

LSU at Alexandria Foundation, Inc.

Alexandria, Louisiana

June 30, 2019

LSU at Alexandria Foundation, Inc.
June 30, 2019
Table of Contents

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report.....		1-2
Financial Statements		
Consolidated Statement of Financial Position.....	A	3
Consolidated Statement of Activities.....	B	4-5
Consolidated Statement of Cash Flows.....	C	6
Notes to Consolidated Financial Statements.....		7-20
Additional Information.....		21
	<u>Schedule</u>	
LSU at Alexandria Foundation, Inc.		
Statement of Financial Position.....	1	22
Statement of Activities.....	2	23
Alexandria Museum of Art, LLC		
Statement of Financial Position.....	3	24
Statement of Activities.....	4	25
Schedule of Management and General Expenses.....	5	26
The Oaks of Alexandria, LLC		
Statement of Financial Position.....	6	27
Statement of Activities.....	7	28
Generals Athletic Association, LLC		
Statement of Financial Position.....	8	29
Statement of Activities.....	9	30



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

To the Board of Directors
LSU at Alexandria Foundation, Inc.

We have audited the accompanying consolidated financial statements of LSU at Alexandria Foundation, Inc. (a nonprofit organization) and its subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Rebecca B. Morris, C.P.A.
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Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors
LSU at Alexandria Foundation, Inc.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of LSU at Alexandria Foundation, Inc. and its subsidiaries as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules 1-9 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited LSU at Alexandria Foundation, Inc. and its subsidiaries' 2018 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated January 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived except for changes in presentation of some expenses as a result of the implementation of the new accounting pronouncement described in Note 1.

A handwritten signature in blue ink that reads "Payne, Moore & Herrington, LLP".

Certified Public Accountants
Alexandria, Louisiana

November 8, 2019

LSU at Alexandria Foundation, Inc. and Subsidiaries
Consolidated Statement of Financial Position
June 30, 2019
(With Comparative Totals as of June 30, 2018)

Exhibit A

Assets	2019	2018
Current Assets		
Cash and cash equivalents	\$ 1,064,687	\$ 898,044
Certificates of deposit	151,049	150,018
Accounts receivable	31,325	4,800
Investment income receivable	225,377	160,260
Pledges receivable, net	76,500	20,000
Tenant receivables, net	23,794	73,816
Other receivables	38,722	32,829
Prepaid expenses	25,384	45,837
Other current assets	37,173	2,111
Inventory	2,419	2,608
Total Current Assets	1,676,430	1,390,323
Investments held by LSU Foundation and Others	24,137,308	24,445,077
Investments held by		
Central Louisiana Community Foundation	229,951	213,712
Long-Term Pledges Receivable, Net	36,500	-
Property and Equipment,		
Net of Accumulated Depreciation	7,280,519	7,766,032
Art Collection	3,522,029	3,460,400
Other Assets	250	250
Total Assets	\$ 36,882,987	\$ 37,275,794
Liabilities and Net Assets		
Current Liabilities		
Accounts and income payable	\$ 435,644	\$ 591,957
Accrued interest payable	70,894	72,819
Bonds payable	395,000	385,000
Rental deposits	30,296	60,747
Deferred revenues	42,656	79,485
Other accrued expenses	48,140	10,000
Total Current Liabilities	1,022,630	1,200,008
Other Liabilities		
Bonds payable	8,442,457	8,824,254
Net Assets		
Without donor restrictions	12,564,099	12,463,165
With donor restrictions	14,853,801	14,788,367
Total Net Assets	27,417,900	27,251,532
Total Liabilities and Net Assets	\$ 36,882,987	\$ 37,275,794

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

LSU at Alexandria Foundation, Inc. and Subsidiaries
Consolidated Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Exhibit B
(Continued)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenues, Gains (Losses), and Other Support				
Contributions	\$ 113,611	\$ 153,435	\$ 267,046	\$ 273,114
Grants	-	197,387	197,387	163,171
Interest and dividends	144,777	563,628	708,405	1,142,778
Noncash support	451,269	-	451,269	471,474
Memberships	52,136	-	52,136	43,690
Program fees	20,789	-	20,789	10,094
Student housing income	1,666,965	-	1,666,965	1,326,172
Athletic sign sponsorships	28,350	-	28,350	51,000
Fundraising	103,673	124,300	227,973	301,684
Unrealized/realized gain (loss) on investments	232,429	-	232,429	(423,100)
Athletics	-	257,596	257,596	109,539
Other income and support	75,607	-	75,607	82,551
Net assets released from restrictions	1,230,912	(1,230,912)	-	-
Total Revenues, Gains (Losses), and Other Support	4,120,518	65,434	4,185,952	3,552,167
Expenses				
Program Services				
Foundation:				
Provision for uncollectible pledge	-	-	-	16,000
Athletics	105,181	-	105,181	120,699
Miscellaneous	-	-	-	807
Office supplies	2,613	-	2,613	4,252
Official functions	29,722	-	29,722	39,785
Operating services	17,252	-	17,252	37,489
Professorships	196,096	-	196,096	136,546
Staffing services	68,710	-	68,710	57,283
Scholarships and awards	322,854	-	322,854	284,454
Travel	4,019	-	4,019	4,884
University programs and support	663,514	-	663,514	311,237
Museum:				
Education				
Staffing services	133,547	-	133,547	132,734
Events and programs	65,224	-	65,224	59,405
Exhibits				
Staffing services	98,957	-	98,957	98,354
Events and programs	67,331	-	67,331	83,062
Permanent collection expenses	3,372	-	3,372	12,430
Facility and operating expenses	115,283	-	115,283	164,413
Depreciation	120,372	-	120,372	122,741
Other program services	1,298	-	1,298	2,123
Student housing:				
Provision for uncollectible tenant receivable	11,753	-	11,753	7,631
Staffing services	120,806	-	120,806	108,693
Repairs and maintenance	240,188	-	240,188	236,326
Utilities	218,903	-	218,903	202,630
Depreciation	365,141	-	365,141	366,368
Interest expense	298,703	-	298,703	298,637
Facility and operating expenses	77,000	-	77,000	59,482
Other expenses	100,344	-	100,344	52,522

