



STATE OF ARIZONA
CORPORATION COMMISSION
CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE

AZ Corp. Commission



01794141

DUE ON OR BEFORE 10/27/2006

FY06-07

FILING FEE \$10.00

The following information is required by A.R.S. §§10-1622 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. §§10-121.A. & 10-3121.A. YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM. Make changes or corrections where necessary. Information for the report should reflect the current status of the corporation. See instructions on page 4 for proper format.

1. -0052672-1
THE NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.
NAU OLD MAIN BLDG #307
PO BOX 4094
FLAGSTAFF, AZ 86011

RECEIVED

OCT 31 2006

ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

Business Phone: _____

(Business phone is optional.)

State of Domicile: ARIZONA

Type of Corporation: NON-PROFIT

2. Statutory Agent: A DEAN PICKETT
Mailing Address: 100 N ELDEN ST
City, State, Zip: FLAGSTAFF, AZ 86001

Physical Address, If Different.

Physical Address:

City, State, Zip:

ACC USE ONLY

Fee \$ _____

Penalty \$ _____

Reinstate \$ _____

Expedite \$ _____

Resubmit \$ _____

Use this box only if appointing a new Statutory Agent

If appointing a new statutory agent, the new agent **MUST** consent to that appointment by signing below.

I, (individual) or We, (corporation or limited liability company) having been designated the new Statutory Agent, do hereby consent to this appointment until my removal or resignation pursuant to law.

Signature of new Statutory Agent

Printed Name of new Statutory Agent

3. Secondary Address:

(Foreign Corporations are **REQUIRED** to complete this section).

4. Check the one category below which best describes the CHARACTER OF BUSINESS of your corporation.

BUSINESS CORPORATIONS

- | | |
|---|--|
| <input type="checkbox"/> 1. Accounting | <input type="checkbox"/> 20. Manufacturing |
| <input type="checkbox"/> 2. Advertising | <input type="checkbox"/> 21. Mining |
| <input type="checkbox"/> 3. Aerospace | <input type="checkbox"/> 22. News Media |
| <input type="checkbox"/> 4. Agriculture | <input type="checkbox"/> 23. Pharmaceutical |
| <input type="checkbox"/> 5. Architecture | <input type="checkbox"/> 24. Publishing/Printing |
| <input type="checkbox"/> 6. Banking/Finance | <input type="checkbox"/> 25. Ranching/Livestock |
| <input type="checkbox"/> 7. Barbers/Cosmetology | <input type="checkbox"/> 26. Real Estate |
| <input type="checkbox"/> 8. Construction | <input type="checkbox"/> 27. Restaurant/Bar |
| <input type="checkbox"/> 9. Contractor | <input type="checkbox"/> 28. Retail Sales |
| <input type="checkbox"/> 10. Credit/Collection | <input type="checkbox"/> 29. Science/Research |
| <input type="checkbox"/> 11. Education | <input type="checkbox"/> 30. Sports/Sporting Events |
| <input type="checkbox"/> 12. Engineering | <input type="checkbox"/> 31. Technology(Computers) |
| <input type="checkbox"/> 13. Entertainment | <input type="checkbox"/> 32. Technology(General) |
| <input type="checkbox"/> 14. General Consulting | <input type="checkbox"/> 33. Television/Radio |
| <input type="checkbox"/> 15. Health Care | <input type="checkbox"/> 34. Tourism/Convention Services |
| <input type="checkbox"/> 16. Hotel/Motel | <input type="checkbox"/> 35. Transportation |
| <input type="checkbox"/> 17. Import/Export | <input type="checkbox"/> 36. Utilities |
| <input type="checkbox"/> 18. Insurance | <input type="checkbox"/> 37. Veterinary Medicine/Animal Care |
| <input type="checkbox"/> 19. Legal Services | <input type="checkbox"/> 38. Other _____ |

