

ATHLETICS DEPARTMENT UNIVERSITY OF LOUISIANA AT MONROE

UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA

FINANCIAL AUDIT SERVICES

**Agreed-Upon Procedures Report
Issued January 29, 2025**

**LOUISIANA LEGISLATIVE AUDITOR
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TABLE OF CONTENTS

	Page
Independent Accountant's Report on the Application of Agreed-Upon Procedures	2
Statement	
Financial Statement - Statement of Revenues and Expenses (Unaudited) A	13
Notes to the Financial Statement (Unaudited)	14
Appendix	
Major Revenue and Expense Analysis (Unaudited) A	18

January 14, 2025

Independent Accountant's Report on the
Application of Agreed-Upon Procedures

DR. RONALD BERRY, PRESIDENT
UNIVERSITY OF LOUISIANA AT MONROE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA
Monroe, Louisiana

We have performed the procedures enumerated below, which were agreed to by you, as President of the University of Louisiana at Monroe (University), solely to assist you in evaluating whether the accompanying Statement of Revenues and Expenses (Statement) of the University's Athletics Department is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.17, in evaluating the University's compliance with other specified NCAA legislation, and in evaluating the effectiveness of the University's internal control over compliance for the year ended June 30, 2024. University management is responsible for the accuracy of the Statement (unaudited) and the related notes (unaudited), compliance with NCAA requirements and legislation, and internal control over financial reporting and compliance. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of management of the University. Management of the University has acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The University specified a threshold of \$2,500 for reporting exceptions and the agreed-upon procedures described below were not applied to any transactions that fell under this amount, nor did we report any exceptions noted below this amount. In addition, procedures were not performed on specific reporting categories that were less than 4% of the total revenues or expenses.

The procedures that we performed and our findings are as follows:

MINIMUM COMPLIANCE AGREED-UPON PROCEDURES

INTERNAL CONTROL

1. We obtained, through discussion with management, the identity of those aspects of internal control that management considers unique to intercollegiate athletics.
2. We performed procedures to test specific elements of the control environment and accounting systems that are unique to intercollegiate athletics to determine adherence to established policies and procedures relating to revenues and expenses. The following procedures were performed:
 - (a) We randomly selected one cash receipt batch sheet of ticket sales and followed it through the University's cash control system to determine adherence to established policies and procedures.
 - (b) We selected the five largest athletics department cash disbursement transactions and followed them through the University's accounting system to determine adherence to established policies and procedures.
 - (c) We inquired of and observed athletics department personnel to determine their compliance with policies and procedures related to the control and safeguarding of unsold tickets.

We found that the selected cash receipt batch sheet of ticket sales deposit slip had no evidence of review as prescribed by the University's established policies and procedures.

We found no other exceptions as a result of these procedures.

3. We obtained the University's procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the University's intercollegiate athletics program and performed procedures to determine the University's adherence to these procedures.

We found no exceptions as a result of these procedures.

STATEMENT OF REVENUES AND EXPENSES

GENERAL PROCEDURES

1. We obtained written representations from management as to the accuracy of the Statement, completeness of required schedules and related financial information, adequacy of controls, compliance with NCAA rules and legislations, completeness of the list of all known

affiliated and outside organizations, and other information as we considered necessary for the fiscal year ended June 30, 2024.

2. We verified the mathematical accuracy of the amounts on the Statement and compared and agreed the amounts to supporting schedules provided by the University and/or the University's general ledger.

We found no exceptions as a result of these procedures.

3. We compared and agreed a sample of two operating revenue receipts and a sample of two expense disbursements obtained from the supporting schedules to adequate supporting documentation.

We found no exceptions as a result of these procedures.

4. We compared each major revenue and expense account over 10% of total revenues or expenses for June 30, 2024, to June 30, 2023, amounts and budget estimates, to identify variations greater than 10%.

We reported the analysis in Appendix A to this report.

MINIMUM AGREED-UPON PROCEDURES FOR REVENUES

1. Using a schedule prepared by the university, we compared the value of the tickets sold, complimentary tickets provided, and unsold tickets for the reporting period per the schedule to the related revenue reported by the university in the general ledger and Statement and to the related attendance figures and recalculated the totals. We agreed the information on the schedule to the supporting game reconciliations for a random sample of one men's basketball game and one baseball game. We recalculated the reconciliations for the games tested.

