

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION

Grambling, Louisiana

Annual Financial Statements
For the Year Ended
June 30, 2016

Jimmie Self, CPA
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GRAMBLING UNIVERSITY ATHLETIC FOUNDATION
Grambling, Louisiana

Financial Statements

For The Year Ended
June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Grambling University Athletic Foundation
Grambling, Louisiana

I have audited the accompanying financial statements of Grambling University Athletic Foundation (a nonprofit organization) which comprise the statements of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows, for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principals 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

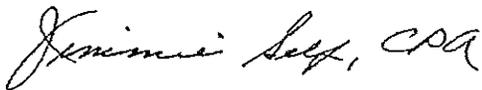
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Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Grambling University Athletic Foundation as of June 30, 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, listed in the table of contents as Supplemental Information, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, therefore, I express no opinion on it.



Jimmie Self, CPA
Monroe, Louisiana
December 28, 2016

Basic Financial Statements

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION
Statement of Financial Position
June 30, 2016

Statement A

Assets

Cash and Cash Equivalents	\$ 92,402
Accounts Receivable	2,743
Investments	51,868
Property, Furniture, and Equipment, (Net, Note C)	4,230
Total Assets	<u>151,243</u>

Liabilities and and Net Assets

Liabilities:

Accrued Liabilities	<u>8,854</u>
Total Liabilities	8,854

Net Assets:

Unrestricted Net Assets	(1,153)
Temporarily Restricted Net Assets	143,542
Total Net Assets	<u>142,389</u>
Total Liabilities and Net Assets	<u>\$ 151,243</u>

See Accompanying Notes to Financial Statements

Statement of Financial Position

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION
 Statement of Activities
 For the Year Ended June 30, 2016

Statement B

UNRESTRICTED NET ASSETS

Contribution Income	\$ 10,232
Fundraisers	8,237
Membership Dues	14,175
Other Revenue: transfers	
Interest Income	246
Total Support Revenue	<u>32,890</u>

TOTAL UNRESTRICTED SUPPORT 32,890

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	<u>97,897</u>
TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION	<u>130,787</u>

Expenses

General and Administrative Expenses	25,769
Program Expenses	133,238
Total Expenses	<u>159,007</u>

Change in Unrestricted Net Assets (28,220)

TEMPORARILY RESTRICTED NET ASSETS

Contribution Income 138,994

TOTAL TEMPORARILY RESTRICTED SUPPORT 138,994

Net Assets Released from Restrictions

Restricted Satisfied by Payments (97,897)

Change in Temporarioly Restricted Net Assets 41,097

Change in Net Assets 12,877

Net Assets at Beginning of Year 129,512

Net Assets at End of Year \$ 142,389

See accompanying notes to financial statements.

Grambling University Athletic Foundation
Statement of Cash Flows
For the Year Ended
June 30, 2016

Statement C

Operating Activities

Change in Net Assets	\$ 12,877
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Provision for Depreciation	8,456
Increase in Accounts Receivable	(530)
Increase in Payroll Liabilities	994
Total Adjustments	<u>8,920</u>
Net Cash Provided by Operating Activities	<u>21,797</u>

Investing Activities

Cash proceeds from Certificate of Deposit	<u>10,000</u>
Net Cash Provided by Investing Activities	<u>10,000</u>

Net Decrease in Cash and Cash Equivalents	31,797
Cash and Cash Equivalents as of Beginning of Year	60,605
Cash and Cash Equivalents as of Ending of Year	<u>\$ 92,402</u>

See Accompanying Notes to the Financial Statements

Statement of Cash Flows

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION
Statement of Functional Expenses
For the Year Ended June 30, 2016

Statement D

	General and <u>Administrative</u>	<u>Program Services</u>	<u>Total Expenses</u>
Bank Service Charges	191	-	191
Awards and Courtesies	-	1,040	1,040
Depreciation	8,456	-	8,456
Automobile Expense	6,754		6,754
Office Expenses and Supplies	245	855	1,100
Operating Costs	-	116,077	116,077
Payroll Expenses	-	6,997	6,997
Professional Fees	10,123	3,075	13,198
Telephone	-	4,438	4,438
Travel	-	756	756
Total Functional Expenses	<u>25,769</u>	<u>133,238</u>	<u>159,007</u>

See Accompanying Notes to Financial Statements

Statement of Functional Expenses

NOTES

Grambling University Athletic Foundation
Grambling, Louisiana

Notes to the Financial Statements as of and
for the Year Ended 06/30/16

NOTE A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Grambling University Athletic Foundation (the Foundation) is an independent, nonprofit corporation organized for the purpose of improving and expanding the athletic programs at Grambling State University in compliance with National Collegiate Athletic Association (NCAA) regulations. Support for the Foundation's efforts is funded primarily from membership dues, contributions, and fundraising activities. The Foundation is not focused on financial gain but rather the enhancement of Grambling State University, particularly its athletic program.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

The Foundation records donations of property, furniture, and equipment as support at their fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Assets purchased by the Foundation are recorded at costs.