NON-PROFIT CORPORATIONS

- | |
|---|
| <input type="checkbox"/> 1. Charitable |
| <input type="checkbox"/> 2. Benevolent |
| <input checked="" type="checkbox"/> 3. Educational |
| <input type="checkbox"/> 4. Civic |
| <input type="checkbox"/> 5. Political |
| <input type="checkbox"/> 6. Religious |
| <input type="checkbox"/> 7. Social |
| <input type="checkbox"/> 8. Literary |
| <input type="checkbox"/> 9. Cultural |
| <input type="checkbox"/> 10. Athletic |
| <input type="checkbox"/> 11. Science/Research |
| <input type="checkbox"/> 12. Hospital/Health Care |
| <input type="checkbox"/> 13. Agricultural |
| <input type="checkbox"/> 14. Animal Husbandry |
| <input type="checkbox"/> 15. Homeowner's Association |
| <input type="checkbox"/> 16. Professional, commercial industrial or trade association |
| <input type="checkbox"/> 17. Other _____ |

5. CAPITALIZATION: (Business Corporations and Business Trusts are **REQUIRED** to complete this section.)

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the trust estate. **Please Print or Type Clearly.**

5a. Please examine the corporation's original Articles of Incorporation for the amount of **shares authorized**.

Number of Shares/Certificates **Authorized**

Class

Series Within Class (if any)

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the corporation's minutes for the number of **shares issued**.

Number of Shares/Certificates **Issued**

Class

Series Within Class (if any)

6. SHAREHOLDERS: (Business Corporations and Business Trusts are **REQUIRED** to complete this section.)

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% beneficial interest in the corporation. **Please Type or Print Clearly.**

Name: _____ Name: _____

NONE ☒

Name: _____ Name: _____

7. OFFICERS Please Type or Print Clearly. You Must List at Least One.

Name: Michael Beatty

Title: Chair

Address: PO Box 4094

Flagstaff AZ 86001

Date taking office: 7/16/2004

Name: Colleen Rogland

Title: Vice-Chair

Address: PO Box 4094

Flagstaff AZ 86001

Date taking office: 7/16/2004

Name: Chris Bavasi

Title: Second Vice Chair

Address: PO Box 4094

Flagstaff AZ 86001

Date taking office: 7/16/2004

Name: Harry Heng

Title: Treasurer

Address: PO Box 4094

Flagstaff AZ 86001

Date taking office: 7/16/2004

8. DIRECTORS Please Type or Print Clearly. You Must List at Least One.

Name: Please see attached

Address: _____

Date taking office: _____

Name: _____

Address: _____

Date taking office: _____

Name: _____

Address: _____

Date taking office: _____

Name: _____

Address: _____

Date taking office: _____

Name		Address	Title
Hank	Peck	PO Box 4094, Flagstaff, AZ 86011	Secretary
Rhian	Allvin	PO Box 4094, Flagstaff, AZ 86011	Director
Jeffre	Beatty	PO Box 4094, Flagstaff, AZ 86011	Director
James	Bolin	PO Box 4094, Flagstaff, AZ 86011	Director
Ernest	Calderón	PO Box 4094, Flagstaff, AZ 86011	Director
Arthur	Carlson	PO Box 4094, Flagstaff, AZ 86011	Director
Bruce	Crozier	PO Box 4094, Flagstaff, AZ 86011	Director
Robert	Crozier	PO Box 4094, Flagstaff, AZ 86011	Director
Marion	Elliott	PO Box 4094, Flagstaff, AZ 86011	Director
Jeanne	Fisher	PO Box 4094, Flagstaff, AZ 86011	Director
V	Free	PO Box 4094, Flagstaff, AZ 86011	Director
Steve	Jackson	PO Box 4094, Flagstaff, AZ 86011	Director
Robert	Kohnen	PO Box 4094, Flagstaff, AZ 86011	Director
Mark	Layton	PO Box 4094, Flagstaff, AZ 86011	Director
John	Lucking	PO Box 4094, Flagstaff, AZ 86011	Director
Christopher	McMurry	PO Box 4094, Flagstaff, AZ 86011	Director
Roy	Morey	PO Box 4094, Flagstaff, AZ 86011	Director
David	Mosow	PO Box 4094, Flagstaff, AZ 86011	Director
Donald	Murray	PO Box 4094, Flagstaff, AZ 86011	Director
Julie	Nackard	PO Box 4094, Flagstaff, AZ 86011	Director
Marshall	Pieczentkowski	PO Box 4094, Flagstaff, AZ 86011	Director
Anthony	Plese	PO Box 4094, Flagstaff, AZ 86011	Director
Lawrence	Schnebly	PO Box 4094, Flagstaff, AZ 86011	Director
Robert	Simonds	PO Box 4094, Flagstaff, AZ 86011	Director
Shirley	Weber	PO Box 4094, Flagstaff, AZ 86011	Director
Keith	Wibel	PO Box 4094, Flagstaff, AZ 86011	Director
Jeffrey	Willis	PO Box 4094, Flagstaff, AZ 86011	Director
Joseph	Worischek	PO Box 4094, Flagstaff, AZ 86011	Director