We found that \$13,806 of ticket sales revenue earned in fiscal year 2023 was inappropriately included in the amount of current-year ticket sales revenue reported on the Statement. The University made the necessary adjustment to correct its Statement for the error.

We found no other exceptions as a result of these procedures.

2. We compared direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation. We recalculated the totals.

We found no exceptions as a result of these procedures.

3. We compared indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation

detail, and other corroborative supporting documents. We recalculated the totals.

We found no exceptions as a result of these procedures.

4. We selected a sample of one contractual agreement pertaining to revenues derived from guaranteed contests during the reporting period and compared and agreed the selection to the University's general ledger and Statement. We recalculated the totals.

We found no exceptions as a result of these procedures.

5. We obtained and reviewed supporting documentation for each contribution of monies, goods, or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals (two or more) that constitutes 10% or more in the aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting period. We recalculated the totals.

We found no exceptions as a result of these procedures.

6. We obtained and inspected agreements related to the University's conference distributions and participation in revenues from tournaments during the reporting period for relevant terms and conditions. We compared and agreed the related revenues to the University's general ledger and Statement. We recalculated the totals.

We found no exceptions as a result of these procedures.

7. We compared the NCAA distribution amounts recorded in the revenue and expense categories reported during the reporting period to the general ledger detail for NCAA distributions and other corroborative supporting documentation. We recalculated the totals.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES

1. We selected a sample of 10% of the total student athletes from the listing of University student aid recipients, obtained individual student-account detail for each selection, and compared total aid in the University's student system to the student's detail in NCAA's Compliance Assistant (CA) software. We performed a check of each student selected to ensure their information was reported accurately in the NCAA's CA software using criteria found in the 2024 NCAA Agreement Upon-Procedures Appendix D, step 20.C. We recalculated the totals for each sport and overall.

We found that the University uses a combination of actual and average amount to report student aid detail in the NCAA's CA software, as per NCAA Bylaws.

We found that the costs of attendance and/or housing for four students were not included in the total aid reported in NCAA's CA software. In addition, the full grant amount for one out-of-state student was incorrectly reported in NCAA's CA software.

2. We obtained from management a list of coaches and support staff/administrative personnel paid by the University and related entities during the reporting period and examined the contracts for a sample of one football, one men's basketball, and one women's basketball coach and one support staff/administrative personnel. The following procedures were performed:
 - (a) We compared and agreed the financial terms and conditions of each selection to the related salaries, benefits, and bonuses recorded by the University and related entities in the Statement during the reporting period.
 - (b) We obtained and inspected payroll summary registers for the reporting year for each selection.
 - (c) We compared and agreed payroll summary registers for each selection to the related salaries, benefits, and bonuses paid by the University and related entities' expenses recorded by the University in the Statement during the reporting period.
 - (d) We compared and agreed the totals recorded to the employment contracts executed for the sample selected.
 - (e) We recalculated the totals.

We found no exceptions as a result of these procedures.

3. We compared and agreed the University's team travel policies to existing University and NCAA-related policies. We also obtained the general ledger detail and compared it to the total team travel expenses reported and recalculated the totals.

We found no exceptions as a result of these procedures.

4. We obtained the general ledger detail for the purchase of sports equipment, uniforms, and supplies and compared the detail to the total expenses reported. We selected a sample of one transaction and validated its existence and the accuracy of its recording. We recalculated the total.

We found no exceptions as a result of these procedures.

5. We obtained the general ledger detail for game expenses and compared the detail to the total expenses reported. We selected a sample of one transaction and validated its existence and the accuracy of its recording. We recalculated the totals.

We found no exceptions as a result of these procedures.

6. We obtained a listing of debt service schedules for athletic facilities and compared the two highest payments to debt financing agreements and to the general ledger detail. We also recalculated the totals.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR OTHER REPORTING ITEMS

1. We obtained the repayment schedules and general ledger detail for all outstanding intercollegiate athletics debt during the reporting period. We recalculated the annual maturities (consisting of principal and interest) provided in the schedules obtained. We agreed the total annual maturities and total outstanding athletics debt to supporting documentation in the University's general ledger.

