

**NICHOLLS STATE UNIVERSITY
ALUMNI FEDERATION**

Financial Report

For the Year Ended June 30, 2018

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Financial Report
For the Year Ended June 30, 2018

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS –	
Statement of Assets & Net Assets – Modified Cash Basis	3
Statement of Revenues, Expenses, and Other Changes in Net Assets – Modified Cash Basis	4
Notes to Financial Statements	6
<i>Other Supplementary Information:</i>	
Graph 1 - Dues & Donations Revenues	12
Graph 2 – Homecoming (Golf Classic) Revenue and Expenses	13
Graph 3 – Annual Business Meeting Revenue and Expense	14
Compensation, Benefits, and Other Payments to Agency Head	15
Schedule of Current Year Findings	16
Schedule of Prior Year Findings	17



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Nicholls State University Alumni Federation

We have audited the accompanying statement of assets and net assets – modified cash basis of the Nicholls State University Alumni Federation (a nonprofit organization) as of June 30, 2018, and the related statement of revenue, expenses and other changes in net assets – modified cash basis for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of the Nicholls State University Alumni Federation as of June 30, 2018, and its revenue, expenses and other changes in its net assets during the year then ended, on the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying graphs and schedule of compensation, benefits and other payments to agency head, listed as other supplementary information in the table of contents, are presented for purposes of additional analysis and are not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Stagni & Company

Thibodaux, Louisiana
December 20, 2018



Nicholls State University Alumni Federation

Statement of Assets and Net Assets

Modified Cash Basis

June 30, 2018

ASSETS

CURRENT ASSETS

Cash & cash equivalents	\$	169,308
Cash & cash equivalents - designated		<u>52,098</u>
Total Current Assets		221,406

NON-CURRENT ASSETS

Furniture, equipment, & improvements, net of accumulated depreciation		<u>2,421</u>
Total Non-Current Assets		<u>2,421</u>

TOTAL ASSETS

\$ 223,827

NET ASSETS

Unrestricted:

Undesignated	\$	171,729
Designated		<u>52,098</u>

Total net assets 223,827

TOTAL NET ASSETS

\$ 223,827

See Notes to the Financial Statements.

Nicholls State University Alumni Federation

*Statement of Revenue, Expenses and Other
Changes in Net Assets - Modified Cash Basis
For the Year Ending June 30, 2018*

REVENUES

Member dues and donations	\$	71,330
Alumni Golf Classic		25,650
Special Events		16,911
Annual business meeting		10,936
Commissions		3,678
Donated services		142,443
Donated occupancy		11,000
Donations for scholarships		1,816
Student assessments		16,407
Interest		441
Miscellaneous		1,118
Total revenue & other support		<u>301,730</u>

EXPENSES

PROGRAM SERVICES

Director expenses & travel		2,345
Salaries		145,320
Public relations & goodwill		3,726
Promotional		3,755
Board & Committee		112
Scholarships		3,900
Student activities		20,963
Alumni Golf		9,501
Annual Business Meeting		9,158
Awards for Excellence		4,343
Postage		4,202
Fund Raising		26,985
Coffee & refreshments		372
Donations - campus organizations		8,531
Dues & subscriptions		11,955
Total program services		<u>255,168</u>

(continued)

See Notes to the Financial Statements.

Nicholls State University Alumni Federation
Statement of Revenues, Expenses and Other
Changes in Net Assets - Modified Cash Basis
For the Year Ending June 30, 2018

SUPPORTING SERVICES

GENERAL & ADMINISTRATIVE

Office supplies & maintenance	1,798
Alumni house supplies & maintenance	4,507
Postage	3,065
Telephone	59
Professional Fees	5,725
Insurance	7,916
Bank & VISA fees	1,600
Travel	3,041
Miscellaneous	1,520
Depreciation	737
Occupancy	11,000
Tutorial and Academic Enhancement	5,000
Equipment Expense	1,420
	<hr/>

MEMBERSHIP DEVELOPMENT

Printing, postage & dues	6,418
Lifetime membership dues	96
Chapter	3,085
	<hr/>

Total supporting services 56,987

Total expenses

312,155

Change in net assets (10,425)

NET ASSETS, BEGINNING OF YEAR

234,252

NET ASSETS, END OF YEAR

\$ 223,827

(concluded)

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

Note 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of organization:

The Nicholls State University Alumni Federation (the Alumni Federation) was organized as a non-profit corporation as defined by Revised Statutes of Louisiana Title 12, Section 101 and is duly inscribed in Book of Charters and Articles of Incorporation No. 4, Page 539, Entry No. 185698. Its object and purpose is to foster, protect, and promote the welfare of Nicholls State University and its alumni.

