

LSU at Alexandria Foundation, Inc.

Alexandria, Louisiana

June 30, 2018

LSU at Alexandria Foundation, Inc.
June 30, 2018
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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, 2018, 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.

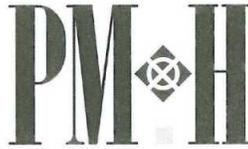
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, 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.
Michael A. Juneau, C.P.A.
Cindy L. Humphries, C.P.A.
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.
Evelyn T. Renfrow, C.P.A.
Kayla G. Holloway, C.P.A.





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 subsidiaries as of June 30, 2018, 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' 2017 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 30, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

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

Certified Public Accountants
Alexandria, Louisiana

January 22, 2019

LSU at Alexandria Foundation, Inc. and Subsidiaries
Consolidated Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

Exhibit A

Assets	2018	2017
Current Assets		
Cash and cash equivalents	\$ 898,044	\$ 811,843
Certificates of deposit	150,018	-
Accounts receivable	4,800	9,681
Investment income receivable	160,260	875,893
Pledges receivable, net	20,000	8,000
Tenant receivables, net	73,816	35,978
Other receivables	32,829	27,983
Prepaid expenses	45,837	65,049
Other current assets	2,111	24,914
Inventory	2,608	3,087
Total Current Assets	1,390,323	1,862,428
Investments held by LSU Foundation and Others	24,445,077	23,682,945
Investments held by Central Louisiana Community Foundation	213,712	450,724
Long-Term Pledges Receivable, Net	-	8,000
Property and Equipment, Net of Accumulated Depreciation	7,766,032	8,246,426
Art Collection	3,460,400	3,366,169
Other Assets	250	250
Total Assets	\$ 37,275,794	\$ 37,616,942
Liabilities and Net Assets		
Current Liabilities		
Accounts and income payable	\$ 591,957	\$ 618,518
Accrued interest payable	72,819	66,977
Bonds payable	385,000	255,000
Rental deposits	60,747	39,267
Deferred revenues	79,485	53,012
Other accrued expenses	10,000	40,283
Total Current Liabilities	1,200,008	1,073,057
Other Liabilities		
Bonds payable	8,824,254	9,222,806
Net Assets		
Unrestricted	12,463,165	13,082,280
Temporarily restricted	5,508,152	4,996,371
Permanently restricted	9,280,215	9,242,428
Total Net Assets	27,251,532	27,321,079
Total Liabilities and Net Assets	\$ 37,275,794	\$ 37,616,942

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, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Exhibit B