We found no exceptions as a result of these procedures.

2. We agreed the total outstanding University debt to the University of Louisiana at Monroe Facilities, Inc. audited financial statements.

We found no exceptions as a result of these procedures.

3. We obtained from University management schedules of all athletics dedicated endowments maintained by an affiliated organization. We agreed the fair market value in the schedules to the supporting documentation and the University of Louisiana at Monroe Athletic Foundation's audited financial statements.

We found no exceptions as a result of these procedures.

4. We agreed the total fair market value of University endowments to supporting documentation and the University of Louisiana at Monroe Foundation's audited financial statements.

We found no exceptions as a result of these procedures.

5. We obtained a schedule of athletics-related capital expenditures made by athletics, the University, and affiliated organizations during the

reporting period, additions only. We obtained and compared the general ledger detail to the total expenses reported. We selected a sample of one transaction and validated the existence of the transaction and the accuracy of its recording. We also recalculated the totals.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR NOTES AND DISCLOSURES

1. We obtained from University management a list of contributions of monies, goods, or services received directly by the intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals (e.g., contributions by corporate sponsors) that constitutes 10% or more of all contributions received for intercollegiate athletics during the reporting period, and ensured the source(s) of the funds, goods, and services, as well as the value associated with these items, were properly disclosed in the notes to the Statement.

The University of Louisiana at Monroe Athletic Foundation is the only outside organization that provided individual contributions of monies, goods, or services to the athletics department that exceeded 10% of the total contributions (see Note 1 to the Statement).

2. We obtained a description of the University's policies and procedures for acquiring, approving, depreciating, amortizing, and disposing of intercollegiate athletics-related assets. We ensured that the University's policies and procedures are properly disclosed within the notes to the Statement.

We found no exceptions as a result of these procedures (see Note 2 to the Statement).

3. We determined that intercollegiate athletics debt exists and we ensured that the repayment schedule is properly disclosed within the notes to the Statement.

We found no exceptions as a result of these procedures (see Note 3 to the Statement).

MINIMUM AGREED-UPON PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS

1. We obtained from management a listing of all affiliated and outside organizations for the reporting period. We also obtained written representations from management that the University of Louisiana at Monroe Athletic Foundation is the only outside organization created for or on behalf of the athletics department.

2. We obtained from management of the University statements for all affiliated and outside organizations and confirmed revenues and expenses directly with a responsible official of the organization.

We found no exceptions as a result of the procedures.

3. We obtained from University management a summary schedule of revenues and expenses for or on behalf of intercollegiate athletics programs by affiliated and outside organizations not under the accounting control of the University to be included with the agreed-upon procedures report as follows:

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
Revenues						
Contributions	\$265,095	\$37,422	\$33,536	\$933,891	\$118,883	\$1,388,827
In-kind				107,114	300	107,414
Total revenues	265,095	37,422	33,536	1,041,005	119,183	1,496,241
Expenses						
Athletic student aid					8,961	8,961
Coaching salaries, benefits, and bonuses paid by the University and related entities	107,215	16,006	21,105	162,217		306,543
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	4,786			21,221	51,524	77,531
Recruiting	1,064			5,799		6,863
Team travel		5,284	144	34,941		40,369
Sports equipment, uniforms, and supplies	18,682	1,125		90,911		110,718
Game expenses	2,439	2,014	720	39,449		44,622
Fundraising, marketing, and promotion	18,138			223,205	300	241,643
Athletic facilities debt service, leases, and rental fees	30,000			342,643		372,643
Direct overhead and administrative expenses				10,847		10,847
Medical expenses and insurance	12,780			20,204	8,580	41,564
Memberships and dues		1,137	195	1,134		2,466
Student-athlete meals (non-travel)	11,700	4,241		21,522		37,463
Other operating expenses	58,291	7,615	11,372	66,912	49,818	194,008
Total expenses	\$265,095	\$37,422	\$33,536	\$1,041,005	\$119,183	\$1,496,241
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

We obtained written representations from management as to the accuracy of the summary schedule.