LSU at Alexandria Foundation, Inc. and Subsidiaries
Consolidated Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Exhibit B
(Concluded)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Athletic association:				
Athletic sponsorship signs	707	-	707	347
Official functions	26,250	-	26,250	33,415
Operating services	15,319	-	15,319	15,084
Supplies	1,168	-	1,168	515
Facility and operating expenses	18,000	-	18,000	13,304
Total Program Services	<u>3,509,627</u>	-	<u>3,509,627</u>	<u>3,083,652</u>
Support Services				
Management and general				
Staffing services	279,560	-	279,560	285,048
Operating services	26,000	-	26,000	23,040
Professional services	69,814	-	69,814	67,750
Other operating expenses	29,790	-	29,790	29,435
Fundraising	104,793	-	104,793	132,789
Total Support Services	<u>509,957</u>	-	<u>509,957</u>	<u>538,062</u>
Total Expenses	<u>4,019,584</u>	-	<u>4,019,584</u>	<u>3,621,714</u>
Change in Net Assets	100,934	65,434	166,368	(69,547)
Net Assets, Beginning of Year	<u>12,463,165</u>	<u>14,788,367</u>	<u>27,251,532</u>	<u>27,321,079</u>
Net Assets, End of Year	<u>\$ 12,564,099</u>	<u>\$ 14,853,801</u>	<u>\$ 27,417,900</u>	<u>\$ 27,251,532</u>

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

LSU at Alexandria Foundation Inc. and Subsidiaries
Consolidated Statement of Cash Flows
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

	2019	Exhibit C 2018
Cash Flows from Operating Activities		
Change in net assets	\$ 166,368	\$ (69,547)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	485,513	489,109
Provision for uncollectible pledge	-	16,000
Unrealized (gain) loss on investments	(232,429)	423,100
Donation to art collection	(50,929)	(79,530)
Provision for uncollectible tenant receivables	11,753	7,631
Amortization of bond discount and issuance cost	13,204	(13,553)
Changes in operating assets and liabilities:		
Accounts receivable	(26,525)	4,881
Investment income receivable	(65,117)	715,633
Pledges receivable	(56,500)	(19,999)
Tenant receivables	50,022	(37,838)
Other receivables	(5,893)	(4,846)
Prepaid expenses	20,453	19,212
Other current assets	(35,062)	22,803
Inventory	189	479
Accounts and income payable	(168,066)	(34,192)
Accrued interest payable	(1,925)	5,842
Rental deposits	(30,451)	21,480
Deferred revenues	(36,829)	26,473
Other accrued expenses	38,140	(30,283)
Net Cash Provided by (Used in) Operating Activities	75,916	1,462,855
Cash Flows from Investing Activities		
Proceeds from matured certificates of deposit	150,018	-
Purchase of certificates of deposit	(151,049)	(150,018)
Purchase of investments	(379,981)	(718,751)
Reinvestment of income from investments	(615,120)	(1,837,672)
Withdrawal of investments	1,519,059	1,608,203
New long-term pledges receivable	(36,500)	-
Purchase of equipment	-	(8,715)
Purchase of artwork	(10,700)	(14,701)
Net Cash Provided by (Used in) Investing Activities	475,727	(1,121,654)
Cash Flows from Financing Activities		
Principal payments on long-term debt	(385,000)	(255,000)
Net Cash Provided by (Used in) Financing Activities	(385,000)	(255,000)
Increase (Decrease) in Cash	166,643	86,201
Cash and Cash Equivalents, Beginning of Year	898,044	811,843
Cash and Cash Equivalents, End of Year	\$ 1,064,687	\$ 898,044

Additional required disclosures:

1. LSU at Alexandria Foundation, Inc. considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. No income taxes were paid during the current fiscal year.
3. Interest paid for the year ended June 30, 2019 amounted to \$287,425.
4. There were no material noncash financing transactions during the fiscal year ended June 30, 2019.
Noncash investing transactions during the year consisted of:
 Donated artwork valued at \$50,929

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

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

LSU at Alexandria Foundation, Inc. (the Foundation) is a nonprofit corporation formed to promote the educational and cultural welfare of Louisiana State University at Alexandria, Louisiana, by accepting gifts for the purpose of providing scholarships, aiding research, and such other designated projects for the benefit of the University. LSU at Alexandria Foundation, Inc. also owns and operates Alexandria Museum of Art, LLC, which provides educational and cultural enrichment to students and promotes community awareness of the arts; The Oaks of Alexandria, LLC, which provides on-campus student housing; and Generals Athletic Association, LLC, which was formed to support Louisiana State University at Alexandria and any affiliated intercollegiate athletic programs.

Accounting Pronouncement Adopted

In August 2016, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Update No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these consolidated financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. In addition to changes in terminology used to describe categories of net assets throughout the consolidated financial statements, new disclosures were added regarding liquidity and availability of resources, as well as the functional allocation of expenses. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used. The Foundation adopted the provisions of this ASU during the year ended June 30, 2019. Changes under this ASU did not have a material effect on the consolidated financial statements.

Net Assets without Donor Restrictions

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions, and from receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Board of the Foundation and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

See Note 12 for more information on the composition of net assets without donor restrictions.

Net Assets with Donor Restrictions

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Foundation to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

See Note 13 for more information on the composition of net assets with donor restrictions.

The changes resulting from the implementation of this new standard have the following effect on net assets at July 1, 2018.

