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GRAMBLING UNIVERSITY NATIONAL ALUMNI  
ASSOCIATION, INCORPORATED  
Grambling, Louisiana

FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT  
WITH SUPPLEMENTAL INFORMATION

As Of And For The Year Ended December 31, 1995

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 \_\_\_\_\_  
SEP 04 1996

GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED  
Grambling, Louisiana

Financial Statements  
and Independent Auditor's Report  
As of and for the Year Ended December 31, 1995

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• Accounting Services  
• Tax Services

**LOUIS R. BRADLEY**  
CERTIFIED PUBLIC ACCOUNTANT  
(A Professional Corporation)

• Audit Services  
• Computer Consultant

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
GRAMBLING UNIVERSITY NATIONAL ALUMNI  
ASSOCIATION, INCORPORATED  
Grambling, Louisiana

I have audited the accompanying Balance Sheet of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED (a private nonprofit organization) as of December 31, 1995, and the related Statements of Support, Revenue, Expenses, and Changes In Fund Balances, and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the ASSOCIATION'S management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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 also 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 respects, the financial position of GRAMBLING UNIVERSITY NATIONAL ALUMNI NATIONAL ASSOCIATION, INCORPORATED as of December 31, 1995, and the results of its operations and changes in fund balance for the year then ended in conformity with generally accepted accounting principles.

**INDEPENDENT AUDITOR'S REPORT**

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My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information and schedules are presented for purposes of additional analysis and is not a required part 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.



LOUIS R. BRADLEY

CERTIFIED PUBLIC ACCOUNTANT

Monroe, Louisiana

June 26, 1996

**FINANCIAL STATEMENTS**

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## STATEMENT B

GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED  
 STATEMENT OF SUPPORT, REVENUE, AND EXPENSES,  
 AND CHANGES IN FUND BALANCES  
 YEAR ENDED DECEMBER 31, 1995

	LIFE			
	OPERATING	MEMBERSHIP	BUILDING	TOTAL
	FUND	FUND	FUND	ALL FUNDS
<b>Public Support and Revenue</b>				
<b>Public Support:</b>				
Received directly - Dues	20,965	12,242	800	34,007
Received directly - Fundraisers	55,857	-	-	55,857
Received directly - National Mts	15,005	-	-	15,005
<b>Total Public Support</b>	<b>91,827</b>	<b>12,242</b>	<b>800</b>	<b>104,869</b>
<b>Revenues:</b>				
Chapter Assessments	700	-	-	700
Scholarship	4,750	-	-	4,750
Legal Defense	1,475	-	-	1,475
<b>Other revenues:</b>				
Interest and investment income	1,098	2,209	784	4,091
Miscellaneous	8,785	-	-	8,785
<b>Total revenues</b>	<b>16,808</b>	<b>2,209</b>	<b>784</b>	<b>19,801</b>
<b>Total public support and revenues</b>	<b>108,635</b>	<b>14,451</b>	<b>1,584</b>	<b>124,670</b>
<b>Functional Expenses:</b>				
Administrative	54,881	-	-	54,881
Scholarship	2,000	-	-	2,000
Fundraisers	41,589	-	-	41,589
<b>Total functional expenses</b>	<b>98,470</b>	<b>-</b>	<b>-</b>	<b>98,470</b>
<b>Excess (deficiency) of public support and revenues over functional expenses</b>	<b>10,165</b>	<b>14,451</b>	<b>1,584</b>	<b>26,200</b>
Fund balances, beginning of year	(11,481)	90,322	66,764	145,605
Adjustments	28,210		(49,410)	
<b>Fund balances, end of year</b>	<b>26,894</b>	<b>104,773</b>	<b>18,938</b>	<b>171,805</b>

The accompanying notes constitute an integral part of this statement.

GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION ORPORATED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 1995

<u>CASH FLOW FROM OPERATING ACTIVITIES</u>	LIFE			TOTAL ALL FUNDS
	CURRENT FUND	MEMBERSHIP FUND	BUILDING FUND	
Excess (Deficiency) of Support and Revenue Over Expenses	\$10,165	\$14,451	(\$1,584)	\$23,032
Adjustment	-	-	-	-
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable	(9,945)	(1,050)	-	(10,995)
Increase (Decrease) in Accounts Payable	700	-	-	700
TOTAL ADJUSTMENT	(9,245)	(1,050)	0	(10,295)
Net Cash Provided (Used) by Operating Activities	920	14,451	1,584	16,955
Cash Flows from Investing Activities	-	-	-	-
Cash Flows from Financing Activities	-	-	-	-
Net Increase in Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	14,224	90,332	2,196	106,752
Cash and Cash Equivalent at End of Year	15,144	104,783	3,780	123,707

The accompanying notes constitute an integral part of this statement.