	2018			2017	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Summarized Total
Revenues, Gains (Losses), and Other Support					
Contributions	\$ 181,221	\$ 54,106	\$ 37,787	\$ 273,114	\$ 216,360
Grants	163,171	-	-	163,171	110,514
Interest and dividends	141,608	1,001,170	-	1,142,778	907,863
Noncash support	471,474	-	-	471,474	509,606
Memberships	43,690	-	-	43,690	35,095
Program fees	10,094	-	-	10,094	21,422
Student housing income	1,326,172	-	-	1,326,172	1,512,759
Athletic sign sponsorships	51,000	-	-	51,000	40,262
Fundraising	163,259	138,425	-	301,684	324,996
Unrealized/realized gain (loss) on investments	(244,303)	-	-	(244,303)	1,294,850
Athletics	-	109,539	-	109,539	98,902
Other income and support	82,551	-	-	82,551	147,443
Net assets released from restrictions	791,459	(791,459)	-	-	-
Total Revenues, Gains (Losses), and Other Support	3,181,396	511,781	37,787	3,730,964	5,220,072
Expenses					
Foundation:					
Provision for uncollectible pledge	16,000	-	-	16,000	-
Athletics	120,699	-	-	120,699	128,332
Call center support	-	-	-	-	21,490
Fundraising	49,354	-	-	49,354	42,563
Investment management fees	176,076	-	-	176,076	176,527
Miscellaneous	807	-	-	807	-
Office supplies	4,252	-	-	4,252	785
Official functions	39,785	-	-	39,785	38,502
Operating services	37,489	-	-	37,489	17,312
Professional services	20,650	-	-	20,650	37,999
Professorships	136,546	-	-	136,546	125,954
Staffing services	57,283	-	-	57,283	66,145
Scholarships and awards	284,454	-	-	284,454	267,118
Travel	4,884	-	-	4,884	4,651
University programs and support	311,237	-	-	311,237	1,483,869
Affiliated organization support	145,000	-	-	145,000	-
Museum:					
Administration	576,510	-	-	576,510	512,360
Education	59,405	-	-	59,405	82,271
Exhibits	83,062	-	-	83,062	46,304
Fundraising	79,711	-	-	79,711	81,894
Other program services	2,123	-	-	2,123	253
Student housing:					
Student housing	721,530	-	-	721,530	482,761
Athletic association:					
Athletic sponsorship signs	347	-	-	347	2,078
Fundraising	3,724	-	-	3,724	17,175
Official functions	33,415	-	-	33,415	30,357
Operating services	15,084	-	-	15,084	11,677
Professional services	6,400	-	-	6,400	6,400
Supplies	515	-	-	515	1,882
Affiliated organization support	26,423	-	-	26,423	26,423
Other expenses:					
Depreciation	489,109	-	-	489,109	489,837
Interest expense	298,637	-	-	298,637	790,671
Total Expenses	3,800,511	-	-	3,800,511	4,993,590
Change in Net Assets	(619,115)	511,781	37,787	(69,547)	226,482
Net Assets, Beginning of Year, As Restated	13,082,280	4,996,371	9,242,428	27,321,079	27,094,597
Net Assets, End of Year	<u>\$ 12,463,165</u>	<u>\$ 5,508,152</u>	<u>\$ 9,280,215</u>	<u>\$ 27,251,532</u>	<u>\$ 27,321,079</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, 2018
(With Comparative Totals for Year Ended June 30, 2017)

	2018	Exhibit C 2017
Cash Flows from Operating Activities		
Change in net assets	\$ (69,547)	\$ 226,482
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	489,109	489,837
Bad debts	16,000	-
Unrealized (gain) loss on investments	244,303	(1,294,850)
Net book value of deaccessed artwork	-	25,929
Donation to art collection	(79,530)	(93,282)
Provision for allowance for uncollectible tenant receivables	521	(306)
Decrease (increase) in unamortized bond discount and issuance cost	(13,553)	91,449
Changes in operating assets and liabilities:		
Accounts receivable	4,881	19,974
Investment income receivable	715,633	(813,221)
Pledges receivable	(19,999)	56,000
Tenant receivables	(38,359)	(13,959)
Other receivables	(4,846)	(433,383)
Prepaid expenses	19,212	(54,599)
Other current assets	22,803	(18,675)
Inventory	479	(998)
Accounts and income payable	(26,561)	256,142
Accrued interest payable	5,842	(47,422)
Rental deposits	21,480	(1,769)
Deferred revenues	26,473	(26,293)
Other accrued expenses	(30,283)	14,539
Net Cash Provided by (Used in) Operating Activities	<u>1,284,058</u>	<u>(1,618,405)</u>
Cash Flows from Investing Activities		
Purchase of certificates of deposit	(150,018)	-
Purchase of investments	(718,751)	(434,605)
Reinvestment of income from investments	(1,837,672)	(868,947)
Withdrawal of investments	1,787,000	1,455,395
Decrease (increase) in long-term pledges receivable	-	4,000
Purchase of equipment	(8,715)	(54,968)
Purchase of artwork	(14,701)	(32,069)
Net Cash Provided by (Used in) Investing Activities	<u>(942,857)</u>	<u>68,806</u>
Cash Flows from Financing Activities		
Proceeds from long-term debt	-	9,740,000
Principal payments on long-term debt	(255,000)	(10,685,000)
Net Cash Provided by (Used in) Financing Activities	<u>(255,000)</u>	<u>(945,000)</u>
Increase (Decrease) in Cash	86,201	(2,494,599)
Cash and Cash Equivalents, Beginning of Year	<u>811,843</u>	<u>3,306,442</u>
Cash and Cash Equivalents, End of Year	<u>\$ 898,044</u>	<u>\$ 811,843</u>

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, 2018 amounted to \$279,196.
4. There were no material noncash financing transactions during the fiscal year ended June 30, 2018.

