

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
GRAMBLING, LOUISIANA**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT  
WITH SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2009**

**BY**

**BOBBY GRAY  
CERTIFIED PUBLIC ACCOUNTANT**

**Post Office Box 1145  
Grambling, Louisiana 71245**

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 1/13/10

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION**  
**Grambling, Louisiana**

**Financial Statements**  
**And**  
**Independent Auditor's Report**  
**With Supplemental Information**  
**For the Year Ended June 30, 2009**

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# Bobby Gray

Certified Public Accountant

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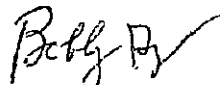
## Independent Auditor's Report

To the Board of Directors  
Grambling University Athletic Foundation  
Grambling, Louisiana

I have audited the accompanying statement of financial position of Grambling University Athletic Foundation (a nonprofit organization) as of June 30, 2009, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Grambling University Athletic Foundation as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Bobby Gray  
Certified Public Accountant  
Grambling, Louisiana  
November 25, 2009

## **FINANCIAL STATEMENTS**

Statement A

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION, INCORPORATED  
 Statement of Financial Position  
 June 30, 2009

<b>Assets</b>	
Cash and cash equivalents	\$ 226,958
Accounts receivable	804
Investments	60,954
Property and equipment	-
<b>Total assets</b>	<u>\$ 288,716</u>
<b>Liabilities</b>	
Accrued liabilities	\$ 404
<b>Total liabilities</b>	<u>404</u>
<b>Net assets</b>	
Unrestricted	
Board Designated	
GUAF Quasi-Endowment	\$ 38,537
Net assets invested in property and equipment	-
<b>Total board-designated</b>	<u>38,537</u>
Undesignated	<u>24,775</u>
<b>Total unrestricted</b>	<u>63,312</u>
Temporarily restricted	225,000
<b>Total net assets</b>	<u>288,312</u>
<b>Total liabilities and net assets</b>	<u>\$ 288,716</u>

See accompanying notes to the financial statements.

## Statement B

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2009**

	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>			
Contributions	\$ 4,747	\$ 85,261	\$ 90,008
Fundraisers	2,020	7,871	9,891
Membership dues	38,413	-	38,413
Other revenue			
Interest income	-	3,009	3,009
Dividends	-	1,675	1,675
Gains (losses) on investments	(26,943)	-	(26,943)
Other miscellaneous	-	-	-
Reclassifications of net assets			
Net assets released from restrictions:			
Restrictions satisfied by payments	127,704	(127,704)	-
Other reclassifications(Adm. Fees)	859	(859)	-
<b>Total support, revenue, reclassifications, and releases from restrictions</b>	<b>146,800</b>	<b>(30,747)</b>	<b>116,053</b>
<b>Expenses</b>			
Management and general	1,053	606	1,659
Fundraising expenses	-	-	-
Program expenses	52,971	127,098	180,069
Total expenses	54,024	127,704	181,728
Changes in net assets	92,776	(158,451)	(65,675)
Other changes in net assets			
Transfers in (out)	3,793	(3,793)	-
Total other changes in net assets	3,793	(3,793)	-
<b>Total changes in net assets</b>	<b>96,569</b>	<b>(162,244)</b>	<b>(65,675)</b>
Net assets at beginning of year	97,976	256,264	354,240
Restatement of beginning net assets	(2,670)	2,417	(253)
<b>Net assets at end of year</b>	<b>\$ 194,545</b>	<b>\$ 96,437</b>	<b>\$ 288,312</b>

See accompanying notes to the financial statements.

## Statement C

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2009**

Cash flows from operating activities:	
Change in net assets	\$ (65,675)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Provision for depreciation	-
(Increase) decrease in accounts receivable	55
Increase (decrease) in accounts payable/accrued liabilities	(455)
Total adjustments	<u>(400)</u>
Net cash used (provided) by operating activities	<u>(66,075)</u>
Cash flows from investing activities:	
Restated beginning net assets	(253)
Decrease in investments	66,575
Net cash used by investing activities	<u>66,322</u>
Net increase (decrease) in cash and cash equivalents	997
Cash and cash equivalents at beginning of year	225,961
Cash and cash equivalents at end of year	<u>\$ 226,958</u>

See accompanying notes to the financial statements.

## Statement D

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
Statement of Functional Expenses  
For the Year Ended June 30, 2009

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Awards	\$ 358	\$ -	\$ -	\$ 358
Bank charges	-	226	-	226
Courtesies	1,528	558	-	2,086
Departmental	131,368	-	-	131,368
Rental	4,200	-	-	4,200
Insurance	705	-	-	705
Office expenses	1,772	-	-	1,772
Printing and reproduction	493	-	-	493
Professional fees	21,997	875	-	22,872
Scholarships	9,500	-	-	9,500
Telephone	4,355	-	-	4,355
Travel	3,793	-	-	3,793
	<u>\$ 180,069</u>	<u>\$ 1,659</u>	<u>\$ -</u>	<u>\$ 181,728</u>

See accompanying notes to the financial statements.