The Foundation records, at cost, purchases of property and equipment in excess of \$5,000 as fixed assets. Donations of property and equipment are recorded at fair market value at the time of donation. Depreciation is calculated on the straight line method over the useful lives of its respective assets.

Automobiles	5 Years
Computer Equipment	5 Years
Equipment	8 Years
Office Furniture	8 Years

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Revenue Recognition

In order to comply with restrictions, which donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consists mainly of fundraising, and contributions. Grants and other contributions of cash and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restriction or restrictions designated by the governing board. Contributions are considered to be unrestricted unless restricted by the donor. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support and Revenue

The Foundation is funded substantially by membership dues and contributions. Contributions that are restricted by time by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a time restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Foundation considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

Contributed Services

The Foundation receives significant services donated by members from the various communities it serves in conducting its programs. No amounts have been reflected in the financial statements for those services.

Income Taxes

The Foundation is a non-profit corporation, exempt under section 501 (c) (3) of the internal revenue code and did not conduct unrelated business activities. Therefore, no provision for corporate income taxes has been included in the financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of February 24, 2016 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audits by Internal

Revenue service for the years ended June 30, 2012, 2013, 2014, 2015, and 2016; however, there are currently no audits for any tax period in progress.

NOTE B. CASH AND CASH EQUIVALENTS

For the period ended June 30, 2016, the Foundation had the following cash
Temporarily Restricted \$92,402

Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Carrying values approximate their fair values because of short term maturities of the financial instruments.

The Foundation also has Certificates of Deposits in the amount of \$51,868

NOTE C. PROPERTY, PLANT, AND EQUIPMENT

A summary of changes in property, plant, and equipment for the year ended June 30, 2016 is as follows:

	Balance @			
	<u>07/01/15</u>	Additions	Retirements	Balance
06/30/14 Automobile	\$ 63,422		0	63,422
Furniture and Equipment	4,341	-		4,341
Depreciation	(55,077)	-8,456	0	63,533
	<u>12,686</u>	<u>-8,456</u>	<u>0</u>	<u>4,230</u>

For the period ended June 30, 2016 the Foundation entered into a short-term lease agreement with the Grambling University Alumni Association that provided the Foundation with the use of an office, the use of dining area, restrooms and kitchen area within the structure of its Alumni House located at 386 R.W.E. Jones Drive, Grambling, Louisiana 71245. The lease is renewable in six-month intervals and requires payment of \$250.00 monthly.

NOTE E. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis on the statement of activities. Accordingly, certain costs have been allocated among the programs supporting services benefited.

NOTE F. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were

available to be issued, December 28, 2016, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTAL INFORMATION

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SCHEDULE OF FINDINGS AND RESPONSES

Grambling University Athletic Foundation Grambling, Louisiana

Findings for the Current Year Ended June 30, 2016

FINDING 2016-1 –Inadequate segregation of duties:

Criteria: Duties should be distributed among employees

Condition: Inadequate segregation of duties

Context: The district has only one person for handling the duties of the office personnel.
Office duties are a part-time job.

Effect of Condition: Internal control is weakened by the limited staff. Risk is mitigated and internal control is strengthened by the continuing oversight of the board.

Cause of Condition: The staff consists of only one person.

Recommendation: Hire more employees and redistribute duties.

Client Response: This would be impractical and cannot be remedied due to lack of funds. The condition is mitigated to a great extent by the continuing close scrutiny of the Board of Directors.

FINANCIAL IMPACT OF FINDING: Finding without cause- resolution of finding is under the control of the agency and would be cost effective.

Findings for the Prior Year Ended June 30, 2015

FINDING 2015-1 –Inadequate segregation of duties:

Criteria: Duties should be distributed among employees

Condition: Inadequate segregation of duties

Context: The district has only one person for handling the duties of the office personnel.
Office duties are a part-time job.