Noncash investing transactions during the year consisted of:
 Donated artwork valued at \$79,530

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

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018
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 athletics program.

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 on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

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 three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of 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 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 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 restated financial statements for the year ended June 30, 2017, as disclosed in Note 18.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018
Notes to Consolidated Financial Statements

Contributions and Promises to Give

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets 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.

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. 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.

Property and Equipment

Purchased property and equipment costing \$1,000 or more is recorded at acquisition cost; donated property and equipment is recorded at its fair value as of the date 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.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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 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 revenue 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 revenue in the statement of financial position. Such revenues are recognized in the period for which the rent is earned.

Donated Services and Property

The Foundation pays for most services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Foundation with specific programs. The value of these services is not reflected in the financial statements.

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 financial statements as noncash support. The expenses are recorded by function or as affiliated organization support. The cost of other indirect expenses and support has not been recorded in the accompanying 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 financial statements.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

Donated property, when received, is reflected as a contribution in the accompanying financial statements at its estimated fair market values.

Advertising Costs

Advertising costs are expensed when incurred.

Subsequent Events

Management has evaluated subsequent events through January 22, 2019, the date which the 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 \$99, 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.

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

Pledges receivable consist of unconditional promises to give due in less than one year. In the opinion of management, all pledges receivable at June 30, 2018, were considered to be collectible and an allowance for uncollectible pledges and promises to give was not considered necessary.

5. Investment Income Receivable

Investment income receivable reported in the consolidated statement of financial position at June 30, 2018, 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, 2018, totaled \$78,522. Tenant receivables in the statement of financial position are shown net of estimated uncollectible amounts of \$4,706. The allowance for uncollectible tenant receivables was determined by management's evaluation of individual student accounts and aging of those accounts.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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 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 statement of financial position. As of June 30, 2018, investments in LSU Foundation managed assets are set forth below:

Investments at cost	\$ 19,764,151
Add:	
Unrealized gain	1,598,410
Market Value	<u>\$ 21,362,561</u>

Investments presented in the accompanying 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 \$3,897,032 at June 30, 2018.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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 temporarily restricted income 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. There were no transfers to this fund during the year ended June 30, 2018. The fair market value of the major maintenance fund was \$204,539 at June 30, 2018. Investment earnings on this fund totaled \$4,581. There were no realized gains or losses. Unrealized gains totaled \$9,651 and account management fees totaled \$2,642 for the year ended June 30, 2018.

CLCF also holds an impact fund for Alexandria Museum of Art, LLC. The fair market value of the impact fund at June 30, 2018 was \$9,173. Total contributions to the fund during the year totaled \$2,682. Investment earning on the fund totaled \$149. There were no realized gains or losses. Unrealized gains totaled \$187 and account management fees totaled \$79 for the year ended June 30, 2018.

<u>Description</u>	<u>Fair Value Measurement at Reporting Date Using</u>			
	<u>Total</u>	<u>Quoted Prices</u>	<u>Significant</u>	<u>Significant</u>
	<u>06/30/18</u>	<u>In Active</u>	<u>Other</u>	<u>Unobservable</u>
		<u>Markets for</u>	<u>Observable</u>	<u>Inputs</u>
		<u>Identical</u>	<u>Inputs</u>	<u>(Level 3)</u>
		<u>Assets</u>	<u>(Level 2)</u>	
		<u>(Level 1)</u>		
Investments held by LSU Foundation	\$21,362,561	\$ -	\$ 21,362,561	\$ -
Mutual Funds	3,082,516	3,082,516	-	-
Investments held by Central Louisiana Community Foundation	<u>213,712</u>	-	<u>213,712</u>	-
	<u>\$24,658,789</u>	<u>\$ 3,082,516</u>	<u>\$21,576,273</u>	<u>\$ -</u>

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.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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 permanently restricted net assets:

- 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.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. 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:

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, 2018, are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment, beginning of year	\$ 3,117,441	\$ 2,477,337	\$ 8,739,354	\$ 14,334,132
Contributions	1,669	600	29,171	31,440
Investment income	48,103	938,875	-	986,978
Transfers from other investments	-	-	13,449	13,449

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net appreciation (depreciation) of securities	(22,961)	-	-	(22,961)
Amounts undesignated	-	-	-	-
Appropriations	<u>(3,380)</u>	<u>-</u>	<u>-</u>	<u>(3,380)</u>
Endowment, end of year	\$ 3,140,872	\$ 3,416,812	\$ 8,781,974	\$ 15,339,658

Endowment composition by type of fund as of June 30, 2018 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 3,416,812	\$ 8,781,974	\$ 12,198,786
Board-designated endowment and other funds	<u>3,140,872</u>	<u>-</u>	<u>-</u>	<u>3,140,872</u>
	\$ 3,140,872	\$ 3,416,812	\$ 8,781,974	\$ 15,339,658

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, 2018:

	<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>7,062,705</u>
		\$ 7,766,032

Depreciation expense was \$489,109 for the year ended June 30, 2018.

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 includes \$10,000 in the consolidated statement of financial position for this provision.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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."

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:

<u>Maturity</u> <u>October 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2018	\$ 385,000	2.000%
2019	395,000	2.000
2020	400,000	2.000
2021	415,000	2.000
2022	420,000	2.250
Thereafter	<u>7,470,000</u>	3.295
	<u>\$ 9,485,000</u>	

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

The noncurrent portion of bonds payable is reported net of bond issuance cost of \$167,224 and bond discount of \$108,522 in the statement of financial position. Interest expense on bonds payable totaled \$298,637 for the year ended June 30, 2018.

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. Restrictions on Net Assets

Temporarily restricted net assets of LSU at Alexandria Foundation, Inc. at June 30, 2018, are available 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	\$ 5,508,152
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Permanently restricted net assets consist of the following at June 30, 2018:

Endowments and other funds held for the benefit of Louisiana State University at Alexandria	\$ 9,280,215
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13. Advertising Costs

Advertising costs charged to expense for the year ended June 30, 2018, totaled \$32,302.

14. 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, 2018, the tax years that remain open to examination by the IRS are 2015, 2016, and 2017. Management believes that all positions taken in those returns would be sustained if examined by the IRS.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

15. 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 financial statements include \$351,242 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 \$40,702 and is reported as noncash support in the accompanying financial statements.

16. 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.

17. 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 \$361,682 at June 30, 2018.

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.

LSU at Alexandria Foundation, Inc. and Subsidiaries
June 30, 2018

Notes to Financial Statements

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 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.

18. Restatement of Prior Period Net Assets

Beginning of year investment income receivable and the related net assets of Alexandria Museum of Art, LLC (the Museum) were restated to include the amount distributable from the Art Collection Endowment held at Central Louisiana Community Foundation (CLCF). While management has determined that the endowment is the asset of CLCF, the accumulated revenue derived from the endowment is to be used solely at the discretion of the Museum for support and maintenance of the permanent art collection. Once the amount of revenue distributable from the endowment is provided by CLCF each year, management has determined that the related receivable is to be considered a temporarily restricted asset of the Museum. The effects of the restatement resulted in an increase of \$62,672 in temporarily restricted net assets.

The amount reported as other receivables and the related net assets of The Oaks of Alexandria, LLC were restated to exclude funds that resulted from the refunding and issuance of the bonds described in Note 11. During the refunding process, these funds were sent to Louisiana State University at Alexandria (the University) and were reported as due from the University to The Oaks of Alexandria, LLC in the previously issued financial statements at June 30, 2017. However, after reevaluation of the terms of the bond trust indenture, management determined that these funds are actually the property of the University and will not be remitted to The Oaks of Alexandria, LLC as previously reported. The effects of the restatement resulted in a decrease of \$425,880 in unrestricted net assets.

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, 2018, the Foundation and its subsidiaries owed the University \$127,112 for scholarships.

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, 2018 for housing expenses totaled \$273,172.