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NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.

Statements of Financial Position

June 30, 2006 and 2005

Assets	2006	2005
Cash and cash equivalents	\$ 2,725,702	\$ 1,403,409
Investments	49,535,758	46,285,752
Unconditional promises to give	3,013,384	2,338,109
Interest receivable	224,094	254,072
Other receivable	8,356	9,756
Furniture & Equipment, net of accumulated depreciation of \$12,036 and \$11,251 for the years ended June 30, 2006 and 2005, respectively.	1,244	2,029
Donated assets held for sale	427,839	427,839
Cash surrender value of life insurance	38,741	35,844
Beneficial interest in perpetual trusts	1,359,601	1,363,636
Total Assets	\$ 57,334,719	\$ 52,120,446
Liabilities and Net Assets		
Accounts payable and accrued liabilities	\$ 41,746	\$ 24,942
Assets held in custody for others	5,440,520	5,320,302
Life annuity payable	203,298	180,021
Remainder trust liabilities	419,599	429,382
Total Liabilities	6,105,163	5,954,647
Net assets:		
Unrestricted	8,895,285	7,081,177
Temporarily restricted	15,668,375	14,532,589
Permanently restricted	26,665,896	24,552,033
Total Net Assets	51,229,556	46,165,799
Total Liabilities and Net Assets	\$ 57,334,719	\$ 52,120,446

See accompanying notes to financial statements

NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.

Statement of Activities

Year ended June 30, 2006

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Other Revenue				
Public contributions	\$ 133,892	4,466,396	2,065,073	6,665,361
Revenue	349,192	-	-	349,192
Investment earnings	679,309	1,168,821	20,752	1,868,882
Unrealized gains on investments	324,810	558,870	9,922	893,602
Other income	1,234,204	-	-	1,234,204
Change in value of perpetual trusts	-	-	7,066	7,066
Change in value of split-interest agreements	-	12,035	-	12,035
Donor restrictions changed	-	(11,050)	11,050	-
Net assets released from restrictions	5,059,286	(5,059,286)	-	-
Total Support and Other Revenue	<u>7,780,693</u>	<u>1,135,786</u>	<u>2,113,863</u>	<u>11,030,342</u>
Expenses and Losses:				
Program expenses:				
Scholarships	955,470	-	-	955,470
Facilities	795,669	-	-	795,669
Grants and research	492,723	-	-	492,723
Disbursements for Educational Purposes	1,024,916	-	-	1,024,916
Other University Programs	1,116,959	-	-	1,116,959
Total program expenses	<u>4,385,737</u>	<u>-</u>	<u>-</u>	<u>4,385,737</u>
Supporting services:				
Fundraising	1,311,063	-	-	1,311,063
Management and General	269,785	-	-	269,785
Total supporting services	<u>1,580,848</u>	<u>-</u>	<u>-</u>	<u>1,580,848</u>
Total Expenses	<u>5,966,585</u>	<u>-</u>	<u>-</u>	<u>5,966,585</u>
 Increase in net assets	 1,814,108	 1,135,786	 2,113,863	 5,063,757
Net assets, beginning of year	<u>7,081,177</u>	<u>14,532,589</u>	<u>24,552,033</u>	<u>46,165,799</u>
Net assets, end of year	<u>\$ 8,895,285</u>	<u>15,668,375</u>	<u>26,665,896</u>	<u>51,229,556</u>

See accompanying notes to financial statements

NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.