We found no exceptions as a result of these procedures.

4. For all outside organizations that had an independent audit, we obtained the independent auditor's report to identify any significant deficiencies relating to the outside organization's internal controls. We were to make inquiries of management to document any corrective action taken in response to the significant deficiencies.

The University of Louisiana at Monroe Athletic Foundation statements were audited by an independent certified public accountant for the year ended June 30, 2024. The audit report dated September 10, 2024, included no significant deficiencies on the outside organization's internal control.

ADDITIONAL MINIMUM AGREED-UPON PROCEDURES

1. In order for the NCAA to place reliance on the Division I financial reporting to calculate the NCAA revenue distributions, we performed the following procedures:
 - (a) We compared and agreed the sports sponsored and reported in the NCAA Membership Financial Reporting System to the University's Calculation of Revenue Distribution Equivalencies Report from NCAA's CA software. We were to inquire about any discrepancies and report the justification.

We found no discrepancies as a result of these procedures.

- (b) We compared current-year Grant-in-Aid revenue distribution equivalencies to prior-year reported equivalencies per the Membership Financial Report submission. We were to inquire about and document explanations for variances greater than +/- 4%.

We noted no variance that met the +/- equivalencies threshold.

- (c) We obtained the University's Sports Sponsorship and Demographics Forms Report for the reporting period and validated that the institution's countable sports reported met the minimum requirements set forth in NCAA Bylaw 20.10.6.3, related to the number of contests and participants in each contest that is counted toward meeting the minimum contest requirement. We ensured that the University has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

We found no discrepancies as a result of these procedures

- (d) We compared the current-year number of Sports Sponsored to the prior-year reported total per the Membership Financial Report submission. We were to inquire and document an explanation for any variance.

We found no variances as a result of these procedures.

- (e) We agreed the total number of student athletes, who, during the academic year received a Pell grant award and the total amount of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated from the University's financial aid records, of all student athlete Pell Grants.

We found no discrepancies as a result of these procedures.

- (f) We compared the current-year Pell Grant total to the prior-year reported total per the Membership Financial Report submission. We were to inquire and document an explanation for any variance greater than +/- 20 grants.

We noted no variance that met the +/- 20 grants threshold.

An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the compliance of the accompanying Statement and related notes of the University's Athletics Department or on its compliance with NCAA Bylaw 20.2.4.17 or on the effectiveness of the University Athletics Department's internal control over financial reporting or compliance for the year ended June 30, 2024. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the President of the University, and is not intended to be, and should not be, used by anyone other than this specified party. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