The significant accounting policies are as follows:

Basis of accounting:

The Alumni Federation's policy is to prepare its financial statements on the modified cash basis of accounting. Using this basis, revenues and other support are recognized when collected rather than when earned or receivable, and expenses are recognized when paid rather than when incurred. Consequently, the financial statements do not include revenue receivable, amounts due vendors, prepaid expenses, nor liabilities for accrued expenses. The statements are considered modified from the pure cash basis of accounting because of the Organization's policy to capitalize depreciable assets as well as to report donated facilities and services.

Method of accounting:

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations", the Alumni Federation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Because the financial statements are presented on the cash basis of accounting, the Alumni Federation is not required to present a statement of cash flows.

Contributions:

The Alumni Federation records contributions when they are received.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

Note 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

Furniture, equipment, & improvements:

Furniture, equipment, & improvements are carried at historical cost. Donated assets are valued at estimated market value at the time of donation. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. Assets costing more than \$1,000 are capitalized.

Income tax status:

No provision has been made for income taxes in the financial statements. The Alumni Federation is exempt from income tax under section 501(c) (3) of the Internal Revenue Code. This code section enables the Organization to accept donations, which qualify as charitable contributions to the donor.

Use of estimates:

The preparation of financial statements on the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses:

Expenses are charged directly to program services, general and administrative, or membership development categories based on specific identification. There are no indirect expenses to be allocated.

NOTE 2. CASH AND CASH EQUIVALENTS

In addition to bank accounts, this classification includes all short-term investments such as savings accounts, certificates of deposit maturing in one year or less, and money market accounts. These investments are stated at cost which approximates market.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

NOTE 2. CASH AND CASH EQUIVALENTS (continued)

A schedule of cash and cash equivalents (book balances) follows:

<u>Synergy Bank</u>	
Synergy Bank Checking(Scholarship) (interest bearing)	\$25,206
Synergy Bank – NSAA (non-interest bearing) (Nicholls Student Alumni Association)	1,363
Synergy Bank – Savings Alumni Lifetime Membership (interest bearing)	88,284
Synergy Bank – General Checking (non-interest bearing)	25,647
Synergy Bank – Student Assessment Account (non-interest bearing)	21,430
<u>Whitney Bank</u>	
Whitney Bank – S Knobloch (interest bearing)	4,099
<u>MidSouth Bank</u>	
Money Market (interest bearing)	54,882
<u>Paypal</u>	
Paypal account	495
	\$221,406

These deposits are stated at cost, which approximates market.

Statement of Financial Accounting Standards No. 105 identifies deposits maintained at financial institutions in excess of federally insured limits as a concentration of credit risk requiring disclosure, regardless of the degree of risk. At June 30, 2018, the Alumni had \$226,954 in deposits (collected bank balance). All of which are secured from risk by FDIC federal deposit insurance, except the \$496 which is on deposit with Pay Pal. There are no securities pledged on these accounts by the fiscal agent bank.

The cash & cash equivalents – designated amount is made up of the student assessment checking account, Nicholls Student Alumni Association checking account, the Synergy Bank checking account, and the S. Knobloch account. Further description for these designations can be found in Note 4.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

NOTE 3. FURNITURE, EQUIPMENT, & IMPROVEMENTS

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at cost. Donated assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expenses as incurred. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Building improvements	10-40 years
Equipment	5-15 years

Furniture, equipment and improvements consist of the following:

	<u>Balance 6/30/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2018</u>
Furniture & Fixtures	\$10,753	\$ -	\$ -	\$ 10,753
Equipment	9,819	-	-	9,819
Leasehold Improvements	30,218	-	-	30,218
	<u>50,790</u>	<u>-</u>	<u>-</u>	<u>50,790</u>
Less: Accumulated Depreciation	(47,632)	(737)	-	(48,369)
Totals	<u>\$3,158</u>	<u>\$ (737)</u>	<u>\$ -</u>	<u>\$2,421</u>

During the year, there were no assets purchased nor assets disposed. Depreciation Expense for the year was \$737.

