

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
GRAMBLING, LOUISIANA**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT  
WITH SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2008**

**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 1/7/09

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

**Financial Statements**  
**And**  
**Independent Auditor's Report**  
**With Supplemental Information**  
**For the Year Ended June 30, 2008**

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**Bobby Gray**  
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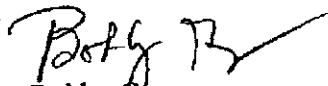
**Independent Auditor's Report**

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, 2008, 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, 2008, 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, 2008

## **FINANCIAL STATEMENTS**

## Statement A

**GRAMBLING UNIVERSITY ATHLETIC FOUNDATION, INCORPORATED**  
**Statement of Financial Position**  
**June 30, 2008**

<b>Assets</b>	
Cash and cash equivalents	\$ 225,961
Accounts receivable	1,609
Investments	127,529
Property and equipment	-
<b>Total assets</b>	<u><u>\$ 355,099</u></u>
<b>Liabilities</b>	
Accrued liabilities	\$ 859
<b>Total liabilities</b>	<u>859</u>
<b>Net assets</b>	
<b>Unrestricted</b>	
<b>Board Designated</b>	
GUAF Quasi-Endowment	\$ 65,480
Net assets invested in property and equipment	-
<b>Total board-designated</b>	<u>65,480</u>
Undesignated	<u>32,496</u>
<b>Total unrestricted</b>	<u>97,976</u>
Temporarily restricted	256,264
<b>Total net assets</b>	<u><u>354,240</u></u>
<b>Total liabilities and net assets</b>	<u><u>\$ 355,099</u></u>

See accompanying notes to the financial statements.

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
Statement of Activities and Changes in Net Assets  
For the Year Ended June 30, 2008

	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>			
Contributions	\$ 1,274	\$ 43,247	\$ 44,521
Fundraisers	1,680	8,459	10,139
Membership dues	35,429	-	35,429
Other revenue			
Interest income	-	2,560	2,560
Dividends	-	6,008	6,008
Gains (losses) on investments	(27,156)	(5,997)	(33,153)
Other miscellaneous	-	1,443	1,443
Reclassifications of net assets			
Net assets released from restrictions:			
Restrictions satisfied by payments	53,320	(53,320)	-
Other reclassifications(Adm. Fees)	1,672	(1,672)	-
<b>Total support, revenue, reclassifications, and releases from restrictions</b>	<b>66,219</b>	<b>728</b>	<b>66,947</b>
<b>Expenses</b>			
Management and general	1,191	7	1,198
Fundraising expenses	-	-	-
Program expenses	40,680	53,313	93,993
Total expenses	41,871	53,320	95,191
Changes in net assets	24,348	(52,592)	(28,244)
<b>Other changes in net assets</b>			
Transfers in (out)	(51,649)	51,649	-
Total other changes in net assets	(51,649)	51,649	-
<b>Total changes in net assets</b>	<b>(27,301)</b>	<b>(943)</b>	<b>(28,244)</b>
Net assets at beginning of year	125,277	247,058	372,335
Restatement of beginning net assets	-	10,149	10,149
Net assets at end of year	<u>\$ 97,976</u>	<u>\$ 256,264</u>	<u>\$ 354,240</u>

See accompanying notes to the financial statements.

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
Statement of Cash Flows  
For the Year Ended June 30, 2008

Cash flows from operating activities:	
Change in net assets	\$ (28,244)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Provision for depreciation	-
(Increase) decrease in accounts receivable	-
Increase (decrease) in accounts payable/accrued liabilities	-
Total adjustments	-
Net cash used (provided) by operating activities	<u>(28,244)</u>
Cash flows from investing activities:	
Restated beginning net assets	-
Decrease in investments	<u>27,070</u>
Net cash used by investing activities	<u>27,070</u>
Net increase (decrease) in cash and cash equivalents	(1,174)
Cash and cash equivalents at beginning of year	<u>227,135</u>
Cash and cash equivalents at end of year	<u>\$ 225,961</u>

See accompanying notes to the financial statements.

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
Statement of Functional Expenses  
For the Year Ended June 30, 2008

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Awards	\$ 1,589	\$ -	\$ -	\$ 1,589
Bank charges	-	252	-	252
Courtesies	1,482	-	-	1,482
Departmental	48,807	-	-	48,807
Rental	1,750	-	-	1,750
Insurance	732	-	-	732
Office expenses	1,715	71	-	1,786
Printing and reproduction	963	-	-	963
Professional fees	20,169	875	-	21,044
Scholarships	6,000	-	-	6,000
Telephone	3,574	-	-	3,574
Travel	7,212	-	-	7,212
	<u>\$ 93,993</u>	<u>\$ 1,198</u>	<u>\$ -</u>	<u>\$ 95,191</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, 2008**

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, 2008, 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, 2008, the Foundation had cash totaling \$225,954 categorized as follows:

Unrestricted	\$ 50,930
Temporarily Restricted	<u>\$ 175,031</u>
Total Cash	\$ 225,961

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, 2008 that are considered valid and collectible include:

Pledges Receivable	\$ 1,609
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NOTE D. INVESTMENTS

All investments consist of board-designated net assets as of June 30, 2008. The investments of the Foundation as of June 30, 2008 are summarized as follows:

	Carrying Value	Fair Value
Certificate of Deposit	\$ 3,226	\$ 3,226
Mutual Funds & Equities	<u>124,303</u>	<u>124,303</u>
Total Investments	\$127,529	\$ 127,529

NOTE E. PROPERTY AND EQUIPMENT

As of June 30, 2008, 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, 2008 there were no fundraising activities considered significant.