Additional Information

LSU at Alexandria Foundation, Inc.
Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

Schedule 1

Assets	2018	2017
Current Assets		
Cash and cash equivalents	\$ 38,011	\$ 70,889
Investment income receivable	103,496	813,221
Pledges receivable, net	-	8,000
Prepaid expenses	7,645	6,250
Total Current Assets	149,152	898,360
Investments held by LSU Foundation and Others	24,445,077	23,682,945
Investments held by Central Louisiana Community Foundation	-	251,575
Long-Term Pledges Receivable, Net	-	8,000
Art Collection	60,788	60,788
Total Assets	\$ 24,655,017	\$ 24,901,668
Liabilities and Net Assets		
Current Liabilities		
Accounts and income payable	\$ 139,809	\$ 321,402
Total Current Liabilities	139,809	321,402
Net Assets		
Unrestricted	10,004,664	10,622,630
Temporarily restricted	5,230,329	4,715,208
Permanently restricted	9,280,215	9,242,428
Total Net Assets	24,515,208	24,580,266
Total Liabilities and Net Assets	\$ 24,655,017	\$ 24,901,668

See independent auditor's report.

LSU at Alexandria Foundation, Inc.
Statement of Activities
Year Ended June 30, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Schedule 2

	2018			2017	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Summarized Total
Revenues, Gains (Losses), and Other Support					
Contributions	\$ 19,712	\$ 45,006	\$ 37,787	\$ 102,505	\$ 69,441
Interest and dividends	135,952	987,178	-	1,123,130	865,048
Noncash support	145,000	-	-	145,000	171,546
Fundraising	-	138,425	-	138,425	156,200
Unrealized/realized gain (loss) on investments	(254,141)	-	-	(254,141)	1,281,875
Athletics	-	109,539	-	109,539	98,902
Transfers in (out)	(25,000)	-	-	(25,000)	(25,000)
Net assets released from restrictions	765,027	(765,027)	-	-	-
Total Revenues, Gains (Losses), and Other Support	786,550	515,121	37,787	1,339,458	2,618,012
Expenses					
Provision for uncollectible pledge	16,000	-	-	16,000	-
Athletics	120,699	-	-	120,699	128,332
Call center support	-	-	-	-	21,490
Fundraising	49,354	-	-	49,354	42,563
Investment management fees	176,076	-	-	176,076	176,527
Miscellaneous	807	-	-	807	-
Office supplies	4,252	-	-	4,252	785
Official functions	39,785	-	-	39,785	38,502
Operating services	37,489	-	-	37,489	17,312
Professional services	20,650	-	-	20,650	37,999
Professorships	136,546	-	-	136,546	125,954
Staffing services	57,283	-	-	57,283	66,145
Scholarships and awards	284,454	-	-	284,454	267,118
Travel	4,884	-	-	4,884	4,651
University programs and support	311,237	-	-	311,237	1,483,869
Affiliated organization support	145,000	-	-	145,000	-
Total Expenses	1,404,516	-	-	1,404,516	2,411,247
Change in Net Assets	(617,966)	515,121	37,787	(65,058)	206,765
Net Assets, Beginning of Year	10,622,630	4,715,208	9,242,428	24,580,266	24,373,501
Net Assets, End of Year	<u>\$ 10,004,664</u>	<u>\$ 5,230,329</u>	<u>\$ 9,280,215</u>	<u>\$ 24,515,208</u>	<u>\$ 24,580,266</u>

See independent auditor's report.

Alexandria Museum of Art, LLC
Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

Schedule 3

Assets	2018	2017
Current Assets		
Cash and cash equivalents	\$ 222,049	\$ 380,983
Certificates of deposit	150,018	-
Accounts receivable	450	8,681
Investment income receivable	56,764	62,672
Pledges receivable, net	20,000	-
Prepaid expenses	35,467	53,549
Other current assets	2,111	24,914
Inventory	2,608	3,087
Total Current Assets	489,467	533,886
Investments held by		
Central Louisiana Community Foundation	213,712	199,149
Property and Equipment,		
Net of Accumulated Depreciation	2,598,899	2,712,925
Art Collection	3,399,612	3,305,381
Total Assets	\$ 6,701,690	\$ 6,751,341
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 11,086	\$ 22,984
Rental deposits	1,025	4,750
Deferred revenues	79,385	52,250
Other accrued expenses	-	5,000
Total Current Liabilities	91,496	84,984
Net Assets		
Unrestricted	6,332,371	6,387,694
Temporarily restricted	277,823	278,663
Permanently restricted	-	-
Total Net Assets	6,610,194	6,666,357
Total Liabilities and Net Assets	\$ 6,701,690	\$ 6,751,341

See independent auditor's report.