Effect of Condition: Internal control is weakened by the limited staff. Risk is mitigated and internal control is strengthened by the continuing oversight of the board.

Cause of Condition: The staff consists of only one person.

Recommendation: Hire more employees and redistribute duties.

Client Response: This would be impractical and cannot be remedied due to lack of funds. The condition is mitigated to a great extent by the continuing close scrutiny of the Board of Directors.

Board of Directors
6/30/2016

Mrs. Nelda W .Baisy	P. O. Box 396 Grambling, LA 71245 (318) 247-6912 (Home)	Secretary	Dr. Dorothy Hardy,	P O. Box 689 Grambling, LA 71245	Financial Secretary
Dr. Richard Ballard	3700 High Pointe Drive Ruston, LA 71270 (318) 251-2281 (Home) (318) 251-6387 (Office)		Dr. Raymond Hicks	110 Holcomb Drive Shreveport, LA 71103 Email: rhicks20@bellsouth.net	
Ms. Melissa Bickham	President, GUNAA Post Office Drawer 565 Grambling, LA 71245 (318) 247-6770 Email: President@gunaa.net		Mr. Roy L Jackson	112 Wayside Grambling, LA 71245 (318) 237-5144 (Cell) (318) 247-0429 (Fax) Email: Jack1957@suddenlink.net	Vice President
Dr. Suzanne M. Mayo	P. O. Box 384 Grambling, LA 71245 (318) 274-8110 Email: drsuzannemayo@gmail.com		Mrs. Theresa G. Jacobs	Post Office Box 252 Grambling, LA 71245 E-mail: jacobsheath@aol.com	
Dr. Joseph Carter	3844 Earnes Circle Shreveport, LA 71119 (318) 635-8042 (Home) (318)635-8043 ((Fax) Email: drredcarter@bellsouth.net		Mr. Edward C Johnson	203 Lansdowne Drive Sildell, LA 70461 (985) 643-9018	
Mr. Gardner N. Clark	128 Sandbed Road #9 Ruston, LA 71270 (318) 247-0140 (Home) Email: gnathanielclark@yahoo.com		Mr. Reginald Johnson	1437 Peak Cedar Hill, TX 75104 (214) 538-9009 Email: rjohnson96@tx.rr.com	
Mr. Henry Coaxum	Coaxum Enterprises, Inc. 231 Harbor Circle Court New Orleans, LA 70126 (504) 388-6718 (Pager) Email: hcoaxum@cox.net		Mr. Douglas T. Porter	1415 MLK Jr., Avenue Grambling, LA 71245 (318) 247-6934 (Home) Email: porterdouglas@att.net	President
Lt Col.Ret.Ewing Collier	Post Office Box 343 Grambling, LA 71245 (318) 247-6516 Email: collier256306@bellsouth.net		Mr. Roosevelt Richardson, Jr.	15950 S.W. 14 Street Pembroke Pines, FL 33027 (954) 450-5302 (Home) Email: roehall@aol.com	
Mr. Lamarr Davis	Post Office Box 620 Hodge, LA 71247 (318) 259-7598 (Home) Email: ggalice2@aol.com	Treasurer	Mr. Moses Shilow	Post Office Box 2434 Opelousas, LA 70571 (318) 470-9505 (Cell) Email: mores.shilow@brammer.com	
Mr. Wilbert Ellis	Post Box 787 Grambling, LA 71245 (318) 614-8716		Mr. Leon Smith	3112 Dove Court Alexandria, LA 71301 (318)289-5816 Email: lsmithret11@gmail.com	
			Mr. Jeffrey Thomas	Post Office Box 19432 Shreveport, LA 71149 (512)589-5417 (Cell) Email: thomasmgt@gmail.com	
			Mr. Robert Williams	23431 Plank Road Zachary, LA 70791 (225) 654-4658 (Home)	

