Donations and contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires (that is, when a stipulated time restriction ends or purpose of restriction is accomplished) in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

H. Income Tax Status

The Association is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the organization's tax-exempt purpose is subject to taxation as unrelated business income. The Association had no such income during this audit period.

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LSU Shreveport Alumni Association
Shreveport, Louisiana
Notes to Financial Statements
June 30, 2010 and 2009
(Continued)

I. In-Kind Donations

The Association receives in-kind donations of noncash items as part of the fund raising activities. The estimated fair value of these donated items have been recorded as special events in-kind donations revenue and included in special events and fund raising expense. In-kind donations for the years ended June 30, 2010 and 2009 were \$13,739 and \$13,165, respectively.

(2) Concentrations of Credit Risk

Financial instruments that potentially subject the Association to concentration of credit risk consist principally of cash. The Association maintains cash balances at a local financial institution. The account at that institution is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. There were no uninsured balances at that institution at June 30, 2010 and 2009.

(3) Circle of Excellence Plaza

As part of its 2006–2007 Annual Campaign, The LSU in Shreveport Foundation, Inc. ("Foundation") and the Louisiana State University in Shreveport Alumni Association ("Association") introduced its Circle of Excellence Plaza ("Plaza") to be located on the grounds of Louisiana State University in Shreveport ("LSUS"). On October 1, 2006, the Foundation and Association entered into a funds management agreement ("agreement") to specifically delineate the process of receiving, placing into accounts, and disbursing of contributions from donors.

The Foundation and Association secured a pledge of \$150,000 from Dr. Lacy and Edie Williams to fund the initial construction of the Plaza. As of June 30, 2007, the Foundation had received \$75,000 of this pledge with the remaining \$75,000 recorded as a contribution receivable. The remaining \$75,000 was received January 14, 2008. Both contributions were placed in a Foundation account entitled "Williams Circle of Excellence Construction Account" to be used for initial construction and infrastructure costs of the Plaza.

Contributions are received by the Association to inscribe and place bricks, benches, and other naming opportunities in the Plaza. These donations are deposited into an Association account entitled "LSUS Annual Campaign Fund". Twenty-five percent of the proceeds from these donors are directed to a Foundation endowment account entitled "Circle of Excellence Plaza Maintenance Fund" until the balance in the fund reaches \$100,000. When a donor purchases a \$15,000 founding gateway paver, \$10,000 is directed into an endowed scholarship fund based on the wishes of the donor, and \$1,250 (25% of the remaining \$5,000) is directed into the Maintenance Fund.

All remaining amounts from the sales of bricks, benches, and other naming opportunities within the Plaza, after obligations listed above are met, are placed in the LSUS Annual Campaign Fund by the Association to be distributed on an annual basis by the Association's Board of Directors for programs or projects that benefit LSUS.

Per the lease agreement date February 1, 2007 between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("LSU") and the Foundation, LSU is leasing the property on which the Plaza is being constructed to the Foundation for \$100. The Foundation transferred any and all ownership interest to LSUS upon completion of construction and infrastructure of the Plaza on February 15, 2008.

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LSU Shreveport Alumni Association
Shreveport, Louisiana
Notes to Financial Statements
June 30, 2010 and 2009
(Continued)

For the year ended June 30, 2007, The Association received \$90,175 in donor contributions for the Plaza, of which twenty-five percent (or \$22,550) was directed to the Foundation's Plaza Maintenance Fund. Additionally, the Association transferred \$30,000 to the Foundation for Plaza construction and spent \$9,248 on annual campaign printing and postage.

For the year ended June 30, 2008, the Association received \$28,213 in donor contributions for the Plaza, of which approximately twenty-five percent (or \$7,150) was directed to the Foundation's Plaza Maintenance Fund. Also, the Association transferred \$14, 859 to the Foundation's Plaza Maintenance Fund. Additionally, the Association transferred \$16,685 to the Foundation for Plaza construction and spent \$14,377 on annual campaign materials and supplies.

For the year ended June 30, 2009, the Association received \$1,200 in donor contributions (brick purchases) for the Plaza, of which approximately twenty-five percent (or \$300) was directed to the Foundation's Plaza Maintenance Fund. The Association also received \$500 from Mrs. Edith Williams to reimburse for the purchase of additional plaques for the bench her son donated in her honor. The Association transferred \$0 to the Foundation for Plaza construction as the Plaza had been completed and dedicated by April 2008. The Association spent \$434.40 on 2 bronze plaques for the Williams bench.

For the year ended June 30, 2010, the Association received \$600 in donor contributions (brick purchases) for the Plaza, of which approximately twenty-five percent (or \$150) was directed to the Foundation's Plaza Maintenance Fund. The Association transferred \$0 to the Foundation for Plaza construction as the Plaza had been completed and dedicated by April 2008. The Association spent: a) \$195.50 to engrave 17 bricks; b) \$1,098.00 to have 61 bricks re-engraved and reset; c) \$4,000 transfer to LSUS Foundation Acct. F90-72-7734 for Alumni Association Graduate Scholarship Fund; and d) \$682.50 toward one Ballustrade bench as part of the new Veterans Memorial Bench Program. The LSUS Foundation funded the other half of the bench purchase.

(4) Subsequent Events

Subsequent events have been evaluated through October 15, 2010, the date the financial statements were available to be issued.