## STATEMENT D

## GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED

## STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 1995

	LIFE			TOTAL ALL FUNDS
	OPERATING FUND	MEMBERSHIP FUND	BUILDING FUND	
Administrative:				
Office Staff	569	-	-	569
National Officers	2,158	-	-	2,158
Travel - Officers	1,180	-	-	1,180
Advertisement	1,195	-	-	1,195
Printing	20	-	-	20
Postage	2,143	-	-	2,143
Telephone	1,966	-	-	1,966
Utilities	337	-	-	337
Office Supplies	2,143	-	-	2,143
Maintenance	5	-	-	5
Nat'l Meeting/Workshops	15,736	-	-	15,736
Professional Services	1,435	-	-	1,435
Accounting/Auditing	5,008	-	-	5,008
Clerical/Student Workers	500	-	-	500
Legal Expense	8,718	-	-	8,718
Miscellaneous	3,707	-	-	3,707
Bank Service Charge	814	-	-	814
Homecoming Supplies	6,247	-	-	6,247
Other Homecoming Expenses	1,000	-	-	1,000
Total Administrative Expenses	54,881	-	-	54,881
Scholarship:				
Scholarship Awarded	2,000	-	-	2,000
Total Scholarship Expenses	2,000	-	-	2,000
Fundraisers:				
Fundraising Expense	367	-	-	367
Black & Gold Day	1,316	-	-	1,316
Raffle	2,770	-	-	2,770
Life Membership Pins	3,293	-	-	3,293
Bayou Classic General	11,742	-	-	11,742
Bayou Classic Concert	21,281	-	-	21,281
GSU Athletic Foundation	820	-	-	820
Total Fundraisers Expenses	41,589	-	-	41,589
TOTAL FUNCTIONAL EXPENSES	98,470	-	-	98,470

The accompanying notes constitute an integral part of this statement.

**GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED**  
**Grambling, Louisiana**

**Notes To The Financial Statement**  
**As of and for the Year Ended December 31, 1995**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The **GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED**, is a private non-profit organization domiciled in the State of Louisiana at Grambling, Louisiana. The ASSOCIATION is recognized as a tax exempt (non-profit) organization under section 501 (c)(3) of the Internal Revenue Service Code. The Association is supported primarily through contributions and donations from members and fundraisers. The objectives of the ASSOCIATION are:

- (a) To facilitate better communication and relationship between the University, Graduates and Friends.
- (b) To cooperate with the University's Administration, Field Services, and other Alumni organizations in the promotion of worthwhile activities for the Grambling State University Faculty, Alumni, Students, Prospective Students, and Friends.
- (c) To encourage the highest type of professional ethics and scholarship among the Alumni and Students.
- (d) To stimulate school loyalty, devotion, and responsibility.
- (e) To further encourage professional enthusiasm, initiative, and growth.
- (f) To provide a National Association to channel information to support local, state, regional and national programs.
- (g) To provide suitable headquarters, offices and facilities to direct Alumni Affairs and to channel information to support local, state, regional, and national programs.
- (h) To study any propositions concerning the mutual relationship of the University and the various allied organizations to the end that both will benefit from their close association.
- (I) To legislate through bylaws or by resolution upon any subject of general concern to the members of this organization.

- (j) To promote a "Greater Grambling" through the work of the Alumni Association.
- (k) To secure financial assistance to Grambling State University through the following methods: Cash, Securities, Requests, Life-Income, Real Estate, Insurance, Specified Property, Annual Dues, by Annual Fund drives.
- (l) To establish Alumni Chapters throughout the nation to assist Grambling State University in achieving the above goals, as well as, educational excellence financial security, humanitarian ideals, athletic and social prominence.

Membership in the association is made up primarily of anyone who attended or graduated from the University as well as the faculty and staff. The Board of Directors of the agency consist of seven (7) members. The members serve without compensation.

**A. BASIS OF PRESENTATION**

The Association follows standards of accounting and financial reporting as described by AICPA Statement of Position 78-10, "Accounting Principles and Reporting Practices for Certain Nonprofit Organizations." The accompanying financial statements of **GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED** have been prepared on the accrual basis of accounting. Contributions are recorded when received unless susceptible to accrual.

**B. FUND ACCOUNTING**

In order to comply with restrictions which donors place on grants and other gifts as well as designations made by its governing board, the principles of fund accounting are used. Accordingly, all assets, liabilities, and activities are stated on the accrual basis and are accounted for in the Operating - Unrestricted, Life Membership and Building Fund. Contributions are considered to be unrestricted funds unless restricted by the donor. All funds over which the Board of Directors has discretionary control have been included in the operating fund.