NOTE 4. UNRESTRICTED NET ASSETS DESIGNATED FOR A SPECIFIC PURPOSE

Net assets include \$52,098 in restricted assets, which have been designated by the board or donor for a specific purpose. These assets have been obtained through student self-assessment, and by donors, and are to be used exclusively for scholarships (\$25,206), student activities (\$22,794), and educational purposes (\$4,098) as denoted by the donor.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

NOTE 5. MEMBERSHIP DUES

The Alumni Federation assesses dues to be a member. Dues are determined by the Board for various levels of membership. These levels of membership are:

- single dues (\$35),
- joint dues (\$55),
- dues for a recent graduate (\$15),
- friend of the alumni (\$50),
- In July 2013, two additional categories of dues were added for lifetime membership:
 - single (\$500)
 - and joint (\$750).

NOTE 6. STUDENT ASSESSMENTS

The Alumni Federation receives student assessment revenue from Nicholls State University. The Board has designated these funds for activities that will benefit the student body such as scholarships and other activities that the Alumni Federation sponsors.

NOTE 7. PROGRAM SERVICES

The Alumni Federation provides program services that benefit both its alumni and current Nicholls State University students. The major program services are to foster, protect, and promote the welfare of Nicholls State University, to establish a mutually beneficial relationship between the University and its Alumni. The major focus is on scholarships, fundraising, student activities, and its annual business meeting.

The Alumni Federation awards scholarships to current or incoming Nicholls State University students. The funds for these scholarships come from donors requesting scholarships named for a specific person as well as from student assessment or general funds.

Homecoming activities are centered on the Nicholls State University's homecoming football game. Some of the activities that the Alumni Federation provides are the barbeque, hot dog eating contest, and alumni tailgating. These activities are now being charged to student support activities.

The John Brady Golf Classic engages 100+ area golfers. To participate in these activities, participants are charged fees to help offset the cost as well as corporate sponsors. The Board has also designated one half of the net earnings from the golf tournament to be set aside to fund scholarships.

The Alumni Federation also provides for an annual business meeting. This meeting is centered on a "crawfish boil" where the Board of Directors is sworn-in. Tickets are sold to attend the crawfish boil and a silent auction is held in conjunction with this meeting to help offset the cost.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Notes to the Financial Statements
For the Year Ended June 30, 2018

NOTE 8. DONATED SERVICES AND FACILITIES

The Alumni Federation receives donated services from Nicholls State University in the form of a full-time executive director and assistant director, engagement coordinator, and a student worker. Nicholls State University has estimated the approximate cost of providing the donated services to be \$142,443 and it is included in contributions and expenses in the statement of support, revenue, and expenses and changes in net assets.

The Alumni Federation also occupies office space on the campus of Nicholls State University. The University does not charge the Alumni Federation for this space. Nicholls State University has estimated the approximate fair value of the annual rental and related utilities to be \$11,000 and it is included in contributions and expenses in the statement of support, revenue, and expenses and changes in net assets.

NOTE 9. RISK MANAGEMENT

The Alumni Federation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Alumni Federation has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the insurance coverage.

NOTE 10. ECONOMIC DEPENDENCY

The Nicholls State University Alumni Federation operates out of the Alumni House, which is owned by Nicholls State University. The University allows the Federation to occupy this building rent-free. Nicholls State University also covers 100% of the salary of the executive director, assistant director, engagement coordinator, and student worker of the Federation. If these expenses were not provided, the Federation would not be able to continue its operations.