KVL:NM:RR:BQD:aa

ULMNCAA2024

UNAUDITED

Statement A

**ATHLETICS DEPARTMENT
UNIVERSITY OF LOUISIANA AT MONROE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

**Statement of Revenues and Expenses
For the Year Ended June 30, 2024**

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
REVENUES						
Operating revenues:						
Ticket sales	\$496,610	\$157,031	\$63,232	\$137,927		\$854,800
Student fees					\$208,241	208,241
Direct institutional support	132,741		87,340	416,782	6,714,071	7,350,934
Indirect institutional support - athletic facilities debt service, lease, and rental fees					811,335	811,335
Guarantees	3,200,000	165,000	56,000	5,000		3,426,000
Contributions	265,095	37,422	33,536	975,217	505,034	1,816,304
In-kind				107,114	300	107,414
NCAA distributions					748,711	748,711
Conference distributions (non-media and non-football bowl)					2,235,893	2,235,893
Program, novelty, parking, and concession sales	43,180					43,180
Royalties, licensing, advertisement, and sponsorships					457,169	457,169
Athletics restricted endowment and investments income					2	2
Other operating revenue	29,860			29,154	114,877	173,891
Total operating revenues	<u>4,167,486</u>	<u>359,453</u>	<u>240,108</u>	<u>1,671,194</u>	<u>11,795,633</u>	<u>18,233,874</u>
EXPENSES						
Operating expenses:						
Athletic student aid	2,287,798	361,360	497,988	2,417,143	15,923	5,580,212
Guarantees	550,000	10,000	32,287	6,641		598,928
Coaching salaries, benefits, and bonuses paid by the University and related entities	2,592,704	603,258	558,098	1,636,362		5,390,422
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	404,394	82,979	3,366	153,159	2,200,701	2,844,599
Recruiting	234,307	26,883	31,111	102,361		394,662
Team travel	594,746	217,665	281,481	1,010,350		2,104,242
Sports equipment, uniforms, and supplies	444,859	54,975	73,546	462,615	10,344	1,046,339
Game expenses	396,770	219,583	211,357	487,015	32,863	1,347,588
Fundraising, marketing, and promotion	20,104	739	1,240	231,069	35,532	288,684
Athletic facilities debt service, leases, and rental fees	30,000			342,643	811,335	1,183,978
Direct overhead and administrative expenses	22,488	1,972	1,274	32,488	109,707	167,929
Medical expenses and insurance	68,478	17,149	18,328	179,181	341,080	624,216
Memberships and dues	50,072	24,387	27,688	56,022	105,289	263,458
Student-athlete meals (non-travel)	240,933	20,914	30,582	77,423	28,539	398,391
Other operating expenses	131,570	9,797	51,486	109,302	190,655	492,810
Total operating expenses	<u>8,069,223</u>	<u>1,651,661</u>	<u>1,819,832</u>	<u>7,303,774</u>	<u>3,881,968</u>	<u>22,726,458</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES	<u>(\$3,901,737)</u>	<u>(\$1,292,208)</u>	<u>(\$1,579,724)</u>	<u>(\$5,632,580)</u>	<u>\$7,913,665</u>	<u>(\$4,492,584)</u>

NOTES TO THE FINANCIAL STATEMENT

(Unaudited)

1. CONTRIBUTIONS

Individual contributions received directly by the Athletics Department from the University of Louisiana at Monroe Athletic Foundation, totaling \$427,477, exceeded 10% of the total contributions included in Statement A.

2. CAPITAL ASSETS

Capital assets are reported at cost at the date of acquisition or their estimated fair value at the date of donation. For movable property, the University's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized if they exceed \$100,000. Any infrastructure exceeding \$3 million must be capitalized, but the University does not have any infrastructure that meets that criterion. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 40 years for buildings and infrastructure, 20 years for depreciable land improvements, 3 to 10 years for most movable property, 3 years for software with an acquisition cost of \$1,000,000 or more, and 3 to 10 years for internally-generated software with development costs of \$1,000,000 or more. A threshold of \$50,000 is applied against the total contract value in the identification and reporting of leases under GASB 87, *Leases*. The threshold is applicable to lessee and lessor leases of all types including, but not limited to, leases of land, buildings, office space, vehicles, printers, computers, and other equipment. Amortization is calculated using the straight-line method over the shorter of the lease term of the useful life of the leased assets.

All departments within the University follow standardized policies and procedures prescribed by state laws and regulations for acquiring, approving, depreciating, amortizing, and disposing of capital assets.

3. LONG-TERM LIABILITY

The following is a detailed summary of bonds payable related to athletics for the year ended June 30, 2024:

Issue	Date of Issue	Original Issue	Principal Outstanding at 6/30/2023	Issued/ (Retired)	Principal Outstanding at 6/30/2024	Fiscal Year Maturities	Interest Rates	Interest Outstanding 06/30/24
2014	6/30/2014	\$1,845,000	\$210,000	(\$210,000)	NONE	2024	2.92%	NONE
2017	6/14/2017	4,000,000	1,730,000	(415,000)	\$1,315,000	2027	2.75%	\$73,013
2018	8/22/2018	2,000,000	960,000	(230,000)	730,000	2027	3.56%	52,688
2023	8/30/2023	1,550,000	NONE	1,550,000	1,550,000	2039	4.80%	624,095
Total		<u>\$9,395,000</u>	<u>\$2,900,000</u>	<u>\$695,000</u>	<u>\$3,595,000</u>			<u>\$749,796</u>

Series 2014 and Series 2023

In June 2014, the Louisiana Local Government Environmental Facilities and Community Development Authority (Authority) issued \$1,845,000 in Revenue and Refunding Bonds (Series 2014 Athletic Facilities Project). The proceeds of the bonds were loaned to University of Louisiana at Monroe Facilities, Inc. (Facilities), a blended component unit of the University, to refund a Promissory Note, finance football field improvements, and pay bond issuance costs. The Series 2014 Athletic Facilities Project bond proceeds were loaned to the Facilities pursuant to a Loan and Assignment Agreement by and between the Facilities and the Authority dated June 30, 2014.