**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION**  
**Grambling, Louisiana**

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2009**

**NOTE A: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Grambling University Athletic Foundation (the Foundation) is an independent, nonprofit corporation organized for the purpose of improving and expanding the athletic programs at Grambling State University in compliance with National Collegiate Athletic Association (NCAA) regulations. Support for the Foundation's efforts is funded primarily from membership dues, contributions and fundraising activities. The Foundation is not focused on financial gain but rather the enhancement of Grambling State University, particularly its athletic program.

**Basis of Accounting**

For the period ending June 30, 2009, the Foundation adhered to provisions of Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*. Statement No. 117 requires the Foundation to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. The following is a description of the three net asset categories:

**Unrestricted Net Assets**-Net assets that are not subject to donor-imposed stipulations.

**Temporarily Restricted Net Assets**-Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or by passage of time.

**Permanently Restricted Net Assets**-Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Statement No. 117 also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. It establishes standards for general-purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows.

Grambling University Athletic Foundation  
Notes to the Financial Statements (Continued)

Public Support and Revenue

Revenue and public support consists primarily of fundraisers and contributions. In accordance with Statement of Financial Accounting Standard No. 116, "*Accounting for Contributions Received and Contributions Made*", contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by time by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted or permanently restricted net assets depending on the nature of the restrictions.

When a time restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Foundation uses the allowance method, based on prior years' experience and the judgment of management regarding specific promises made, to assess the value of unconditional contributions receivable.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Foundation had no cash equivalents during the period under audit. At June 30, 20089 the Foundation had cash totaling \$226,958 categorized as follows:

Unrestricted	\$ 66,354
Temporarily Restricted	<u>\$ 160,604</u>
Total Cash	\$ 226,958

Depreciation

The Foundation capitalizes, at cost, all expenditures for fixed assets that meet its capitalization threshold of \$5,000 or more. Depreciation is computed on the straight-line method over the useful life of the assets. In the case of furniture and fixtures, the Foundation utilizes a useful life of 7 years and the straight-line depreciation.

Grambling University Athletic Foundation  
Notes to the Financial Statements (Continued)

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires that management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Income Taxes

The Foundation is an not-for-profit organization that is exempt from federal income taxes under Section 501 ( C )(3) of the Internal Revenue Code. Contributions to the Foundation are tax deductible within the limitations prescribed by the Code.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contributed Services

During the year ended June 30, 2008, the value of contributed services meeting the requirements for recognition in the financial statements was recorded in the financial statements.

NOTE B. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and changes in net assets. A detailed breakdown of expenses by function is included in the statement of account activity under supplemental information. Certain costs have been allocated among the programs and supporting services benefited.

Grambling University Athletic Foundation  
Notes to the Financial Statements (Continued)

NOTE C. RECEIVABLES

Receivables at June 30, 2009 that are considered valid and collectible include:

Pledges Receivable	\$ 804
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NOTE D. INVESTMENTS

All investments consist of board-designated net assets as of June 30, 2009. The investments of the Foundation as of June 30, 2009 are summarized as follows:

	Carrying Value	Fair Value
Certificate of Deposit	\$ 3,226	\$ 3,226
Mutual Funds & Equities	<u>57,728</u>	<u>57,728</u>
Total Investments	\$ 60,954	\$ 60,954

NOTE E. PROPERTY AND EQUIPMENT

As of June 30, 2009, the Foundation listed fixed assets as follows:

Property and Equipment, at cost	\$ 4,341
Less: Accumulated Depreciation	<u>(4,341)</u>
Total Property and Equipment	\$ -0-

NOTE F. FUND RAISING ACCOUNTS

Primary fundraisers for normally included Orchesis Dance Camp and other minor sources but for the year ended June 30, 2009 there were no fundraising activities considered significant.

NOTE G. TEMPORARILY RESTRICTED NET ASSETS

For the year ended June 30, 2009, the Foundation reclassified \$127,704 to unrestricted net assets due to restrictions being satisfied by payment. The temporarily restricted net assets include contributions received to benefit various student activities at Grambling State University. The Foundation operates a separate temporarily restricted fund for each student activity. All unrestricted funds are maintained in a General Fund account.

Grambling University Athletic Foundation  
Notes to the Financial Statements (Continued)

NOTE H. DESCRIPTION OF LEASING ARRANGEMENTS

During the year under audit, the Foundation entered into a short-term lease arrangement with the Grambling University National Alumni Association that provided the Foundation with the use of an office, the use of dining area, restrooms, and kitchen area within the structure of its Alumni House located at 386 R.W.E. Jones Drive, Grambling, Louisiana 71245. The lease is renewable in six-month intervals and requires that the Foundation provide proof of insurance and make payments of \$250.00 monthly.