NOTE 11. SUBSEQUENT EVENTS

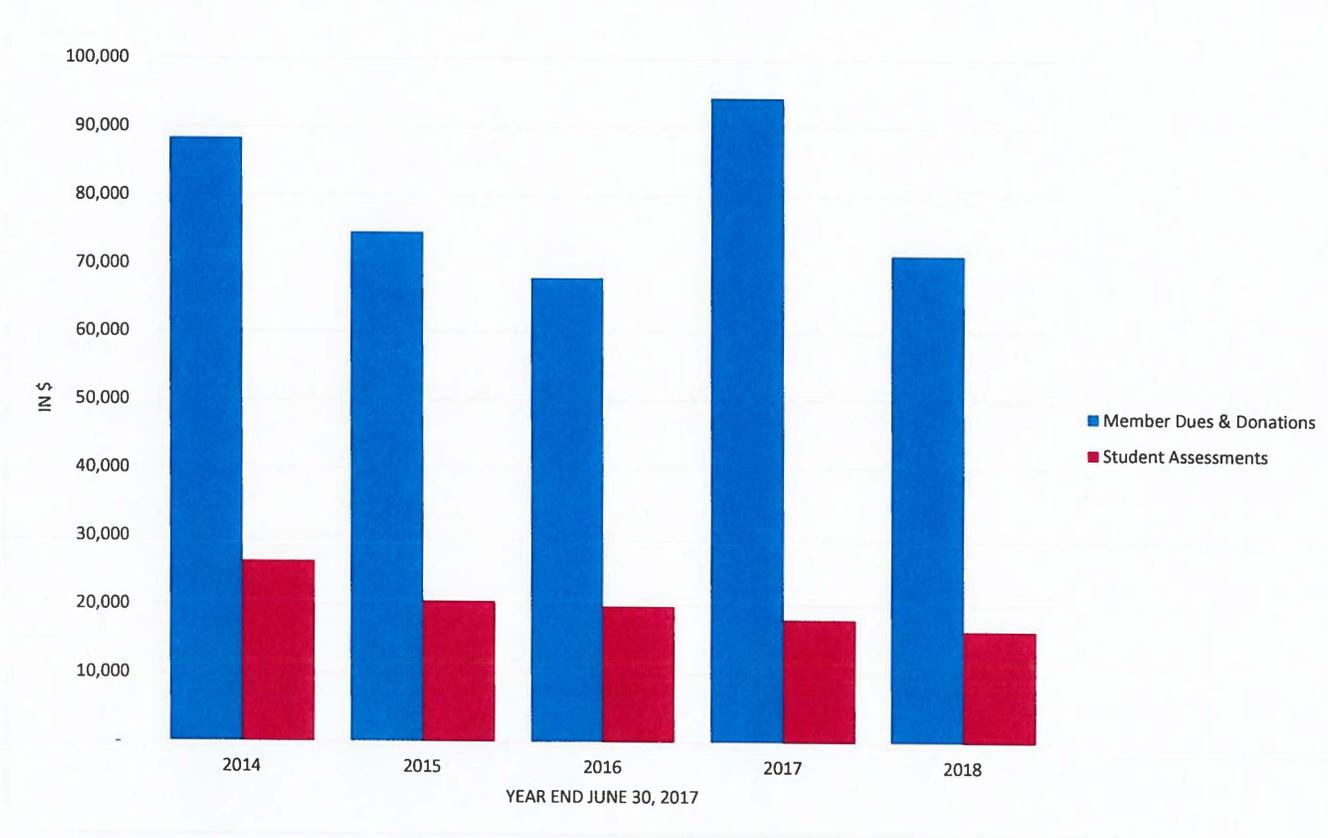
The subsequent events of the federation were evaluated through the date of the financial statements were available to be issued (December 20, 2018).

NOTE 12. LITIGATION AND CLAIMS

At June 30, 2018, the Alumni Federation had no litigation or claims pending.