	<u>Amounts under</u> <u>FASB ASC 958</u>	<u>Reclassifications</u>	<u>"as adjusted"</u> <u>Amounts under</u> <u>ASU No. 2016-14</u>
Net assets:			
Unrestricted	\$ 12,463,165	\$ (12,463,165)	\$ -
Temporarily restricted	5,508,152	(5,508,152)	-
Permanently restricted	9,280,215	(9,280,215)	-
Without donor restrictions	-	12,463,165	12,463,165
With donor restrictions	-	14,788,367	14,788,367
Total net assets	<u>\$ 27,251,532</u>	<u>\$ -</u>	<u>\$ 27,251,532</u>

Consolidation

The accompanying consolidated financial statements include the accounts of the LSU at Alexandria Foundation, Inc. and its wholly owned subsidiaries: Alexandria Museum of Art, LLC, The Oaks of Alexandria, LLC, and Generals Athletic Association, LLC. All material intercompany transactions and balances have been eliminated in the consolidation.

Basis of Accounting

The consolidated financial statements of LSU at Alexandria Foundation, Inc. have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred.

Basis of Presentation

The accompanying consolidated financial statements of LSU at Alexandria Foundation, Inc. have been prepared in accordance with accounting principles generally accepted in the United States of America. It is the policy of LSU at Alexandria Foundation, Inc. to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's consolidated financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Contributions and Promises to Give

The Foundation reports contributions received as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenue in the period received, and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for uncollectible promises to give is provided based on management's evaluation of potential uncollectible promises to give at year-end.

Tenant Receivables

Tenant receivables represent net unpaid lease obligations related to student housing at The Oaks of Alexandria, LLC. The allowance for uncollectible tenant receivables is assessed by management based on historical collection rates and aging of the uncollected accounts.

Investments

The Foundation and its subsidiaries carry investments with Louisiana State University Foundation, Central Louisiana Community Foundation, and Raymond James Financial Services, Inc. Funds with Louisiana State University Foundation and Central Louisiana Community Foundation are pooled and invested with funds from other similar organizations. Investments are reported at their market values in the consolidated statement of financial position as reported to LSU at Alexandria Foundation, Inc. by the investment administrators. Unrealized gains and losses are included in the change in net assets in the statement of activities. There are no known material unrecorded permanent market value declines in marketable securities.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

Property and Equipment

Purchased property and equipment with a value equal to or greater than \$1,000 are capitalized at cost. Donated items are recorded at fair market value, if material and reasonably determinable, at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Repairs, maintenance, and minor replacements are charged to operations as incurred. Major replacements and improvements are capitalized at cost. When capitalized items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

The Foundation reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Art Collection

In 1977, the Museum elected to capitalize its collection. Items purchased are capitalized at their cost; items contributed are capitalized at their fair or appraised value at the accession date.

In 2009, the LSU at Alexandria Foundation, Inc. received donated artwork to be displayed on the campus of LSU at Alexandria. The artwork is capitalized in the statement of financial position at its appraised value at the accession date.

Bond Discount and Issuance Costs

Amortization of bond discount and issuance costs is reported as interest expense in the statement of activities.

Deferred Revenues

Revenues for LSU at Alexandria Foundation, Inc. and Alexandria Museum of Art, LLC events are recorded as deferred revenues if the related event is beyond the date of the statement of financial position. Such revenues are recognized when the event is held.

Payments for Generals Athletic Association, LLC membership dues received on or before the financial statement date for subsequent membership periods are reported as deferred revenues in the statement of financial position. Such revenues are recognized in the period for which the membership dues are earned.

Tenant rental payments received on or before the financial statement date for subsequent rental periods are reported as deferred revenues in the statement of financial position. Such revenues are recognized in the period for which the rent is earned.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

Donated Services

LSU at Alexandria Foundation, Inc. receives donated services from numerous individuals who volunteer their time to assist the Foundation with specific programs and various fundraising activities. No amounts have been reflected in the consolidated financial statements for donated services since the services are not professional in nature and, as such, do not meet the criteria for recognition as donated services. The Foundation pays for most services requiring specific expertise.

Substantial services and support are provided by LSU at Alexandria for the operation of LSU at Alexandria Foundation, Inc. and its subsidiaries and pursuant to the management agreement discussed in Note 11. Amounts for certain affiliated organizational support such as direct personnel and related benefits, insurance, and security services have been recorded in the accompanying consolidated financial statements as noncash support. The expenses are charged to program or support services using management's estimate of the activities benefited. The cost of other indirect expenses and support has not been recorded in the accompanying consolidated financial statements as values were not readily determinable.

The City of Alexandria (the City) provides utilities to Alexandria Museum of Art, LLC under an interagency agreement between Louisiana State University and the City. The value of the contributed utilities is recorded as noncash contributions and utilities expense in the accompanying consolidated financial statements.

Advertising Costs

Advertising costs are expensed when incurred.

Functional Allocation of Expenses

Costs incurred by the Foundation and its subsidiaries have been presented on a functional basis in the statement of activities. Accordingly, costs have been allocated on a reasonable and consistent basis. Most expenses are charged directly to program or support services based on specific identification. Services and support provided by LSU at Alexandria for the operation of the Foundation are charged to program or support services using management's estimate of the activities benefited.

Subsequent Events

Management has evaluated subsequent events through November 8, 2019, the date which the consolidated financial statements were available for issue. Management's evaluation revealed no subsequent events that require disclosure.

2. Cash and Cash Equivalents

Cash and cash equivalents reported in the consolidated statement of financial position includes \$122, which is restricted for debt service requirements related to revenue bonds and held in separate bank accounts which are in custody of the bond trustee.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

3. Certificates of Deposit

Certificates of deposit are located at two local financial institutions. All of the certificates are scheduled to mature within the next twelve months and earn interest at various rates.

4. Pledges Receivable

Pledge receivables at June 30, 2019, which consist of unconditional promises to give, were as follows:

Receivable in less than one year	\$ 76,500
Receivable in one year	<u>36,500</u>
	\$ 113,000

In the opinion of management, all pledges receivable at year-end, were considered to be collectible and an allowance for uncollectible pledges was not considered necessary.

5. Investment Income Receivable

Investment income receivable reported in the consolidated statement of financial position at June 30, 2019, represents unpaid interest and other earnings from investments held on behalf of LSU at Alexandria Foundation, Inc. at LSU Foundation and Central Louisiana Community Foundation.