**SUPPLEMENTAL INFORMATION**

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
 Schedule of Account Activity and Balances  
 For the Year Ended June 30, 2009

	Balance at June 30, 2007	Support Revenue	Program	Management and General	Fundraising	Total Expenses	3% Fee	Other Transfers	Total Transfers	Balance June 30, 2009
Athletic Advisory	9,700	-	-	-	-	-	-	-	-	9,700
Ruxton Lincoln CVB	(11,848)	1,810	-	-	-	-	(48)	(48)	(96)	(10,132)
Athletic Auxiliary	(512)	7,483	3,414	-	-	3,414	(224)	(224)	(448)	3,088
Baseball	2,041	285	1,224	-	-	1,224	(9)	(9)	(18)	1,085
Basketball-men's	2,182	285	226	-	-	226	(9)	(9)	(18)	2,238
Basketball-women's	808	285	151	-	-	151	(9)	(9)	(18)	725
Bowling	(3,428)	899	-	-	-	-	(26)	(26)	(52)	(2,821)
Cheerleaders	10,000	-	4,000	-	-	4,000	-	-	-	6,000
Satin Bibbs	173,368	2,154	4,000	-	-	4,000	(55)	(55)	(130)	171,392
Cubhouse-scholarships	-	-	-	-	-	-	-	-	-	-
Cubhouse-supplemental pay	-	-	-	-	-	-	-	-	-	-
External relations(golf tournament)	6,993	-	-	-	-	-	-	-	-	6,993
Football-banquet	3,290	3,080	1,257	-	-	1,257	(92)	(92)	(184)	4,928
Football	243	3,227	2,857	-	-	2,857	(97)	(97)	(194)	419
Ford Hobby scholarship	287	-	-	-	-	-	-	-	-	287
Golf	2,298	1,485	2,000	-	-	2,000	(45)	(45)	(90)	1,695
GSU Middle School	180	-	-	-	-	-	-	-	-	180
Leonard Griffin	3,062	90	-	-	-	-	(3)	(3)	(6)	3,147
Orchestra dance	2,205	16,232	16,418	7	-	16,425	(487)	(487)	(974)	1,036
Radio broadcast	23,703	2,325	-	-	-	-	(70)	(70)	(230)	24,799
Radio promotions	-	8,840	5,849	-	-	5,849	(265)	(175)	(440)	2,751
Robert Pifer Scholarship	805	-	-	-	-	-	-	-	-	805
Soccer	356	285	-	-	-	-	(9)	(9)	(18)	624
Softball	282	285	-	-	-	-	-	-	-	567
Sports Information	7,638	5,845	6,527	-	-	6,527	(175)	(175)	(350)	8,605
Sports Medicine	388	-	-	-	-	-	-	-	-	388
Student Affairs	7,777	-	2,651	-	-	2,651	-	-	-	5,098
State Farm Life Season Book	8,395	-	354	-	-	354	-	-	-	8,044
Tennis	959	285	-	-	-	-	(9)	(9)	(18)	1,227
Treck	5,282	285	1,797	-	-	1,797	(9)	(9)	(18)	3,753
Volleyball	1,735	515	759	-	-	759	(16)	(15)	(30)	1,461
<b>Total temporarily restricted net assets</b>	<b>267,205</b>	<b>55,720</b>	<b>53,313</b>	<b>7</b>	<b>-</b>	<b>53,320</b>	<b>1,672</b>	<b>(1,672)</b>	<b>(3,349)</b>	<b>256,264</b>
<b>Unrestricted net assets</b>	<b>(82,618)</b>	<b>1,274</b>	<b>19,000</b>	<b>1,191</b>	<b>-</b>	<b>20,191</b>	<b>1,672</b>	<b>1,672</b>	<b>3,344</b>	<b>(86,192)</b>
Operating (including net investment in equipment)	27,342	-	-	-	-	-	-	-	-	27,342
Football concessions	9,060	-	-	-	-	-	-	-	-	9,060
Savings (former escrow)	399	-	-	-	-	-	-	-	-	399
Scarves & ties	76,456	35,429	21,680	-	-	21,680	-	-	-	92,207
Tiger Club	-	1,880	-	-	-	-	-	-	-	1,880
RV parking	-	-	-	-	-	-	-	-	-	-
Wilbert Ellis Retirement Account	-	-	-	-	-	-	-	-	-	-
Board designated	92,636	(27,156)	-	-	-	-	-	-	-	65,480
Eddie Robinson Educational Fund	125,277	11,227	40,680	1,191	-	41,871	1,672	1,672	3,344	97,976
<b>Total unrestricted net assets</b>	<b>\$ 302,482</b>	<b>\$ 68,947</b>	<b>\$ 93,993</b>	<b>\$ 1,198</b>	<b>\$ -</b>	<b>\$ 95,191</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 354,240</b>

Schedule 2

**Grambling University Athletic Foundation**  
**Schedule of Payments Made to Grambling State University Employees**  
**For the Fiscal Year Ended June 30, 2009**

**None**