

**INDEPENDENT  
ACCOUNTANT'S AUDIT REPORT**

**UNIVERSITY OF SCIENCE AND ARTS OF  
OKLAHOMA  
ALUMNI ASSOCIATION**

**JUNE 30, 2021**

BY



**University of Science and Arts of Oklahoma**  
**Alumni Association**  
**For Year Ended June 30, 2021**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
USAO Alumni Association  
Chickasha, Oklahoma

We have reviewed the accompanying financial statements of University of Science and Arts of Oklahoma Alumni Association (an Oklahoma Non-Profit Company), which comprise the Statement of Financial Position as of June 30, 2021, and the related Statements of Activities and Changes in Net Assets and Cash Flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Furrh & Associates, PC*

Furrh & Associates, PC

Lawton, Oklahoma

May 13, 2023

**University of Science and Arts of Oklahoma**  
**Alumni Association**  
**Chickasha, Oklahoma**  
**Statement of Financial Position**  
**Year Ended June 30, 2021**

**Assets**

Current Assets		
Cash and cash equivalents	\$ 580,453	
Accounts Receivable	45	
Total Current Assets	580,498	\$ 580,498
Long Term Assets		
Oil Leases	14,546	
Investments	2,010,601	
Total Long Term Assets	2,025,147	2,025,147
Total Assets		\$ 2,605,645

**Net Assets**

Net Assets - With Donor Restrictions	\$ 2,136,806	
Net Assets - Without Donor Restrictions	468,839	
Total Net Assets	2,605,645	2,605,645
Total Liabilities and Net Assets		\$ 2,605,645

Please see accompanying notes to the financial statements.

**University of Science and Arts of Oklahoma**  
**Alumni Association**  
**Chickasha, Oklahoma**  
**Statement of Activities and Changes in Net Assets**  
**Year Ended June 30, 2021**

<u>Revenue</u>	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Total</u>
Scholarships	\$ 192,223	\$ 0	\$ 192,223
Investment Income	49,930	9	49,939
Miscellaneous Income	0	1,902	1,902
Royalty Income	0	1,027	1,027
OCLA Reunion Income	0	450	450
Total Revenue	<u>242,153</u>	<u>3,388</u>	<u>245,541</u>
<u>Expenditures</u>			
Scholarships	75,198	0	75,198
Investment Expenses	0	18,762	18,762
Management and General	0	11,397	11,397
Student Leadership Program Expenses	0	2,944	2,944
Homecoming and Reunion Expenses	0	575	575
Total Expenses	<u>75,198</u>	<u>33,678</u>	<u>108,876</u>
<u>Changes in Net Assets from Operations</u>	166,955	(30,290)	136,665
<u>Net Assets, June 30, 2020</u>	<u>1,969,851</u>	<u>499,129</u>	<u>2,468,980</u>
<u>Net Assets, June 30, 2021</u>	<u>\$ 2,136,806</u>	<u>\$ 468,839</u>	<u>\$ 2,605,645</u>

Please see accompanying notes to the financial statements.

**University of Science and Arts of Oklahoma**  
**Alumni Association**  
**Chickasha, Oklahoma**  
**Statement of Cash Flows**  
**Year Ended June 30, 2021**

**Cash Flow from Operating Activities**

Cash Received from Members	\$ 192,673
Cash Received from Investments	49,939
Cash Received from Other Sources	2,929
Cash Paid for Scholarship Expenses	(75,198)
Cash Paid for Management and General	(30,159)
Cash Paid for Program Expenses	<u>(3,519)</u>

Net Cash Provided by Operating Activities	\$ 136,665
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**Cash Flow from Investing Activities**

Sale of Investments	<u>\$ 57,294</u>
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Net Cash Provided by Investing Activities	<u>57,294</u>
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<u>Net Increase (Decrease) in Cash and Cash Equivalents</u>	193,959
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<u>Cash and Cash Equivalents, Beginning of Period</u>	<u>386,494</u>
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<u>Cash and Cash Equivalents, End of Period</u>	<u><u>\$ 580,453</u></u>
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Please see accompanying notes to the financial statements.

**University of Science and Arts Alumni Association**  
**Chickasha, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

**Note 1 – Organization and Brief History**

The University of Science and Arts (USAO) Alumni Association. (the Association) was established in May 1917. However, it did not incorporate in the State of Oklahoma until 1995. The Association was formed to unite alumni to foster relationships that will strengthen USAO through reunions, scholarships, class projects and programs that benefit current students. The Association is exempt from income tax under Section 501(c) 3 of the Internal Revenue Code.

**Note 2 – Accounting Policies**

Basis of Accounting

The financial statements of the Association are presented on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when measurable and available, and expenditures are recognized when obligations are incurred for receipt of goods and services. Any unearned portion of dues is recorded as a deferred dues liability.

For financial statement presentation the Association follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements for Not-for-profit organizations. Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Statement of Cash Flow

For the purpose of the statement of cash flows, the Association considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Restricted and Unrestricted Revenues

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of the revenue source or purpose.

Use of Estimates

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

**University of Science and Arts Alumni Association**  
**Chickasha, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

Donated Services

Unpaid volunteer officers and committees conduct significant portions of the Association’s functions. The value of this contributed time is not reflected in the accompanying financial statements since the recognition criteria under SFAS No. 116 were not met.

**Note 3 – Cash and Cash Equivalents**

The Association’s cash, deposits, and investments are classified in the following categories:

- A. Insured or collateralized with securities held by the entity or by its agent in the entity’s name.
- B. Collateralized with securities held by the pledging financial institution’s trust department or agent in the entity’s name.
- C. Uncollateralized.

	A	B	C	Total
Cash on Hand	\$ 0	\$ 0	\$ 50	\$ 50
Cash in Bank	580,403	0	0	580,403
Total	\$ 580,403	\$ 0	\$ 50	\$ 580,453

All accounts are insured by the Federal Deposit Insurance Corporation (FDIC).

**Note 4 – Subsequent Events**

Subsequent events were evaluated through May 13, 2023, which is the date the financial statements were available to be issued.