6. Tenant Receivables

Gross tenant receivables at June 30, 2019, totaled \$28,475. Tenant receivables in the statement of financial position are shown net of estimated uncollectible amounts of \$4,681.

7. Investments and Fair Value Measurement

LSU at Alexandria Foundation, Inc. is required to disclose estimated fair values for all financial instruments and nonfinancial instruments measured at fair value on a recurring basis. The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. When available, LSU at Alexandria Foundation, Inc. uses Level 1 as their valuation approach because they generally provide the most reliable evidence of fair value. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

LSU Foundation Managed Assets

On July 3, 1995, the LSU at Alexandria Foundation, Inc. entered into a management agreement with the LSU Foundation whereby the LSU Foundation shall hold funds on behalf of the LSU at Alexandria Foundation, Inc. solely for the purpose of investing the funds. The LSU Foundation may assess its standard management fees annually to cover its administrative costs. This agreement shall remain in effect until a 180-day written notice is given by either party to the other party.

Investments held by the LSU Foundation on behalf of the LSU at Alexandria Foundation, Inc. are reported at their fair values in the consolidated statement of financial position. As of June 30, 2019, investments in LSU Foundation managed assets are set forth below:

Investments at cost	\$ 19,058,000
Add:	
Unrealized gain	<u>1,781,565</u>
Market Value	\$ 20,839,565

Investments presented in the accompanying consolidated financial statements do not include state matching funds awarded by the Board of Regents for qualified scholarships, professorships, and endowed chairs because such awards are applied for and awarded to Louisiana State University at Alexandria and not to LSU at Alexandria Foundation, Inc. The market value of state matching funds attributable to the university for scholarships, professorships, and endowed chairs and held by LSU Foundation totaled \$4,116,642 at June 30, 2019.

Investments Held by Central Louisiana Community Foundation

The Alexandria Museum of Art, LLC established a major maintenance fund with Central Louisiana Community Foundation (CLCF). Earnings from the major maintenance fund are reported as income with donor restrictions and may be requested for major maintenance needs as they arise. The Alexandria Museum of Art, LLC may request distribution of all or part of the principal it contributes to the funds. The Board of CLCF will grant such a request if it concludes that such a distribution is consistent with the charitable purposes of CLCF, which may be deferred for up to 90 days in order to permit orderly and timely liquidation of assets to meet the request. The fund may be charged regularly for a proper allocation of direct and indirect expenses attributable to the creation and maintenance of the fund. If CLCF ceases to be a qualified charitable organization or if CLCF proposes to dissolve, the assets of the fund shall be distributed to the Alexandria Museum of Art, LLC. At that time, if the Alexandria Museum of Art, LLC is not then a qualified charitable organization, CLCF shall distribute the assets of the fund in a manner and to any organization serving the Central Louisiana Community that satisfy the requirements of a qualified charitable organization and serve purposes similar to those of the Alexandria Museum of Art, LLC. The fair market value of the major maintenance fund was \$217,578 at June 30, 2019.

CLCF also holds an impact fund for Alexandria Museum of Art, LLC. The fair market value of the impact fund at June 30, 2019 was \$12,373.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

<u>Description</u>	Fair Value Measurement at Reporting Date Using			
	Total 06/30/19	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments held by LSU Foundation	\$ 20,839,565	\$ -	\$ 20,839,565	\$ -
Mutual Funds	3,297,743	3,297,743	-	-
Investments held by Central Louisiana Community Foundation	229,951	-	229,951	-
	\$ 24,367,259	\$ 3,297,743	\$ 21,069,516	\$ -

Investment income was as follows for the year ended June 30, 2019:

Interest and dividends	\$ 708,405
Unrealized/realized gain (loss) on investments	418,811
Less: investment fees	(186,382)
	\$ 940,834

8. Endowments

The endowments held by the Foundation consist of donor-restricted endowment funds and funds designated by the Foundation board to function as endowments. Endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation board has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the following as net assets with donor restrictions:

- a. The original value of gifts donated to the permanent endowment;
- b. The original value or subsequent gifts to the permanent endowment; and
- c. Accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

Earnings on endowment funds with permanent restrictions that are available for expenditure in accordance with the endowment agreement are transferred to other funds from which those expenditures will be made in accordance with the spending policy. When distributions of earnings are not necessary for operations, those earnings are deemed to be additional principal to the endowed fund and are accumulated as such in the permanently endowed fund. In accordance with UPMIFA, the Foundation considers the following factors in making decisions related to appropriations for expenditures or accumulations of donor-restricted endowment funds:

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

1. The duration and preservation of the various funds;
2. The purposes of the donor-restricted endowment funds;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The Foundation's investment policies.

Investment Return Objectives, Risk Parameters, and Strategies

The investment policies of the Foundation emphasize total return. Adherence to a sound long-term investment policy balancing short-term spending needs with the preservation of the real inflation-adjusted value of assets is a primary importance. The Foundation expects to attain an inflation-adjusted minimum average annual return, net of fees, over a rolling five year period. This real return is defined as the sum of capital appreciation (loss) and current income (interest and dividends) adjusted for inflation as measured by the Consumer Price Index. Investment policies are based on principles of responsible financial stewardship, as well as ethical and social stewardship. The Foundation is committed to a diversified asset allocation strategy, consisting primarily of domestic equities, international equities, domestic fixed income, hedge funds, and real estate.