Alexandria Museum of Art, LLC
Statement of Activities
Year Ended June 30, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Schedule 4

	2018			2017	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Summarized Total
Revenues, Gains (Losses), and Other Support					
Contributions	\$ 161,509	\$ 9,100	\$ -	\$ 170,609	\$ 143,919
Grants	163,171	-	-	163,171	110,514
Memberships	39,790	-	-	39,790	35,095
Program fees	10,094	-	-	10,094	21,422
Fundraising	138,533	-	-	138,533	134,620
Interest and dividends	5,162	13,992	-	19,154	41,843
Noncash support	208,649	-	-	208,649	221,659
Unrealized/realized gain (loss) on investments	9,838	-	-	9,838	12,975
Transfers in (out)	25,000	-	-	25,000	25,000
Other income and support	82,551	-	-	82,551	147,443
Net assets released from restrictions	23,932	(23,932)	-	-	-
Total Revenues, Gains (Losses), and Other Support	868,229	(840)	-	867,389	894,490
Expenses					
Administration	576,510	-	-	576,510	512,360
Education	59,405	-	-	59,405	82,271
Exhibits	83,062	-	-	83,062	46,304
Fundraising	79,711	-	-	79,711	81,894
Other program services	2,123	-	-	2,123	253
Depreciation	122,741	-	-	122,741	120,188
Total Expenses	923,552	-	-	923,552	843,270
Change in Net Assets	(55,323)	(840)	-	(56,163)	51,220
Net Assets, Beginning of Year, As Restated	6,387,694	278,663	-	6,666,357	6,615,137
Net Assets, End of Year	<u>\$ 6,332,371</u>	<u>\$ 277,823</u>	<u>\$ -</u>	<u>\$ 6,610,194</u>	<u>\$ 6,666,357</u>

See independent auditor's report.

Alexandria Museum of Art, LLC
Schedule of Administration Expenses
Year Ended June 30, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Schedule 5

	2018	2017
Bank charges	\$ 4,879	\$ 3,332
Investment fees	2,721	2,218
Computer and equipment maintenance	556	472
Dues	3,340	4,022
Equipment rental	1,157	2,332
Marketing	8,441	6,712
Permanent collection expenses	12,430	147
Miscellaneous	1,073	1,004
Office supplies	1,664	1,180
Postage and freight	888	994
Printing	342	786
Professional fees	16,950	17,185
Repairs and maintenance	48,088	15,202
Salaries and wages	327,477	311,342
Security	10,290	9,659
Telephone	202	223
Travel and entertainment	6,893	6,431
Utilities	40,702	40,702
Affiliated organization support	88,417	88,417
	\$ 576,510	\$ 512,360
Total	\$ 576,510	\$ 512,360

See independent auditor's report.

The Oaks of Alexandria, LLC
Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

Schedule 6

Assets	2018	2017
Current Assets		
Cash and cash equivalents	\$ 584,969	\$ 314,203
Tenant receivables, net	73,816	35,978
Prepaid expenses	2,725	5,250
Other receivables	32,829	27,983
Total Current Assets	694,339	383,414
Property and Equipment, Net of Accumulated Depreciation	5,167,133	5,533,501
Other Assets	250	250
Total Assets	\$ 5,861,722	\$ 5,917,165
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 440,462	\$ 263,983
Accrued interest payable	72,819	66,977
Bonds payable	385,000	255,000
Rental deposits	59,722	34,517
Deferred revenues	-	662
Other accrued expenses	10,000	35,283
Total Current Liabilities	968,003	656,422
Other Liabilities		
Bonds payable	8,824,254	9,222,806
Net Assets		
Unrestricted	(3,930,535)	(3,962,063)
Temporarily restricted	-	-
Permanently restricted	-	-
Total Net Assets	(3,930,535)	(3,962,063)
Total Liabilities and Net Assets	\$ 5,861,722	\$ 5,917,165

See independent auditor's report.