The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bonds. As such, the loan bears interest at a rate of 2.92% per annum and matures on June 11, 2024. Principal and interest is payable on the loan each September 11, December 11, March 11, and June 11 commencing September 11, 2014, in accordance to the amortization schedule included in the bond closing documents. To secure the Facilities' obligations under the Loan and Assignment Agreement, the Facilities transferred, assigned, and pledged unto the Authority, all right, title, and interest of the Facilities in, to, and under the Agreement to Lease with Option to Purchase dated March 18, 2011, along with all amendments, between the Facilities and the Board of Supervisors for the University of Louisiana System, and any leases, subleases and use agreements or other similar agreements relating to the Scoreboards, Athletic Facilities Upgrades & Electronic Display Boards. The principal balance due on the Note Payable – Series 2014 Athletic Facilities Project Bonds totaled \$210,000 at June 30, 2023.

In August 2023, the Authority issued \$1,550,000 in Revenue and Refunding Bonds (Series 2023 Athletic Improvements Project). The proceeds of the bond issue were loaned to Facilities for the following purposes: (1) to refund the remaining principal balance of the Series 2014 Revenue and Refunding Bonds, (2) to finance a new Athletic Scoreboard project, and (3) pay bond issuance costs. The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bonds. As such, the loan bears interest at a rate of 4.80% per annum and matures on July 1, 2038. Principal is payable on the loan each July 1, commencing July 1, 2024, in accordance to the amortization schedule included in the bond closing documents. Interest is payable each

January 1 and July 1, commencing January 1, 2024. To secure the Facilities' obligations under the Loan and Assignment Agreement, the Facilities transferred, assigned, and pledged unto the Authority all right, title, and interest of the Facilities in, to, and under the Agreement to Lease With Option to Purchase dated August 1, 2023, along with all amendments, between the Facilities and the Board, and any leases, subleases, and use agreements or other similar agreements relating to the scoreboards, athletic facilities upgrades, and electronic display boards. The principal balance due on the Note Payable – Series 2023 Athletic Improvements Project bonds totaled \$1,550,000 at June 30, 2024.

Series 2017

In June 2017, the Authority issued \$4,000,000 in Revenue Bonds (Series 2017 Brown Stadium Project). The proceeds of the bonds were loaned to the Facilities, for the purpose of acquiring, designing, developing, constructing, renovating and the reconstructing of Brown Stadium and parking adjacent thereto, on the campus of the University (Brown Stadium); and to pay bond issuance costs. The Series 2017 bond proceeds were loaned to the Facilities pursuant to a Loan and Assignment Agreement by and between the Facilities and the Authority dated June 14, 2017. The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bonds. As such, the loan bears interest at a rate of 2.75% per annum and matures on June 1, 2027. Interest is payable on the loan on June 1 and December 1 of each year and principal is payable on June 1 of each year commencing December 1, 2017, in accordance to the amortization schedule included in the bond closing documents. To secure the Facilities' obligations under the Loan and Assignment Agreement, the Facilities transferred, assigned, and pledged unto the Authority, all right, title, and interest of the Facilities in, to, and under the Agreement to Lease with Option to Purchase dated June 14, 2017, between the Facilities and the Board of Supervisors for the University of Louisiana System, and any leases, subleases and use agreements or other similar agreements relating to the Brown Stadium Project, all rents, issues, receipts and profits derived from the use or occupancy of Brown Stadium, and any and all additional revenues, income, receipts and other payments, including but not limited to, insurance proceeds, grants, donations, sale proceeds received by the Facilities for or relating to Brown Stadium. The principal balance due on the Note Payable – Series 2017 Bonds totaled \$1,315,000 at June 30, 2024.