Changes in endowments for the year ended June 30, 2019, are as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Endowment, beginning of year	\$ 3,140,872	\$ 12,198,786	\$ 15,339,658
Contributions	5,320	54,618	59,938
Investment income	37,879	463,908	501,787
Transfers from other investments	(47,259)	99,456	52,197
Net appreciation (depreciation) of securities	(598,655)	-	(598,655)
Appropriations	(3,471)	-	(3,471)
Endowment, end of year	<u>\$ 2,534,686</u>	<u>\$ 12,816,768</u>	<u>\$ 15,351,454</u>

Endowment composition by type of fund as of June 30, 2019 is as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 12,816,768	\$ 12,816,768
Board-designated endowment and other funds	<u>2,534,686</u>	<u>-</u>	<u>2,534,686</u>
	<u>\$ 2,534,686</u>	<u>\$ 12,816,768</u>	<u>\$ 15,351,454</u>

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

9. Property and Equipment

The following schedule summarizes estimated useful life, cost, and accumulated depreciation of property and equipment of LSU at Alexandria Foundation, Inc.'s subsidiaries as of June 30, 2019:

	<u>Life</u>	
Land		\$ 276,979
Building and improvements	40 Years	13,453,060
Furniture and equipment	5 – 7 Years	930,169
Website	3 Years	162,500
Computer software	3 Years	<u>6,029</u>
		14,828,737
Less: Accumulated Depreciation		<u>7,548,218</u>
		\$ 7,280,519

Depreciation expense was \$485,513 for the year ended June 30, 2019.

10. Other Accrued Expenses

LSU at Alexandria assesses charges for student housing to student accounts and remits payment to The Oaks of Alexandria, LLC prior to full collection from the student. Other accrued expenses represent management's estimate of student lease payments made to The Oaks of Alexandria, LLC pursuant to the facility management agreement that may be subject to repayment to LSU at Alexandria if the student accounts held by the university are not paid within three years. Other accrued expenses include \$10,000 in the consolidated statement of financial position for this provision. Other accrued expenses also include \$38,140 related to repairs and maintenance for The Oaks of Alexandria, LLC.

11. Bonds Payable

Pursuant to a bond indenture and related agreements dated October 10, 2006, LSU at Alexandria Foundation, Inc., through its subsidiary, The Oaks of Alexandria, LLC, borrowed \$11,905,000 through a loan agreement with the Louisiana Public Facilities Authority, and in conjunction with the issuance of this same amount in revenue bonds designated "Louisiana Public Facilities Authority Revenue Bonds (The Oaks of Alexandria, LLC-Louisiana State University at Alexandria Student Housing Project), Series 2006.

The proceeds from the sale of the bonds were used for the purpose of financing, planning, designing, constructing, furnishing, and equipping residence facilities for use by Louisiana State University at Alexandria. The proceeds were also used to establish a debt service reserve fund, and to provide for capitalized interest, and for a portion of the costs of issuance.

In April of 2017, The Oaks of Alexandria, LLC, refinanced the loan agreement with the Louisiana Public Facilities Authority. This refinancing included the issuance of two revenue refunding bonds designated as "Louisiana Public Facilities Authority Revenue Bonds (The Oaks of Alexandria, LLC-Louisiana State University at Alexandria Student Housing Project), Series 2017A" and "Louisiana Public Facilities Authority Revenue Bonds (The Oaks of Alexandria, LLC-Louisiana State University at Alexandria Student Housing Project), Series 2017B."

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

Proceeds from the Series 2017A bonds in the amount of \$9,670,000, together with available funds of The Oaks of Alexandria, LLC, was used for the purpose of refunding the outstanding balance of the "Louisiana Public Facilities Authority Revenue Bonds (The Oaks of Alexandria, LLC-Louisiana State University at Alexandria Student Housing Project), Series 2006" issue. Proceeds were also used for a portion of the costs of issuance, not to exceed two percent of the Series 2017A bond's proceeds. Proceeds from the Series 2017B bond in the amount of \$70,000 was used to pay any costs of issuance which exceeded the two percent limitation set upon the Series 2017A bond.

The bonds are controlled by the bond trust indenture, which requires that the net proceeds be deposited and held by the trustee, Regions Bank. In addition, LSU at Alexandria Foundation, Inc. is subject to certain covenants that are detailed in the trust indenture document. The bonds are nonrecourse to the Foundation.

The bonds mature on the dates and in the principal installments set forth in the following table:

Maturity October 1	Principal Amount	Interest Rate
2019	\$ 395,000	2.000%
2020	400,000	2.000
2021	415,000	2.000
2022	420,000	2.250
2023	435,000	2.500
Thereafter	7,035,000	3.356
	\$ 9,100,000	

The noncurrent portion of bonds payable is reported net of bond issuance cost of \$159,732 and bond discount of \$102,811 in the statement of financial position. Interest expense on bonds payable totaled \$298,703 for the year ended June 30, 2019.

In accordance with bond provisions, the Foundation originally entered into a Facility Management Agreement with Campus Advantage, Inc. for the purpose of opening, managing, and operating the residence facilities described above. That agreement was terminated in November 2008 by mutual consent. A management agreement with the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College acting through Louisiana State University at Alexandria was entered into for an initial term of five years. This agreement automatically renews for additional one year periods unless terminated in writing by either party at least ninety days prior to the end of the current or renewal term.

12. Net Assets Without Donor Restrictions

The Foundation's net assets without donor restrictions at year-end totaled \$12,564,099. Of this amount, \$6,249,448 was board designated to be used to provide scholarships, as well as to fund various University projects. The remaining balance of \$6,314,651 represents undesignated net assets.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

13. Net Assets with Donor Restrictions

The Foundation's net assets with donor restrictions at year-end are restricted for the following purposes:

Salaries and benefit supplements, scholarships, and other supporting services of Louisiana State University at Alexandria and Alexandria Museum of Art, LLC	\$ 5,488,402
Endowments and other funds held in perpetuity for the benefit of Louisiana State University at Alexandria	<u>9,365,399</u>
	\$ 14,853,801

14. Advertising Costs

Advertising costs charged to expense for the year ended June 30, 2019, totaled \$11,493.

15. Income Taxes

The LSU at Alexandria Foundation, Inc. and its subsidiaries are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable State Law. All are classified as exempt organizations other than private foundations.

The LSU at Alexandria Foundation, Inc.'s and its subsidiaries' tax returns remain subject to examination by the IRS for three years after filing. As of June 30, 2019, the tax years that remain open to examination by the IRS are 2016, 2017, and 2018. Management believes that all positions taken in those returns would be sustained if examined by the IRS.