Statement of Activities
Year ended June 30, 2005

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Other Revenue				
Public contributions	\$ 103,075	4,078,953	963,507	5,145,535
Revenue	564,228	-	-	564,228
Investment earnings	1,348,909	647,295	15,059	2,011,263
Unrealized gains on investments	460,592	221,022	5,142	686,756
Gain on sale of assets	5,115	-	-	5,115
Other income	64,421	-	-	64,421
Change in value of perpetual trusts	-	-	30,463	30,463
Change in value of split-interest agreements	-	172,308	-	172,308
Donor restrictions changed	-	12,947	(12,947)	-
Net assets released from restrictions	3,226,830	(3,226,830)	-	-
Total Support and Other Revenue	<u>5,773,170</u>	<u>1,905,695</u>	<u>1,001,224</u>	<u>8,680,089</u>
Expenses and Losses:				
Program expenses:				
Scholarships	965,364	-	-	965,364
Facilities	25,378	-	-	25,378
Grants and research	357,299	-	-	357,299
Disbursements for Educational Purposes	801,781	-	-	801,781
Other University Programs	942,892	-	-	942,892
Total program expenses	<u>3,092,714</u>	<u>-</u>	<u>-</u>	<u>3,092,714</u>
Supporting services:				
Fundraising	870,372	-	-	870,372
Management and General	261,869	-	-	261,869
Total supporting services	<u>1,132,241</u>	<u>-</u>	<u>-</u>	<u>1,132,241</u>
Total Expenses	<u>4,224,955</u>	<u>-</u>	<u>-</u>	<u>4,224,955</u>
 Increase in net assets	 <u>1,548,215</u>	 <u>1,905,695</u>	 <u>1,001,224</u>	 <u>4,455,134</u>
Net assets, beginning of year, as originally reported	5,532,962	12,626,894	23,257,522	41,417,378
Restatement of net assets (Note 3)	-	-	293,287	293,287
Net assets, beginning of year, as restated	<u>5,532,962</u>	<u>12,626,894</u>	<u>23,550,809</u>	<u>41,710,665</u>
Net assets, end of year	\$ <u>7,081,177</u>	<u>14,532,589</u>	<u>24,552,033</u>	<u>46,165,799</u>

See accompanying notes to financial statements

NORTHERN ARIZONA UNIVERSITY FOUNDATION, INC.

Statements of Cash Flows

Year ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash flow from operating activities:		
Increase in net assets	\$ 5,063,757	\$ 4,455,134
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Prior period adjustment	-	(719,093)
Unrealized gains on investments	(1,038,275)	(753,365)
Realized gains on investments	(563,030)	(648,558)
Donated securities	(77,897)	(67,895)
Change in value of perpetual trusts	4,035	(54,303)
Change in value of split-interest agreements	(12,035)	(172,308)
Gain on sale of assets	-	(5,115)
Depreciation	785	1,009
Contributions and net investment income restricted for long-term investment	(1,840,747)	(978,566)
Contributions restricted for capital acquisition and construction	(968,397)	(1,546,346)
Increase (decrease) in cash resulting from changes in:		
Unconditional promises to give	(675,275)	211,404
Interest receivable	29,978	(36,039)
Other receivable	1,400	2,200
Cash surrender value of life insurance	(2,897)	(2,244)
Accrued liabilities	16,804	(23,639)
Assets held in custody for others	120,218	858,961
Net cash provided by operating activities	<u>58,424</u>	<u>521,237</u>
Cash flows from investing activities:		
Proceeds from sales of assets	-	15,500
Purchases of investments	<u>(1,570,804)</u>	<u>(2,760,656)</u>
Net cash used in investing activities	<u>(1,570,804)</u>	<u>(2,745,156)</u>
Cash flows from financing activities:		
Change in life annuities and remainder trusts	25,529	(18,932)
Proceeds from contributions and investment income restricted for long-term investment	1,840,747	978,566
Proceeds from contributions restricted for capital acquisition and construction	<u>968,397</u>	<u>1,546,346</u>
Net cash provided by financing activities	<u>2,834,673</u>	<u>2,505,980</u>
Increase in cash and cash equivalents	<u>1,322,293</u>	<u>282,061</u>
Cash and cash equivalents, beginning of year	<u>1,403,409</u>	<u>1,121,348</u>
Cash and cash equivalents, end of year	\$ <u>2,725,702</u>	\$ <u>1,403,409</u>

