



**ROWAN UNIVERSITY  
STUDENT GOVERNMENT ASSOCIATION**

Financial Statements

June 30, 2008 and 2007

(With Independent Auditors' Report Thereon)



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## **Independent Auditors' Report**

The Executive Board  
Rowan University Student  
Government Association:

We have audited the accompanying statements of financial position of Rowan University Student Government Association (the Association) as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rowan University Student Government Association as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

**KPMG LLP**

February 5, 2009

**ROWAN UNIVERSITY  
STUDENT GOVERNMENT ASSOCIATION**

Statements of Financial Position

June 30, 2008 and 2007

<b>Assets</b>	<b>2008</b>	<b>2007</b>
Deposits held by Rowan University:		
Cash and cash equivalents	\$ 649,183	615,588
Investments, at fair value	727,579	660,037
Total assets	\$ 1,376,762	1,275,625
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 9,935	61,913
Net assets – unrestricted:		
Undesignated	678,942	661,260
Designated for support of chartered organizations	687,885	552,452
Total net assets – unrestricted	1,366,827	1,213,712
Total liabilities and net assets	\$ 1,376,762	1,275,625

See accompanying note to financial statements.

**ROWAN UNIVERSITY  
STUDENT GOVERNMENT ASSOCIATION**

Statements of Activities

Years ended June 30, 2008 and 2007

	<b>2008</b>	<b>2007</b>
Revenues, gains, and other support:		
Student activity fees	\$ 881,869	841,052
Contributions	370,706	564,503
Interest income	47,890	49,565
Net unrealized gains on investments	35,051	1,831
Other revenue	—	3,150
	<b>1,335,516</b>	<b>1,460,101</b>
Expenses:		
Program	1,078,374	1,293,555
Management and general	104,027	158,452
	<b>1,182,401</b>	<b>1,452,007</b>
Increase in net assets	153,115	8,094
Net assets as of beginning of year	1,213,712	1,205,618
Net assets as of end of year	\$ 1,366,827	1,213,712

See accompanying note to financial statements.

**ROWAN UNIVERSITY  
STUDENT GOVERNMENT ASSOCIATION**

Statements of Cash Flows

Years ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Increase in net assets	\$ 153,115	8,094
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
(Decrease) increase in accounts payable and accrued expenses	(51,978)	44,641
Net unrealized gains on investments	<u>(35,051)</u>	<u>(1,831)</u>
Net cash provided by operating activities	66,086	50,904
Cash flows from investing activities:		
Purchases of investments	<u>(32,491)</u>	<u>(29,979)</u>
Net increase in cash and cash equivalents	33,595	20,925
Cash and cash equivalents as of beginning of year	<u>615,588</u>	<u>594,663</u>
Cash and cash equivalents as of end of year	<u>\$ 649,183</u>	<u>615,588</u>

See accompanying note to financial statements.

**ROWAN UNIVERSITY  
STUDENT GOVERNMENT ASSOCIATION**

Note to Financial Statements

June 30, 2008 and 2007

**Organization and Summary of Significant Accounting Policies**

***Organization***

Rowan University Student Government Association (the Association) is a not-for-profit organization established to provide funds to chartered organizations of Rowan University, except recognized social fraternities, sororities, and religious organizations. Chartered student organizations may only request funds that are expressly consistent with their major purpose.

The Association is an organization described under Section 501(c)(3) of the Internal Revenue Code and therefore is exempt from Federal income taxes under Section 501(a) of the Code.

***Summary of Significant Accounting Policies***

***Basis of Presentation***

The accompanying financial statements have been prepared on the accrual basis of accounting and focus on the Association taken as a whole and present balances and transactions according to the existence or absence of donor-imposed restrictions. All of the net assets, revenues and expenses of the Association are dedicated to providing scholarships to students of Rowan University and the continued support of chartered organizations of Rowan University and are considered unrestricted.

***Revenue Recognition***

The Association is funded primarily by student activity fees, which are collected from all Rowan University undergraduate matriculated students. Revenue is recognized in the period earned.

***Contributions***

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional. Contributions of assets other than cash are recorded at their estimated fair value at the date of contribution.

***Functional Allocation of Expenses***

The costs of providing program and management and general services of the Association have been summarized on a functional basis in the statements of activities.

Program expenses consist primarily of the operating expenses of the chartered student organizations and scholarships awarded to students.

***Cash Equivalents and Investments***

The Association classifies as cash equivalents, funds which are in short-term, highly liquid investments and are readily convertible to known amounts of cash.

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Note to Financial Statements

June 30, 2008 and 2007

Investments are recorded at fair value, based on quoted market values obtained from the investment custodian, and consist of amounts invested in U.S. Treasury Bonds.

Cash, cash equivalents, and investments are held by Rowan University, as custodian for the Association. These funds are combined by Rowan University in order to create a larger scale investment program.

***Contributed Facilities***

The Association utilizes space and utilities provided by Rowan University. Management estimates that the costs to Rowan University of providing such space and utilities are minimal and therefore, such costs have not been included in the accompanying financial statements.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.