16. Donated Services

The LSU at Alexandria Foundation, Inc. and its subsidiaries receives a significant amount of donated services and use of facilities from Louisiana State University at Alexandria (the University). University employees and unpaid volunteers assist in operations, fundraising, special projects, and programs. The accompanying consolidated financial statements include \$359,648 recorded as noncash support, representing the estimated value of personnel expenses, insurance, maintenance, internet service, and certain other support provided to LSU at Alexandria Foundation, Inc. and its subsidiaries by the University. No amounts have been recognized in the statement of activities for other indirect supporting services and use of facilities as the value of those services were not readily determinable. Continued support from the University is directly dependent on funding the University receives. Budget cuts to the University could adversely impact the support available to LSU at Alexandria Foundation, Inc. and its subsidiaries.

The City of Alexandria began, on December 15, 2006, providing utilities for the operation of the Alexandria Museum of Art, LLC. On February 23, 2012, the City of Alexandria and Louisiana State University entered into an interagency agreement under which the City would continue to provide utilities for the benefit of Alexandria Museum of Art, LLC. The agreement was for a period of five years but was extended in February of 2017 by agreement of the parties. The fair value of the use of provided utilities for the current year was \$40,692 and is reported as noncash support in the accompanying consolidated financial statements.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

17. Commitments and Contingencies

Grants, bequests, and endowments require the fulfillment of certain conditions as set forth in the instrument. Failure to fulfill the conditions, or in the case of endowments, failure to continue to fulfill them, could result in the return of the funds to grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting the grants and their terms, it has accommodated the objectives of the organization to the provisions of the grant.

18. Concentrations

Credit Risk

Cash and certificates of deposit for LSU at Alexandria Foundation, Inc. and its subsidiaries are deposited with local financial institutions. Some cash is also deposited with various money market accounts under the Raymond James Deposit Program. Deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution, per depositor. Uninsured balances among the various accounts and entities that comprise LSU at Alexandria Foundation, Inc. and its subsidiaries totaled \$636,867 at June 30, 2019.

Investments include securities that are traded on national stock exchanges and are subject to fluctuations in value. Investments in marketable securities held in LSU at Alexandria Foundation, Inc.'s brokerage accounts are insured up to \$500,000, including a \$250,000 limit for cash, by Securities Investor Protection Corporation (SIPC). SIPC covers investors in the event that the brokerage firm becomes insolvent or liquidates. SIPC works to replace securities or cash lost due to theft or destruction. This insurance does not protect LSU at Alexandria Foundation, Inc. from losses on investments resulting from market and economic conditions.

Support Risk

LSU at Alexandria Foundation, Inc.'s subsidiary, the Oaks of Alexandria, LLC relies on revenues from tenants associated with LSU at Alexandria. Housing is available only to qualifying students, therefore, ability to reach lease capacity is contingent on student interest and enrollment.

LSU at Alexandria Foundation, Inc. and its subsidiaries, Alexandria Museum of Art, LLC and the Generals Athletic Association, LLC, rely on contributions and support from donors in the Central Louisiana area and on the performance of investments.

19. Transactions with Louisiana State University at Alexandria, Louisiana

Essentially all of the expenses of LSU at Alexandria Foundation, Inc. (the Foundation) and its subsidiaries are for purposes outlined in Note 1 to the consolidated financial statements which benefit Louisiana State University at Alexandria, Louisiana (the University). The Foundation and its subsidiaries have certain transactions with the University in the normal course of operations. The University also provides certain affiliated support to the Foundation and its subsidiaries as presented in the consolidated statement of activities. At June 30, 2019, the Foundation and its subsidiaries owed the University \$82,745 for scholarships, as well as salaries for the University's Sports Medicine department.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2019

Notes to Consolidated Financial Statements

In addition, the University serves as property manager of The Oaks of Alexandria, LLC as disclosed in Note 11. The amount owed to the University by The Oaks of Alexandria, LLC at June 30, 2019 for housing expenses totaled \$293,838.

20. Liquidity and Availability of Financial Assets

The following reflects the Foundation's financial assets as of June 30, 2019 reduced by amounts not available for general use within one year of the date of the consolidated statement of financial position because of contractual or donor-imposed restrictions or internal designations.

Financial assets:	
Cash and cash equivalents	\$ 1,064,687
Certificates of deposit	151,049
Accounts receivable	31,325
Investment income receivable	225,377
Pledges receivable, net	76,500
Tenant receivable, net	23,794
Other receivables	38,722
Other current assets	37,173
Investments	<u>24,367,259</u>
Financial assets at year-end	26,015,886
Less those unavailable for general expenditure within one year, due to:	
Contractual restrictions for debt service	(122)
Restricted by donors with time or purpose restrictions	(5,488,402)
Donor restricted endowment funds held in perpetuity	<u>(9,365,399)</u>
Total amount unavailable for general expenditure within one year	(14,853,923)
Amount unavailable to management without Board's approval:	
Board designated for scholarships and University projects	<u>(6,249,448)</u>
Total amount unavailable to management without Board's approval	<u>(6,249,448)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,912,515</u>

The Foundation structures its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Foundation monitors cash flow needs on a regular basis to ensure that payment obligations can be met and to maximize return on idle funds. In the event that cash becomes inadequate to cover expenses, the Foundation has unrestricted investments available for liquidation in order to increase cash flow.

Additional Information

LSU at Alexandria Foundation, Inc.
Statement of Financial Position
June 30, 2019
(With Comparative Totals as of June 30, 2018)

Schedule 1

Assets	<u>2019</u>	<u>2018</u>
Current Assets		
Cash and cash equivalents	\$ 41,271	\$ 38,011
Accounts receivable	9,350	-
Investment income receivable	155,218	103,496
Pledges receivable, net	76,500	-
Prepaid expenses	-	7,645
Other current assets	32,050	-
Total Current Assets	<u>314,389</u>	<u>149,152</u>
Investments held by LSU Foundation and Others	24,137,308	24,445,077
Long-Term Pledges Receivable, Net	36,500	-
Art Collection	<u>60,788</u>	<u>60,788</u>
Total Assets	<u>\$ 24,548,985</u>	<u>\$ 24,655,017</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts and income payable	\$ 101,447	\$ 139,809
Net Assets		
Without donor restrictions	9,911,460	10,004,664
With donor restrictions	14,536,078	14,510,544
Total Net Assets	<u>24,447,538</u>	<u>24,515,208</u>
Total Liabilities and Net Assets	<u>\$ 24,548,985</u>	<u>\$ 24,655,017</u>

See independent auditor's report.