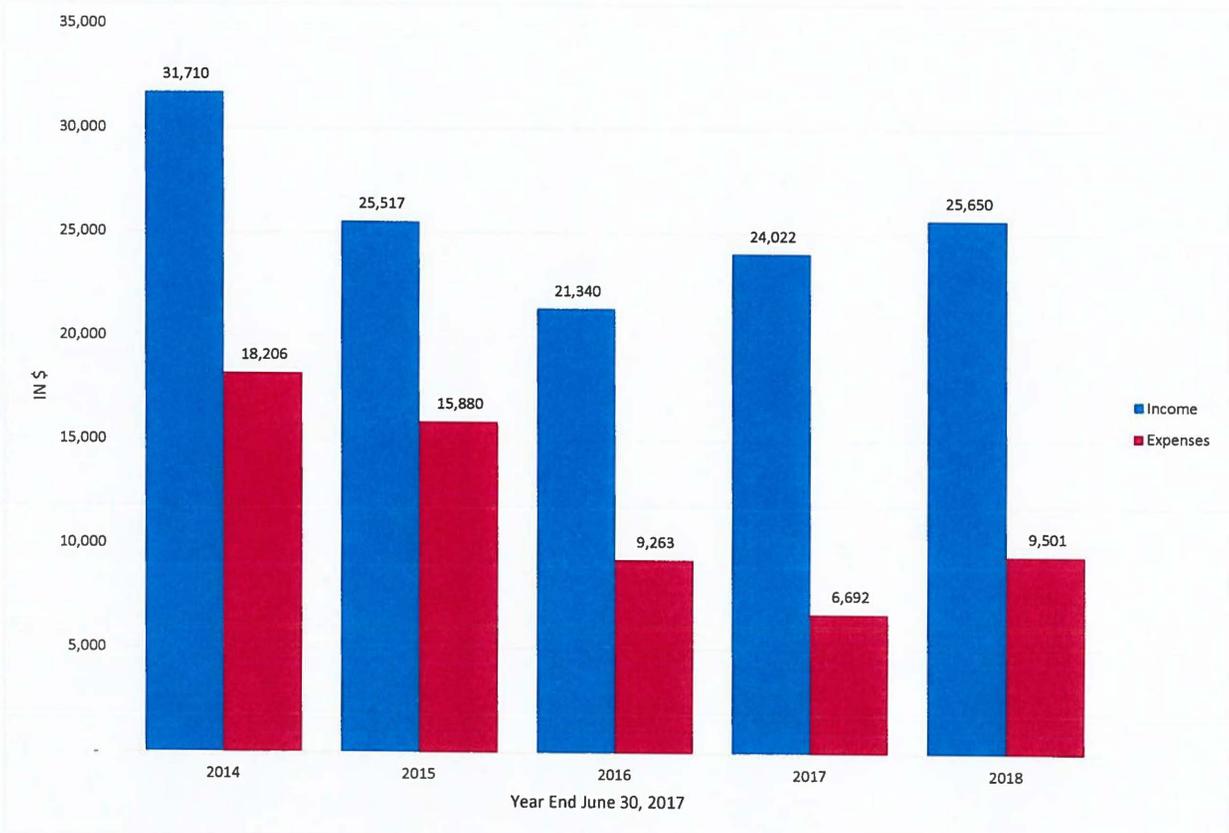
***OTHER SUPPLEMENTARY
INFORMATION***

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Dues & Donations Revenue Comparison
For the Year Ended June 30, 2018
With Comparative Totals for the Years Ended June 30, 2015, 2016, 2017