The Oaks of Alexandria, LLC
Statement of Activities
Year Ended June 30, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Schedule 7

	2018			2017
	Unrestricted	Temporarily Restricted	Permanently Restricted	Summarized Total
Revenues, Gains (Losses), and Other Support				
Student housing income	\$ 1,253,016	\$ -	\$ -	\$ 1,253,016
Other housing income	73,156	-	-	63,842
Noncash support	91,402	-	-	89,978
Interest and dividends	489	-	-	966
Total Revenues, Gains (Losses), and Other Support	1,418,063	-	-	1,603,703
Expenses				
Staffing services	108,693	-	-	100,255
Repairs and maintenance	236,326	-	-	62,244
Turnover	9,712	-	-	9,800
Common area	15,599	-	-	15,261
Utilities	202,630	-	-	150,532
Marketing and leasing	306	-	-	100
Resident life	10,417	-	-	5,994
General and administrative	24,119	-	-	24,847
Professional fees	23,750	-	-	23,750
Depreciation	366,368	-	-	369,649
Interest expense	298,637	-	-	790,671
Affiliated organization support	89,978	-	-	89,978
Total Expenses	1,386,535	-	-	1,643,081
Change in Net Assets	31,528	-	-	(39,378)
Net Assets (Deficit), Beginning of Year, As Restated	(3,962,063)	-	-	(3,922,685)
Net Assets (Deficit), End of Year	<u>\$ (3,930,535)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,962,063)</u>

See independent auditor's report.

Generals Athletic Association, LLC
Statement of Financial Position
June 30, 2018
(With Comparative Totals as of June 30, 2017)

Schedule 8

Assets	2018	2017
Current Assets		
Cash and cash equivalents	\$ 53,015	\$ 45,768
Accounts receivable	4,350	1,000
Total Current Assets	57,365	46,768
Total Assets	\$ 57,365	\$ 46,768
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 600	\$ 10,149
Deferred revenues	100	100
Total Current Liabilities	700	10,249
Net Assets		
Unrestricted	56,665	34,019
Temporarily restricted	-	2,500
Permanently restricted	-	-
Total Net Assets	56,665	36,519
Total Liabilities and Net Assets	\$ 57,365	\$ 46,768

See independent auditor's report.

Generals Athletic Association, LLC
Statement of Activities
Year Ended June 30, 2018
(With Comparative Totals for Year Ended June 30, 2017)

Schedule 9

	2018			2017	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Summarized Total
Revenues, Gains (Losses), and Other Support					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Memberships	3,900	-	-	3,900	-
Athletic sign sponsorships	51,000	-	-	51,000	40,262
Fundraising	24,726	-	-	24,726	34,176
Interest and dividends	5	-	-	5	6
Noncash support	26,423	-	-	26,423	26,423
Net assets released from restrictions	2,500	(2,500)	-	-	-
Total Revenues, Gains (Losses), and Other Support	108,554	(2,500)	-	106,054	103,867
Expenses					
Athletic sponsorship signs	347	-	-	347	2,078
Fundraising	3,724	-	-	3,724	17,175
Official functions	33,415	-	-	33,415	30,357
Operating services	15,084	-	-	15,084	11,677
Professional services	6,400	-	-	6,400	6,400
Supplies	515	-	-	515	1,882
Affiliated organization support	26,423	-	-	26,423	26,423
Total Expenses	85,908	-	-	85,908	95,992
Change in Net Assets	22,646	(2,500)	-	20,146	7,875
Net Assets, Beginning of Year	34,019	2,500	-	36,519	28,644
Net Assets, End of Year	<u>\$ 56,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,665</u>	<u>\$ 36,519</u>

See independent auditor's report.