LSU at Alexandria Foundation, Inc.
Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Schedule 2

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenues, Gains (Losses), and Other Support				
Contributions	\$ 11,000	\$ 118,479	\$ 129,479	\$ 102,505
Interest and dividends	138,271	550,093	688,364	1,123,130
Noncash support	133,924	-	133,924	145,000
Fundraising	-	124,300	124,300	138,425
Unrealized/realized gain (loss) on investments	224,133	-	224,133	(430,217)
Athletics	-	257,596	257,596	109,539
Transfers in (out)	(15,000)	-	(15,000)	(25,000)
Net assets released from restrictions	1,024,934	(1,024,934)	-	-
Total Revenues, Gains (Losses), and Other Support	1,517,262	25,534	1,542,796	1,163,382
Expenses				
Program Services				
Provision for uncollectible pledge	-	-	-	16,000
Athletics	105,181	-	105,181	120,699
Miscellaneous	-	-	-	807
Office supplies	2,613	-	2,613	4,252
Official functions	29,722	-	29,722	39,785
Operating services	17,252	-	17,252	37,489
Professorships	196,096	-	196,096	136,546
Staffing services	68,710	-	68,710	57,283
Scholarships and awards	322,854	-	322,854	284,454
Travel	4,019	-	4,019	4,884
University programs and support	663,514	-	663,514	311,237
Total Program Services	1,409,961	-	1,409,961	1,013,436
Support Services				
Management and general				
Staffing services	107,924	-	107,924	121,960
Operating services	26,000	-	26,000	23,040
Professional services	22,394	-	22,394	20,650
Fundraising	44,187	-	44,187	49,354
Total Support Services	200,505	-	200,505	215,004
Total Expenses	1,610,466	-	1,610,466	1,228,440
Change in Net Assets	(93,204)	25,534	(67,670)	(65,058)
Net Assets, Beginning of Year	10,004,664	14,510,544	24,515,208	24,580,266
Net Assets, End of Year	<u>\$ 9,911,460</u>	<u>\$ 14,536,078</u>	<u>\$ 24,447,538</u>	<u>\$ 24,515,208</u>

See independent auditor's report.

Alexandria Museum of Art, LLC
Statement of Financial Position
June 30, 2019
(With Comparative Totals as of June 30, 2018)

Schedule 3

Assets	2019	2018
Current Assets		
Cash and cash equivalents	\$ 193,932	\$ 222,049
Certificates of deposit	151,049	150,018
Accounts receivable	5,750	450
Investment income receivable	70,159	56,764
Pledges receivable, net	-	20,000
Prepaid expenses	22,724	35,467
Other current assets	1,703	2,111
Inventory	2,419	2,608
Total Current Assets	447,736	489,467
Investments held by		
Central Louisiana Community Foundation	229,951	213,712
Property and Equipment,		
Net of Accumulated Depreciation	2,478,527	2,598,899
Art Collection	3,461,241	3,399,612
Total Assets	\$ 6,617,455	\$ 6,701,690
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 19,626	\$ 11,086
Rental deposits	3,700	1,025
Deferred revenues	42,656	79,385
Other accrued expenses	640	-
Total Current Liabilities	66,622	91,496
Net Assets		
Without donor restrictions	6,233,110	6,332,371
With donor restrictions	317,723	277,823
Total Net Assets	6,550,833	6,610,194
Total Liabilities and Net Assets	\$ 6,617,455	\$ 6,701,690

See independent auditor's report.

Alexandria Museum of Art, LLC
Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Schedule 4

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenues, Gains (Losses), and Other Support				
Contributions	\$ 102,611	\$ 18,056	\$ 120,667	\$ 170,609
Grants	-	197,387	197,387	163,171
Memberships	47,326	-	47,326	39,790
Program fees	20,789	-	20,789	10,094
Fundraising	93,267	-	93,267	138,533
Interest and dividends	6,333	13,535	19,868	19,154
Noncash support	168,795	-	168,795	208,649
Unrealized/realized gain (loss) on investments	8,296	-	8,296	7,117
Transfers in (out)	15,000	-	15,000	25,000
Other income and support	75,607	-	75,607	82,551
Net assets released from restrictions	189,078	(189,078)	-	-
Total Revenues, Gains (Losses), and Other Support	727,102	39,900	767,002	864,668
Expenses				
Program Services				
Education				
Staffing services	133,547	-	133,547	132,734
Events and programs	65,224	-	65,224	59,405
Exhibits				
Staffing services	98,957	-	98,957	98,354
Events and programs	67,331	-	67,331	83,062
Permanent collection expenses	3,372	-	3,372	12,430
Facility and operating expenses	115,283	-	115,283	164,413
Other program services	1,298	-	1,298	2,123
Depreciation	120,372	-	120,372	122,741
Total Program Services	605,384	-	605,384	675,262
Support Services				
Management and general				
Staffing services	118,086	-	118,086	119,473
Professional services	17,270	-	17,270	16,950
Other operating expenses	29,790	-	29,790	29,435
Fundraising	55,833	-	55,833	79,711
Total Support Services	220,979	-	220,979	245,569
Total Expenses	826,363	-	826,363	920,831
Change in Net Assets	(99,261)	39,900	(59,361)	(56,163)
Net Assets, Beginning of Year	6,332,371	277,823	6,610,194	6,666,357
Net Assets, End of Year	<u>\$ 6,233,110</u>	<u>\$ 317,723</u>	<u>\$ 6,550,833</u>	<u>\$ 6,610,194</u>

See independent auditor's report.