NOTE G. TEMPORARILY RESTRICTED NET ASSETS

For the year ended June 30, 2008, the Foundation reclassified \$ 53,320 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.

NOTE I - RESTATEMENT OF BEGINNING NET ASSETS

Contributions made by Tiger Club members to temporarily restricted funds were not accounted for at the end of prior fiscal year. These contributions totaled \$10,149 and increased the temporarily restricted net assets that would be brought forward for the period under audit. Primary recipients of these contributions were the men's and women's basketball programs.

## **SUPPLEMENTAL INFORMATION**

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
 Schedule of Account Activity and Balances  
 For the Year Ended June 30, 2008

	Balance at June 30, 2007	Support Revenue	Program	Management and General	Fundraising	Total Expenses	3% Fee	Other Transfers	Total Transfers	Balance June 30, 2008
Athletic Advisory	9,700	-	-	-	-	-	-	-	-	9,700
Ruston Lincoln CVB	(11,648)	1,810	-	-	-	-	(48)	(48)	(96)	(10,132)
Athletic Auxiliary	(512)	7,463	3,414	-	-	3,414	(224)	(224)	(448)	3,089
Baseball	2,041	285	1,224	-	-	1,224	(9)	(9)	(18)	1,085
Basketball-men's	2,192	285	225	-	-	225	(9)	(9)	(18)	2,235
Basketball-women's	608	285	151	-	-	151	(9)	(9)	(18)	725
Bowling	(3,428)	859	-	-	-	-	(26)	(26)	(52)	(2,621)
Chickeebees	10,000	-	4,000	-	-	4,000	(85)	(85)	(130)	6,000
Swim Blobs	173,368	2,154	4,000	-	-	4,000	(65)	(65)	(130)	171,392
Culverhouse-scholarships	-	-	-	-	-	-	-	-	-	-
Culverhouse supplemental pay	-	-	-	-	-	-	-	-	-	-
External relations(golf tournament)	6,993	-	-	-	-	-	-	-	-	6,993
Football-baroque!	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
Fried 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	3,082	90	-	-	-	-	(3)	(3)	(6)	3,147
Orchestra dance	2,205	16,232	16,418	7	-	16,425	(487)	(487)	(974)	1,038
Radio broadcast	22,703	2,325	-	-	-	-	(70)	(180)	(230)	24,799
Radio promotions	-	8,840	5,649	-	-	5,649	(265)	(175)	(440)	2,751
Robert Piper Scholarship	805	-	-	-	-	-	-	-	-	805
Soccer	356	285	-	-	-	-	(9)	(9)	(18)	624
Softball	282	285	-	-	-	-	(9)	(9)	(18)	550
Sports Information	7,638	5,845	8,527	-	-	6,527	(175)	(175)	(350)	6,605
Sports Medicine	388	-	-	-	-	-	-	-	-	388
Student Affairs	7,777	-	2,581	-	-	2,881	-	-	-	5,096
State Farm Life Season Book	8,398	-	354	-	-	354	-	-	-	8,044
Tennis	959	285	-	-	-	-	(9)	(9)	(18)	1,227
Track	5,282	285	1,797	-	-	1,797	(9)	(9)	(18)	3,753
Volleyball	1,735	515	759	-	-	759	(15)	(15)	(30)	1,451
<b>Total temporarily restricted net assets</b>	<b>257,205</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>256,284</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>(98,192)</b>
Operating (including net investment in equipment)	27,342	-	-	-	-	-	-	-	-	27,342
Football concessions	9,080	-	-	-	-	-	-	-	-	9,080
Savings (former escrow)	399	-	-	-	-	-	-	-	-	399
Scarves & ties	78,458	35,429	21,680	-	-	21,680	-	-	-	92,207
Tiger Club	-	1,680	-	-	-	-	-	-	-	1,680
RV parking	-	-	-	-	-	-	-	-	-	-
Wilbert Ellis Retirement Account	-	-	-	-	-	-	-	-	-	-
Board designated	92,636	(27,158)	-	-	-	-	-	-	-	65,480
Eddie Robinson Educational Fund	125,277	11,227	40,680	1,191	-	41,871	1,672	1,672	3,344	97,978
<b>Total unrestricted net assets</b>	<b>\$ 382,462</b>	<b>\$ 65,947</b>	<b>\$ 93,993</b>	<b>\$ 1,198</b>	<b>\$ -</b>	<b>\$ 95,191</b>	<b>\$ 1,672</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 354,240</b>

**Grambling University Athletic Foundation**  
**Schedule of Payments Made to Grambling State University Employees**  
**For the Fiscal Year Ended June 30, 2008**

<b>Employees</b>	<b>Payments</b>
Hicks, Dennis	\$90
Moss, Larry	\$90
<b>Total Payments</b>	<b>\$180</b>





GRAMBLING UNIVERSITY ATHLETIC FOUNDATION  
BOARD OF DIRECTORS  
2007 - 2008

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