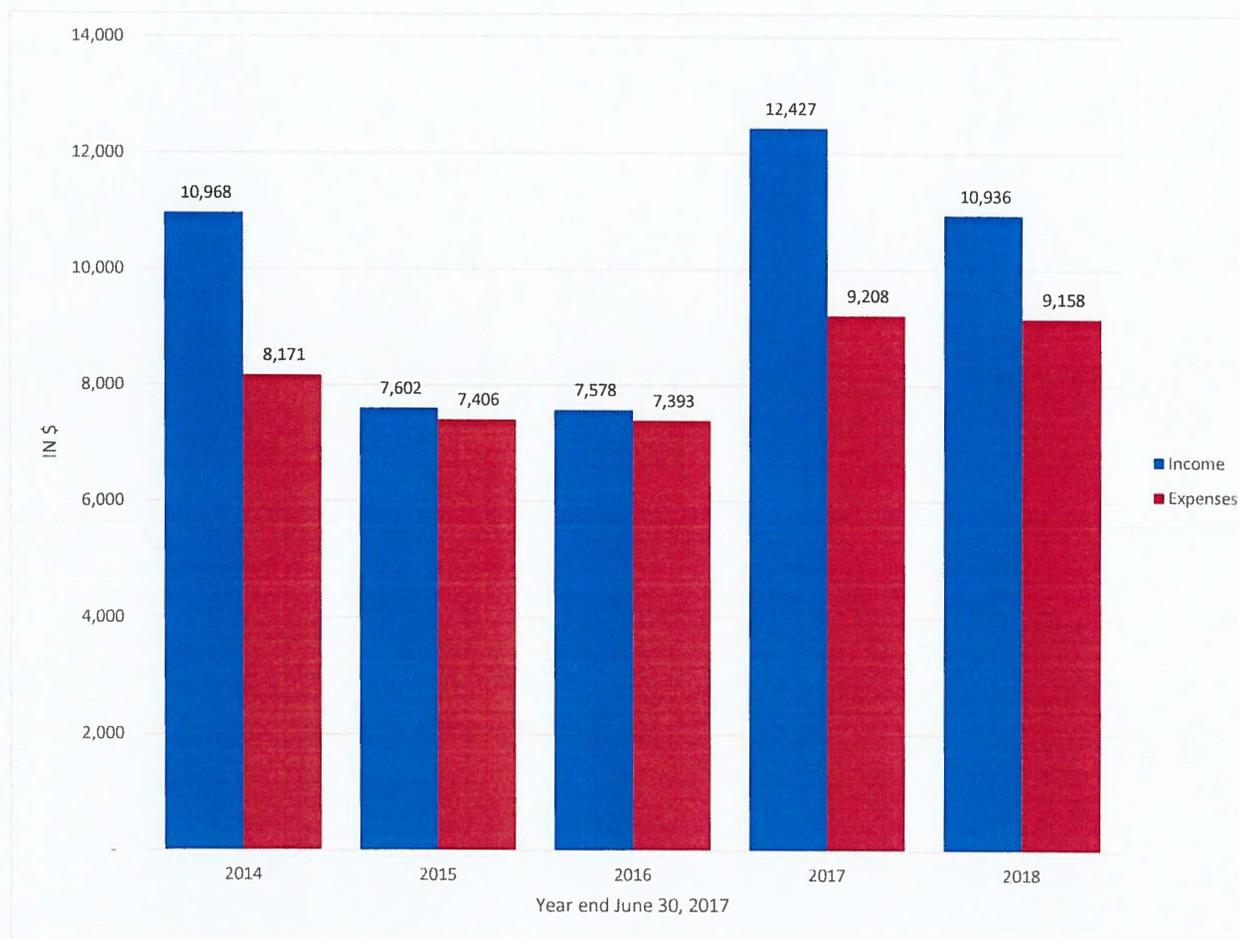
* Starting in 2014, life time membership was offered for the first time which caused a majority of the increase in membership levels.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Homecoming Income & Expense Comparison
(includes Golf Tournament)
For the Year Ended June 30, 2018
With Comparative Totals for the Years Ended June 30, 2015, 2016, 2017



** Starting in 2014, homecoming activity are from the Golf Classic and this chart solely showing the John Brady Golf Classic income and expenses.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
Annual Business Meeting Income & Expense
For the Year Ended June 30, 2018
With Comparative Totals for the Years Ended June 30, 2015, 2016, 2017



Nicholls State University Alumni Federation
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ending June 30, 2018

Agency Head Name: Monique Crochet, Executive Director of External & Alumni Affairs

Purpose	Amount
Salary (donated services - paid by Nicholls State University)	\$21,799
Benefits	\$7,976
Benefits - FICA (donated services - paid by NSU)	\$316
Car Allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues - Rotary, Chamber, SMIG, BIG (includes some meals)	\$0
Cell Phone	\$0
Other - Leadership Laforuche Tuition	\$0
Total	\$30,091

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION
SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended June 30, 2018

We have audited the accompanying statement of assets and net assets – modified cash basis of the Nicholls State University Alumni Federation (a nonprofit organization) as of June 30, 2018, and the related statement of revenue, expenses and other changes in net assets – modified cash basis for the year then ended and the related notes to the financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Section I Summary of Auditor's Reports

- The auditor's report expresses an unmodified opinion on the basic financial statements.

- No instances of noncompliance under the provisions of the Louisiana Governmental Audit Guide were disclosed during the audit of the basic financial statements.

- The Federation neither received nor expended any federal awards during the year.

- A management letter was not issued in conjunction with this audit.

Section II Financial Statement Findings –

- There were no financial statement findings during the audit of the basic financial statements.

Section III Federal Award Findings –

- The Federation neither received nor expended any federal awards during the year.

NICHOLLS STATE UNIVERSITY ALUMNI FEDERATION

Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2018

REFERENCE #	CORRECTIVE ACTION
SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE	

NOTES TO SCHEDULE:

This summary schedule includes all prior audit findings and management letter findings.

In the reference number, the first 4 digits are the year that the audit finding related to.