**C. FUNCTIONAL EXPENSES**

Expenses are charged to each program based on direct expenditures incurred. Any expenditures not directly chargeable are allocated to a program based on related salary expenses. There were no indirect costs charged during the contract period.

**D. INCOME TAX STATUS**

The ASSOCIATION qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

**E. TOTAL COLUMNS**

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations and changes in fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**F. CASH**

Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. On December 31, 1995, **GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED**, had cash totaling \$122,647 as follows:

Demand Deposits:		
Interest bearing		\$ 122,647
Non-interesting bearing		0
		<u>\$ 122,647</u>
		=====

4. INVESTMENTS

GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED investments consist of \$13,500 of Certificates of deposits at December 31, 1995. This certificate bears interest rate ranging from 3.00% to 5.00% in 1995.

5. PROPERTY, BUILDING AND EQUIPMENT

Fixed Assets used in the non-profit Association are accounted for in the Building Fund account. Property, Plant and Equipment is stated at cost. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. At December 31, 1995, GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED fixed assets schedule is as follows:

	BEGINNING BALANCE	ADDITIONS	DISPOSITIONS	ENDING BALANCE
Land	\$ 300	\$ -	\$ -	\$ 300
Building	-	-	-	-
Equipment	50,768	-	49,410	1,358
	<u>\$ 51,068</u>	<u>\$ -</u>	<u>\$ 49,410</u>	<u>\$ 1,658</u>

The ASSOCIATION donated a bus to Grambling State University with and historical cost of \$49,410. No depreciation was taken on fixed assets.

6. FUND BALANCE

In 1995, the Association donated a bus owned by the Association to the Grambling State University. The bus had an original cost of \$ 49,410. Also, an accounts payable of \$ 28,210 to Grambling State University was written off. Corresponding adjustments were made to the fund balances of the Building Fund and General Fund.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE  
BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
GRAMBLING UNIVERSITY NATIONAL ALUMNI  
ASSOCIATION, INCORPORATED  
Grambling, Louisiana

I have audited the financial statements of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED (a private nonprofit organization) as of and for the year ended December 31, 1995, and have issued my report thereon dated June 26, 1996.

I conducted my audit in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED (a private nonprofit organization) is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the financial statements of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED for the year ended December 31,

**INDEPENDENT AUDITOR'S REPORT  
ON INTERNAL CONTROL STRUCTURE  
BASED ON THE AUDIT OF BASIC  
FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS  
PAGE 2**

1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted no matter involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weakness as defined above.

This report is intended for the information of the Board of Directors, Management, and Legislative Auditor's Office. However, this report is a matter of public record, and its distribution is not limited.

**INDEPENDENT AUDITOR'S REPORT  
ON INTERNAL CONTROL STRUCTURE  
BASED ON THE AUDIT OF BASIC  
FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS  
PAGE 3**



**LOUIS R. BRADLEY  
CERTIFIED PUBLIC ACCOUNTANT**

Monroe, Louisiana

June 26, 1996



• Accounting Services  
• Tax Services

**LOUIS R. BRADLEY**  
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON  
AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
GRAMBLING UNIVERSITY NATIONAL ALUMNI  
ASSOCIATION, INCORPORATED  
Grambling, Louisiana

I have audited the financial statements of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED (a private nonprofit organization) as of and for the year ended December 31, 1995, and have issued my report thereon dated June 26, 1996.

I conducted my audit in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED is the responsibility of GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED'S management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the ASSOCIATION'S compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under GOVERNMENT AUDITING STANDARDS.

This report is intended for the information of the Board of Directors, Management, and Legislative Auditor's Office. However, this report is a matter of public record, and its distribution is not limited.

INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE BASED ON AN AUDIT  
OF BASIC FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS  
PAGE 2



LOUIS R. BRADLEY  
CERTIFIED PUBLIC ACCOUNTANT  
Monroe, Louisiana  
June 26, 1996

SUPPLEMENTAL INFORMATION

**GRAMBLING UNIVERSITY NATIONAL ALUMNI ASSOCIATION, INCORPORATED**

**STATUS OF PRIOR YEAR FINDINGS**

**FOR THE PERIOD ENDED DECEMBER 31, 1995**

During the course of my examination, I reviewed documents to determine if the findings and recommendations from the prior audit had been resolved. The following findings were either cleared or not cleared.

**BONDED - All employees handling cash are not bonded. CLEARED**