Series 2018

In August 2018, the Authority and Regions Bank entered into the First Supplemental Trust Indenture; whereby the Authority issued \$2,000,000 in Revenue Bond Series 2018 on parity with the Series 2017 Bonds. The Series 2018 bond proceeds were loaned to the Facilities pursuant to the Supplemental Loan and Assignment Agreement by and between the Facilities and the Authority dated June 14, 2017. Under the Supplemental Indenture, the Series 2018 bond proceeds were loaned to the Facilities for the purpose of financing a portion of renovating, rehabilitating, and

constructing the improvements to Brown Stadium and parking adjacent thereto on the campus and paying costs of issuance of the Series 2018 Bonds.

The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bond. As such, the loan bears interest at a rate of 3.56% per annum and matures on June 1, 2027. Interest is payable on the loan on June 1 and December 1 of each year and principal is payable on June 1 of each year commencing December 1, 2018, in accordance to the amortization schedule included in the bond closing documents. The provisions and terms, as supplemented and amended, shall have the same meaning as the original Agreement to Lease with Option to Purchase dated June 14, 2017. The principal balance due on the Note Payable – Series 2018 Bonds totaled \$730,000 at June 30, 2024.

The following is the amortization schedule for the outstanding bonds payable for the athletics department as of June 30, 2024:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$732,000	\$134,822	\$866,822
2026	756,000	111,217	867,217
2027	785,000	86,829	871,829
2028	83,000	61,464	144,464
2029	88,000	57,360	145,360
2030-2034	506,000	217,824	723,824
2035-2039	645,000	80,280	725,280
Total	<u>\$3,595,000</u>	<u>\$749,796</u>	<u>\$4,344,796</u>

MAJOR REVENUE AND EXPENSE ANALYSIS

(Unaudited)

Appendix A

Appendix A includes an analysis of revenue and expense accounts that exceed 10% of total revenues and expenses. A comparison is presented of current-year amounts to prior-year amounts and of current-year amounts to budget estimates.

**ATHLETICS DEPARTMENT
UNIVERSITY OF LOUISIANA AT MONROE
UNIVERSITY OF LOUISIANA SYSTEM
STATE OF LOUISIANA**

**Major Revenue and Expense Analysis
For the Year Ended June 30, 2024**

Accounts Exceeding 10% Threshold and Variation Greater Than 10%	Fiscal Year 2024	Fiscal Year 2023	Increase/ (Decrease)	Percent Variance	
Operating Revenues per Statement A					
Guarantees	\$3,426,000	\$4,193,500	(\$767,500)	(18%)	1
Conference distributions (non-media and non-football bowl)	\$2,235,893	\$2,797,727	(\$561,834)	(20%)	2
Operating Expenses per Statement A					
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$5,390,422	\$4,607,653	\$782,769	17%	3
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	\$2,844,599	\$2,251,587	\$593,012	26%	4
Budget					
	Fiscal Year 2024 - Actual	Fiscal Year 2024 - Budget	Increase/ (Decrease)	Percent Variance	
Conference Distributions (non-media and non-football bowl)	\$2,235,893	\$2,846,741	(\$610,848)	(21%)	2
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$5,083,879	\$4,556,114	\$527,765	12%	3
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	\$2,767,068	\$2,479,858	\$287,210	12%	4

NOTES:

The budget analysis is presented based on University data only.

1. Football had two game guarantees in fiscal year 2024 and three game guarantees in fiscal year 2023, which caused a decrease of \$765,000 in guarantee revenues.
2. Actual conference distributions are formula-based and are dependent on a number of factors. The budgeted amount for conference distributions is received directly from the Sun Belt Conference each year and is based on conservative estimates.
3. The increase in coaching salaries is due to a December changeover of the entire football coaching staff, which included annual leave payouts for the prior coaching staff plus hiring of the new coaching staff with increased salaries. The budget for coaching salaries is based on personnel actuals as of July 1, the beginning of the state fiscal year.
4. The increase in support staff/administrative compensation is due to turnover of staff in Football (non-coaching positions), Sports Information, Sports Medicine, Strength and Conditioning, and the Equipment Room, which included annual leave payouts for the prior staff plus hiring of the new staff with increased salaries. The budget for support staff/administrative compensation is based on personnel actuals as of July 1, the beginning of the state fiscal year.