Supplemental Schedule of Non-Cash Investing and Financing Activities:

Donated securities	\$ <u>77,897</u>	\$ <u>67,895</u>
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See accompanying notes to financial statements

9. FINANCIAL DISCLOSURE (A.R.S. §10-11622.A.9)

Nonprofit corporations **must attach** a financial statement (e.g. income/expense statement, balance sheet including assets, liabilities). All other forms of corporations are exempt from filing a financial disclosure.

9A. MEMBERS (A.R.S. § 10-11622.A.6)

Only Nonprofit Corporations must answer this question.

This corporation **DOES** ☒ **DOES NOT** ☐ have members.

10. CERTIFICATE OF DISCLOSURE (A.R.S. §§10-1622.A.8 & 10-11622.A.7)

Has ANY person serving either by election or appointment as an officer, director, trustee, incorporator and/or person controlling or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been: [Underlined portion pertains to business corporations only]

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven year period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate?
3. Or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period immediately preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box **must** be marked:

YES ☐ NO ☒

If "YES", the following information **must be submitted** as an attachment to this report for each person subject to one or more of the actions stated in Items 1. through 3. above.

- | | |
|---|--|
| 1. Full name and prior names used. | 5. Date and location of birth. |
| 2. Full birth name. | 6. Social Security Number |
| 3. Present home address. | 7. The nature and description of each conviction or judicial action; |
| 4. Prior addresses (for immediate preceding 7 year period). | the date and location; the court and public agency involved, and the file or cause number of the case. |

11. STATEMENT OF BANKRUPTCY, RECEIVERSHIP or CHARTER REVOCATION (A.R.S. §§10-202.D.2, 10-3202.D.2, 10-1623 & 10-11623)

A) Has the corporation filed a petition for bankruptcy or appointed a receiver?

One box **must** be marked:

YES ☐ NO ☒

B) Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity OR held or controlled over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in any other corporation which has been placed in bankruptcy, receivership or had its charter revoked, or administratively or judicially dissolved by any state or jurisdiction?

[Underlined portion pertains to business corporations only]

One box **must** be marked:

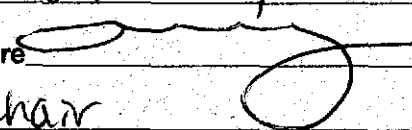
YES ☐ NO ☒

If "YES" to A and/or B, the following information **must be submitted** as an attachment to this report for each person subject to the statement above.

1. ~~The names and addresses of each corporation and the person or persons involved. (e.g. officer, director, trustee or major stockholder)~~
2. The state in which each corporation was a) incorporated b) transacted business.
3. The dates of corporate operation.
4. If any involved person (listed in #1) has been involved in any other bankruptcy proceeding within the past year, the name and address of each corporation.
5. Date, Case number and Court where the bankruptcy was filed or receiver appointed.
6. Name and address of court appointed receiver.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they will be rejected.

I declare, under penalty of law that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes have been filed with the Arizona Department of Revenue. I further declare under penalty of law that I (we) have examined this report and the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name <u>Michael Beatty</u>	Date <u>10/20/06</u>	Name _____	Date _____
Signature 		Signature _____	
Title <u>Chair</u>		Title _____	

(Signator(s) must be duly authorized corporate officer(s) listed in section 7 of this report.)