Alexandria Museum of Art, LLC
Schedule of Management and General Expenses
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Schedule 5

	2019	2018
Staffing services	\$ 118,086	\$ 119,473
Professional fees	17,270	16,950
Other operating expenses:		
Bank charges	5,401	4,879
Computer and equipment maintenance	5,683	556
Dues	3,684	3,340
Equipment rental	4,433	1,157
Marketing	4,053	8,441
Miscellaneous	4	1,073
Office supplies	402	1,664
Postage and freight	687	888
Printing	344	342
Telephone	199	202
Travel and entertainment	4,900	6,893
	\$ 165,146	\$ 165,858
Total	\$ 165,146	\$ 165,858

See independent auditor's report.

The Oaks of Alexandria, LLC
Statement of Financial Position
June 30, 2019
(With Comparative Totals as of June 30, 2018)

Schedule 6

Assets	2019	2018
Current Assets		
Cash and cash equivalents	\$ 773,294	\$ 584,969
Tenant receivables, net	23,794	73,816
Prepaid expenses	2,660	2,725
Other receivables	38,722	32,829
Total Current Assets	838,470	694,339
Property and Equipment, Net of Accumulated Depreciation	4,801,992	5,167,133
Other Assets	250	250
Total Assets	\$ 5,640,712	\$ 5,861,722
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 301,256	\$ 440,462
Accrued interest payable	70,894	72,819
Bonds payable	395,000	385,000
Rental deposits	26,596	59,722
Other accrued expenses	47,500	10,000
Total Current Liabilities	841,246	968,003
Other Liabilities		
Bonds payable	8,442,457	8,824,254
Net Assets		
Without donor restrictions	(3,642,991)	(3,930,535)
With donor restrictions	-	-
Total Net Assets	(3,642,991)	(3,930,535)
Total Liabilities and Net Assets	\$ 5,640,712	\$ 5,861,722

See independent auditor's report.

The Oaks of Alexandria, LLC
Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Schedule 7

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenues, Gains (Losses), and Other Support				
Student housing income	\$ 1,343,541	\$ -	\$ 1,343,541	\$ 1,253,016
Other housing income	323,424	-	323,424	73,156
Noncash support	108,930	-	108,930	91,402
Interest and dividends	167	-	167	489
Total Revenues, Gains (Losses), and Other Support	1,776,062	-	1,776,062	1,418,063
Expenses				
Program Services				
Bad debts	11,753	-	11,753	7,631
Staffing services	120,806	-	120,806	108,693
Repairs and maintenance	240,188	-	240,188	236,326
Utilities	218,903	-	218,903	202,630
Depreciation	365,141	-	365,141	366,368
Interest expense	298,703	-	298,703	298,637
Facility and operating expenses	77,000	-	77,000	59,482
Other expenses				
Turnover	43,707	-	43,707	9,712
Common area	15,983	-	15,983	15,599
Marketing and leasing	2,911	-	2,911	306
Resident life	20,408	-	20,408	10,417
Supplies	17,335	-	17,335	16,488
Total Program Services	1,432,838	-	1,432,838	1,332,289
Support Services				
Management and general				
Staffing services	31,930	-	31,930	30,496
Professional services	23,750	-	23,750	23,750
Total Support Services	55,680	-	55,680	54,246
Total Expenses	1,488,518	-	1,488,518	1,386,535
Change in Net Assets	287,544	-	287,544	31,528
Net Assets (Deficit), Beginning of Year	(3,930,535)	-	(3,930,535)	(3,962,063)
Net Assets (Deficit), End of Year	\$ (3,642,991)	\$ -	\$ (3,642,991)	\$ (3,930,535)

See independent auditor's report.

Generals Athletic Association, LLC
Statement of Financial Position
June 30, 2019
(With Comparative Totals as of June 30, 2018)

Schedule 8

Assets	2019	2018
Current Assets		
Cash and cash equivalents	\$ 56,190	\$ 53,015
Accounts receivable	16,225	4,350
Other current assets	3,420	-
Total Current Assets	75,835	57,365
Total Assets	\$ 75,835	\$ 57,365
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 13,315	\$ 600
Deferred revenues	-	100
Total Current Liabilities	13,315	700
Net Assets		
Without donor restrictions	62,520	56,665
With donor restrictions	-	-
Total Net Assets	62,520	56,665
Total Liabilities and Net Assets	\$ 75,835	\$ 57,365

See independent auditor's report.

Generals Athletic Association, LLC
Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for Year Ended June 30, 2018)

Schedule 9

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Total
Revenues, Gains (Losses), and Other Support				
Contributions	\$ -	\$ 16,900	\$ 16,900	\$ -
Memberships	4,810	-	4,810	3,900
Athletic sign sponsorships	28,350	-	28,350	51,000
Fundraising	10,406	-	10,406	24,726
Interest and dividends	6	-	6	5
Noncash support	39,620	-	39,620	26,423
Net assets released from restrictions	16,900	(16,900)	-	-
Total Revenues, Gains (Losses), and Other Support	100,092	-	100,092	106,054
Expenses				
Program Services				
Athletic sponsorship signs	707	-	707	347
Official functions	26,250	-	26,250	33,415
Operating services	15,319	-	15,319	15,084
Supplies	1,168	-	1,168	515
Facility and operating expenses	18,000	-	18,000	13,304
Total Program Services	61,444	-	61,444	62,665
Support Services				
Management and general				
Staffing services	21,620	-	21,620	13,119
Professional services	6,400	-	6,400	6,400
Fundraising	4,773	-	4,773	3,724
Total Support Services	32,793	-	32,793	23,243
Total Expenses	94,237	-	94,237	85,908
Change in Net Assets	5,855	-	5,855	20,146
Net Assets, Beginning of Year	56,665	-	56,665	36,519
Net Assets, End of Year	\$ 62,520	\$ -	\$ 62,520	\$ 56,665

See independent auditor's report.