GRAMBLING UNIVERSITY ATHLETIC FOUNDATION
Reconciliation of Cash to Net Assets

EXPENSES

	Beginning Balance	Support	Management		Fund	Total	Interfund Transfers		Ending Balance
			Program	and General			34% Fee	Total	
	8/1/15	Revenue			Raising	Expenses	Other Transfers	Total Transfers	6/30/16
Athletic Advisory	-	-	-	-	-	-	-	-	-
Athletic Auxiliary	(8,218)	-	-	-	-	-	-	-	(8,218)
Athletic Director's Special Account	1,940	-	575	-	-	575	-	-	1,365
Athletic Special Account	6,754	-	-	-	-	-	-	-	6,754
Baseball	87	2,500	279	-	-	279	(75)	(75)	2,233
Basketball-Men's	548	30,600	11,667	-	-	11,667	(900)	(900)	17,911
Basketball-Women's	256	20,750	7,330	-	-	7,330	(623)	(623)	12,454
Bowling	60	-	-	-	-	-	-	-	60
Chancellor's	(2,005)	-	-	-	-	-	-	-	(2,005)
Culvahouse-Scholarships	51,957	243	10,600	-	-	10,600	(7)	(7)	49,703
Carrie Foundation	749	-	-	-	-	-	-	-	749
External Relations (Golf Tournaments)	3,641	-	-	-	-	-	-	-	3,641
Football	985	34,430	16,367	-	-	16,367	(1,033)	(1,033)	18,015
Football-Banquet	5,265	300	2,403	-	-	2,403	(9)	(9)	3,153
Fred Hobby Scholarship	287	-	-	-	-	-	-	-	287
Friends of Football	3,899	-	1,231	-	-	1,231	-	-	2,668
Golden Masquerade Ball	-	20,900	7,299	-	-	7,299	(627)	(627)	12,974
Golf	193	-	-	-	-	-	-	-	193
OSU Middle S	180	-	-	-	-	-	-	-	180
Leonard Griffin	3,434	-	-	-	-	-	-	-	3,434
Oreola Dance	3,253	10,993	9,582	-	-	9,582	(330)	(330)	4,334
Radio Promotions	358	-	-	-	-	-	-	-	358
Robert Piper Scholarship	805	-	-	-	-	-	-	-	805
Robinson Stadium Salls Seats	8,122	-	-	-	-	-	-	-	8,122
Rantes Lincoln CVI	9,700	-	-	-	-	-	-	-	9,700
Satin Bibbs	-	-	-	-	-	-	-	-	-
Soccer	-	-	-	-	-	-	-	-	-
Softball	(465)	5,743	5,951	-	-	5,951	(172)	(172)	(845)
Sponsorship/Media	8,390	12,500	23,379	-	-	23,379	(375)	(375)	(2,864)
Sports Information	(27)	-	-	-	-	-	-	-	(27)
Sports Medicine	318	-	-	-	-	-	-	-	318
State Farm Life Season Book	4,747	-	356	-	-	356	-	-	4,391
Student Affairs	1,979	-	221	-	-	221	-	-	1,758
Tennis	17	-	-	-	-	-	-	-	17
Track	191	-	-	-	-	-	-	-	191
Volleyball	35	635	447	-	-	447	(19)	(19)	204
Total Temporarily Restricted Net Assets	106,616	133,594	97,397	-	-	97,897	(4,170)	(4,170)	143,542
Unrestricted Net Assets									
** Operating (includes net investment in equipment)	(169,605)	9,507	26,800	24,799	910	52,509	4,170	4,170	(199,437)
Football Concessions	27,342	-	-	-	-	-	-	-	27,342
Savings (Former Escrow)	9,957	-	-	-	-	-	-	-	9,957
Snows & Ties	399	-	-	-	-	-	-	-	399
* Tiger Club	136,290	23,345	8,541	60	-	8,601	-	-	151,074
R.V. Parking	2,494	-	-	-	-	-	-	-	2,494
Membership Dues (BOD)	6,850	-	-	-	-	-	-	-	6,850
Board Designated									
Eddie Robinson Educational Fund	168	-	-	-	-	-	-	-	168
Total Unrestricted Net Assets	22,896	32,392	35,341	24,859	910	61,110	4,170	4,170	(1,153)
Total Net Assets	129,512	171,986	132,738	24,859	910	158,607	0	0	142,389

Fund Balance Summary-W/Book

Grambling University Athletic Foundation
Grambling, Louisiana

Schedule of Compensation,
Benefits and Other Payments to Agency Head,
or Chief Executive Officer
6-30-2016

Agency Head Name: Gloria Smallwood

Purpose	Amount
Salary	\$6,994
Benefits-insurance	0
Benefits-retirement	0
Benefits-<list any other here>	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0

Gloria Smallwood, Secretary, receives \$6,994. She receives no other benefits.

Year Ended 6-30-2016